



Long Term Financial Plan 2026-41

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1.0 Foreword

We are pleased to present the Shire of Augusta Margaret River Long Term Financial Plan 2026 – 2041.

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 globally, the Plan provides the council and the community with a picture of the Shire's long term financial management. The Plan has been developed to assist the Shire meet its strategic outcomes and objectives, both during and beyond current global uncertainties and other considerations which may impact the community.

The Shire will encounter many unforeseen opportunities and challenges over the next 15 years. Changes in resident and visitor 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 continue to follow the strategic direction for a promising future for our district.

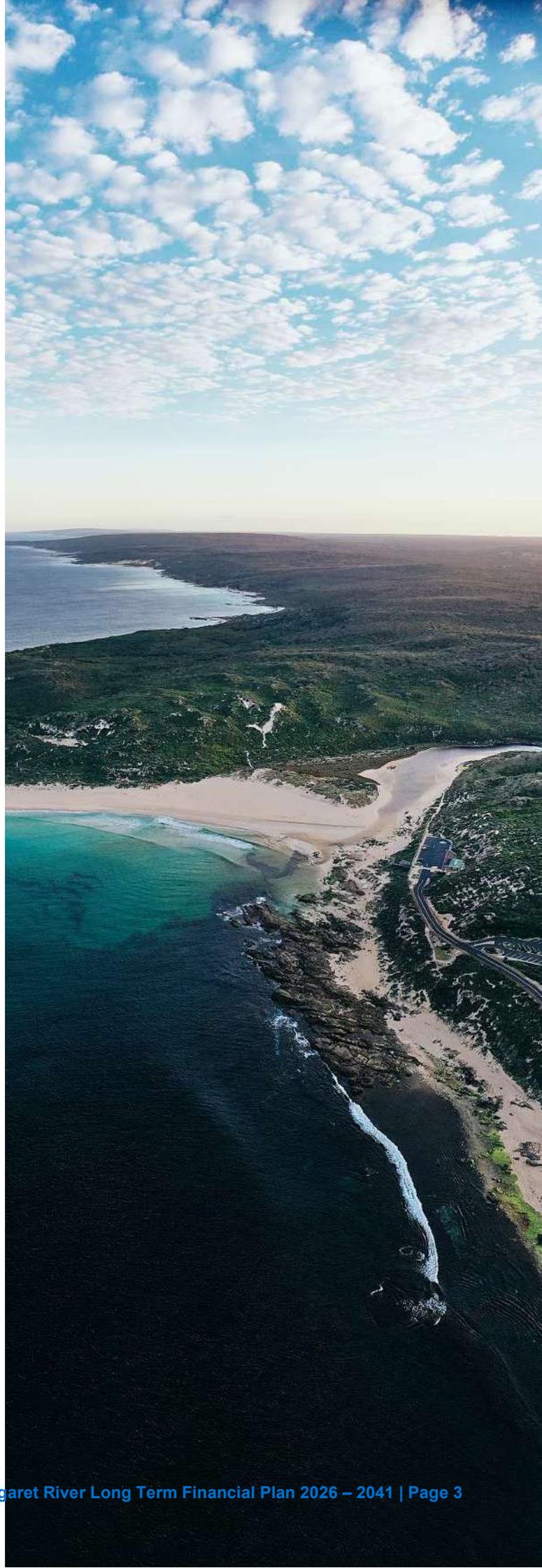
The Shire of Augusta Margaret River's Long Term Financial Plan is an important planning tool as we strive to achieve the strategies set out in the Shire of Augusta Margaret River Strategic Community Plan 2025-2035.

This Plan will be used with the Corporate Business Plan to drive the Shire in achieving its vision of "One community, standing together with nature".

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

Julia Jean-Rice
President

Andrea Selvey
Chief Executive Officer



2.0 Key Information

ASSUMPTIONS



2.5% per annum
Inflation Rate



Increasing 3.0% per annum
Population



Stable (increase where possible)
Levels of Service



Increasing
Operations



Balanced
Annual Budget



Increasing 6.50% per annum
(2.5% CPI + 3% Growth + 1% Services)
Rates



Stable 2.50% (Inflation)
Fees and Charges



Increasing 3.50% per annum
(2.5% CPI + 1%) **Year 3 onwards**
Employee Costs

STATISTICS ¹ | ²



8
Council Members



263
Employees



10,758
Electors



5,886
Dwellings²



274km
Distance from
Perth



2,122km²
Area²



16,791
Estimated
Resident
Population²

¹WALGA Online Local Government Directory 2023/24 Shire of Augusta Margaret River

²Australian Bureau of Statistics Augusta Margaret River (S) (LGA50280), viewed 25 January 2026



3.0 Shire of Augusta Margaret River

3.1 Location

The Shire of Augusta Margaret River is located in the heart of Western Australia’s South West. The Shire covers an area of 2,122 square kilometres along the stunning coastline between Cape Naturaliste and Cape Leeuwin. It is renowned for its diverse landscapes, including pristine beaches, tall forests, and productive agricultural land. The Shire has an estimated resident population in 2024 of 19,410, which is complemented by a large seasonal visitor population drawn to the region’s world-class wineries, surf breaks, and natural attractions. The main townsites are Margaret River, Augusta, and Cowaramup.

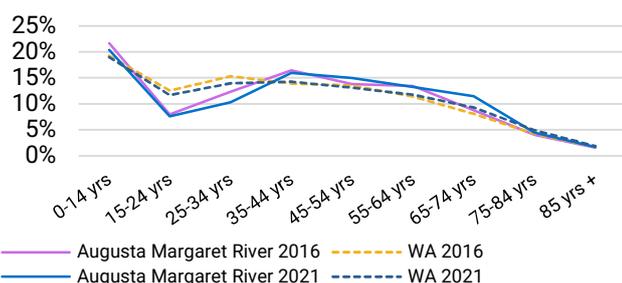
3.2 People

The following statistics reflect the population on the night of the census and the annual percentage population growth rate of the Shire’s population and the population of the state of Western Australia.

Census Population	2016		2021
Augusta Margaret River	14,258	↑	16,791
WA	2.47m	↑	2.66m
Augusta Margaret River	3.93%	↑	3.32%
WA	2.02%	↑	1.46%

The Shire had a resident population of 16,791 people (Australian Bureau of Statistics Census, 2021) on the night of the 2021 census and a population growth rate of 3.32%.

This chart reflects the percentage of the estimated resident population within each age grouping for the Shire of Augusta Margaret River (solid lines) and Western Australia (dotted lines) on the night of the 2016 and 2021 census.



In comparison to the Western Australia demographic, the Shire has a lower proportion of residents in the 15-24 age group and 25-34 age group. The proportion of people aged from 35-44 years is higher than the State average.

3.3 Strategic Objectives

The following focus areas are identified in the Shire’s Strategic Community Plan 2025-2035 and are considered within this Long Term Financial Plan.

- Caring for our natural environment
- Managing our built environment
- Looking after our growing community



4.0 Executive Summary

The following information provides a brief summary of the Long Term Financial Plan 2026 – 2041, this should be read in conjunction with the underlying assumptions detailed in this Plan.

4.1 Planning for a Progressive and Stable Future

The Shire of Augusta Margaret River is planning for a positive future with strong population growth in the district. The Shire seeks to where possible, improve service levels into the future while ensuring a healthy financial position. To achieve this the Shire will continue to look for efficiencies in its operations and provision of asset services to the community.

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.

4.2 Significant Issues

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

Road maintenance and renewal remain a high priority for the Shire due to the strategic economic benefit the road network provides to the tourism and agriculture sector. Associated with the road network is the maintenance and renewal of drainage infrastructure.

Adequate maintenance, renewal and upgrading of the road network remains highly dependent on the receipt of external grants and contributions. New assets included within this plan are funded by developer contributions.

Provision of adequate and appropriate community infrastructure to continue to supply services is a major issue for the Shire and requires significant expenditure.

Rate revenue is forecast to increase at 6.5% per annum being (CPI 2.5%+3.0% population growth %+1.0% service growth) from 2026/27 until the end of the Plan. These increases are to assist in the long term financial stability of the Shire and increases in population and to increase the level of services to the community. These increases will be reviewed annually when setting future budgets.

4.3 Forecast Capital Projects

A capital works program has been planned over the term of the Plan with focus on asset renewals aimed at ensuring the continued provision of high quality community infrastructure to residents of the Shire. New assets are forecast to be acquired from developers as the population continues to grow.

The capital works program has been developed in response to the strategic priorities identified in the Strategic Community Plan. Funding for assets has been sourced through general revenue, and external grants and contributions. External funding is required to undertake these works.

The table below shows the capital works currently planned over the period of this Plan. Certain Projects are sourced from Asset Management Plans (AMP)

4.3.1 Forecast Capital Projects by Asset Class

Project by Asset Class	2026 – 2041 Amount (\$)
Plant and equipment	
Plant replacement program	26,089,481
Furniture and equipment	
Furniture and equipment per AMP	3,000,000
Buildings	
Buildings	21,679,855
Buildings per AMP	22,950,971
Infrastructure - roads	
Infrastructure - roads	74,952,870
Infrastructure - roads per AMP	107,344,216
Infrastructure - road bridges	
Infrastructure - road bridges	24,455,011
Infrastructure - car parks	
Infrastructure - car parks	4,560,934
Infrastructure - paths	
Infrastructure - paths	8,587,975
Infrastructure - drainage	
Infrastructure - drainage	6,956,918
Infrastructure - parks and reserves	
Infrastructure - parks and reserves	11,447,184
Infrastructure - aerodromes	
Infrastructure - aerodromes	756,152
Infrastructure - boat ramps and jetties	
Infrastructure - boat ramps and jetties	4,611,946
Infrastructure - waste management facilities	
Transfer station	5,189,063
Infrastructure - public utilities	
Infrastructure - public utilities	1,154,014
Infrastructure - public utilities per AMP	3,020,225
Infrastructure - landfill	
Landfill make-good	4,178,813
Grand Total	330,935,628

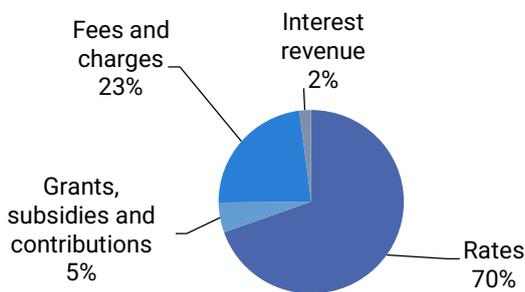
Landfill make-good expenditure will extinguish the existing make-good provision and have no impact on landfill asset values.

5.0 Long Term Financial Planning Overview

5.1 Forecast Revenue

Rates are expected to generate \$33.2m in 2026/27 before increasing at 6.5% thereafter to \$80.1m in 2040/41 and comprise 70% of operating revenue over the term of the Plan. The Shire is reliant on receiving more than \$60.6m over the next 15 years in untied operating grants, subsidies and contributions to maintain the current level of operations and services. Capital grants are expected to remain relatively stable for road renewal with significant additional grants required as council seeks to increase the level of service of community infrastructure.

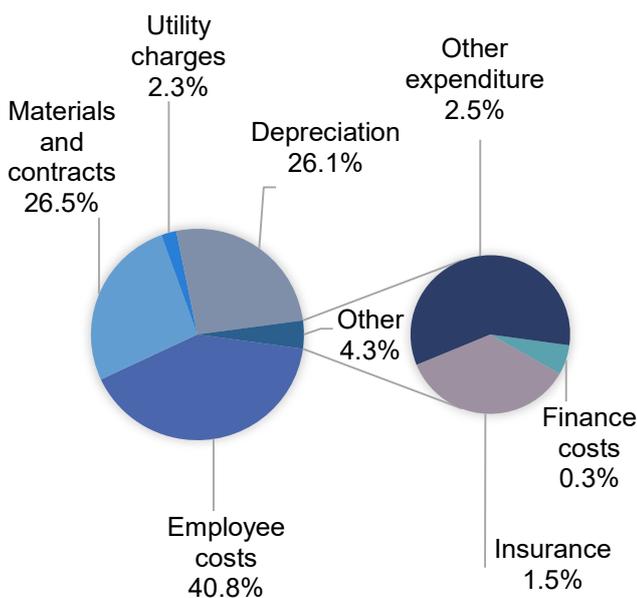
5.1.1 Revenue Composition Year 1 to 15



5.2 Forecast Expenditure

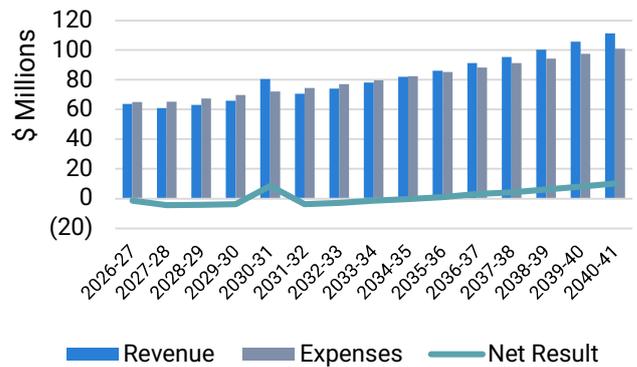
Expenditure for operating activities is forecast to increase year 1 due to the cost of a change in software systems. Thereafter expenditure increase above inflation at 3.4% per annum as services increase with population growth and depreciation is impacted by the addition of assets over the term of the Plan.

5.2.1 Expenditure Composition Year 1 to 15



5.3 Net Result

The chart below reflects in the blue columns, fluctuating revenue in the first five years of the Plan due to changes in the level of forecast capital grants, thereafter there is a steady increase in revenue at a higher rate than the increase in expenditure for the remainder of the Plan, with the green line reflecting the net result.



A negative net result over the initial term indicates net asset values will decrease as depreciation expenses erode asset values. This indicates a decrease in the level of service provision to the community from assets. Improved asset funding or changes to expected useful life of assets as they are better understood may impact the net result.

5.3 Depreciation

Ideally, the average asset renewal should be in line with depreciation over the long term, to ensure the value of assets is maintained. Given a number of assets have a life exceeding the term of the plan asset renewal and depreciation are not expected to align over the 15 years of the plan.

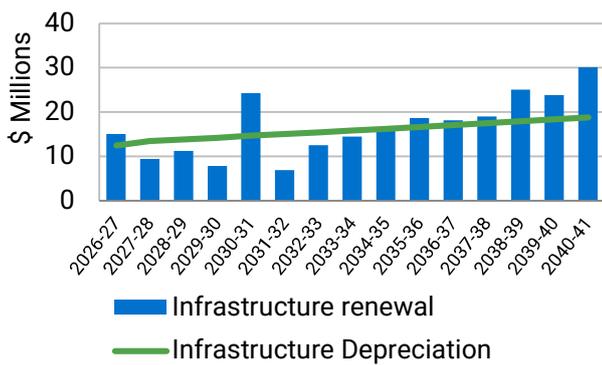
Where the planned asset renewals are higher than depreciation, the written down value of these assets will increase over time as depreciation erodes the value of the assets at a lower rate than they are renewed. Revaluation of assets in line with inflation may mask a real decrease in value where planned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

Depreciation expense increases throughout the Plan from \$16.8m in year 1 to \$24.9m in year 15 as assets are revalued and renewed.

5.0 Long Term Financial Planning Overview (Continued)

5.3.1 Infrastructure Depreciation -V- Asset Renewal Expenditure

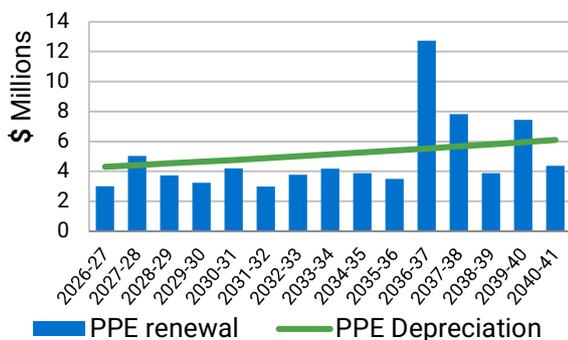
Depreciation of infrastructure over the 15 years is \$237.1m, shown by the green line in the chart below. The planned level of infrastructure asset renewal expenditure at \$252.1m (reflected by the columns) is over the term of the Plan above the level of depreciation.



There is also \$4.2m in expenditure for closure of the existing landfill. This payment to settle the provision is not included in the above renewal. 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.

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

Planned property, plant and equipment asset renewals of \$73.7m (reflected by the columns) over the 15 years is less than the depreciation of \$77.4m (reflected by the light blue line) over the same period as shown in the chart below. This is due to significant asset renewals in the final 5 years of the plan.



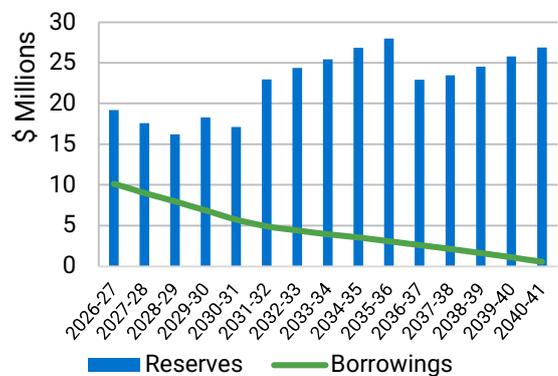
Further improvements in asset management data and the estimation of depreciation along with the future renewal of long lived assets may result in a closer alignment between asset renewals and depreciation.

5.4 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 and programs impacted by population growth increasing at an additional 2.5%.

5.5 Forecast Borrowings and Reserves

In general, the finances of the Shire are expected to remain stable over the long term. Reserves will be utilised to fund asset renewals, initially resulting in the decrease in reserve levels before increasing as the Shire saves for major forecast future asset renewals and in line with the priorities identified in the Strategic Community Plan, as shown in the chart below.



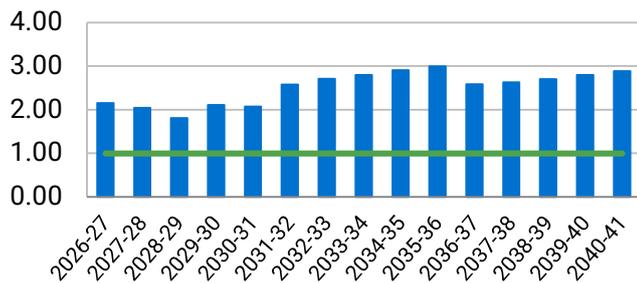
No new borrowing is planned. Borrowings are reduced to nil by 30 June 2042, this is part of the Shire’s strategy to allow flexibility to respond to sudden or unexpected expenditure requirements. This strategy also provides scope to leverage off future grant funding opportunities when, and if, they become available. The strategy also includes the use of reserve accounts to save for significant future asset renewal spikes.

5.0 Long Term Financial Planning Overview (Continued)

5.6 Forecast Operating Ratios 2026 – 2041

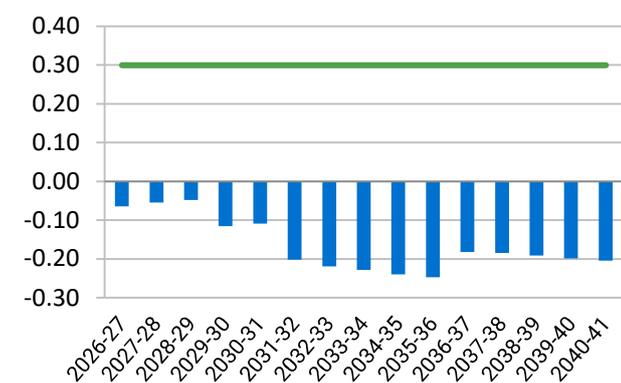
Monitoring the Shire’s financial rigidity and financial position along with its asset management performance is undertaken by preparing and monitoring various ratios utilised for the Local Government Financial Indicator on the MyCouncil website. The green line reflects the Department of Local Government, Industry Regulation and Safety (the Department) minimum target level of the ratio.

5.7 Current Ratio



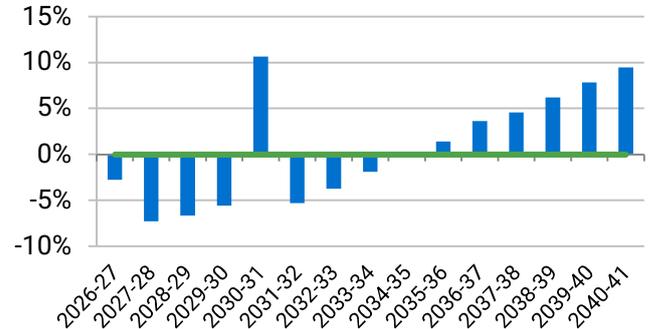
As expected for a Shire with a balanced budget, and a higher level of funds in reserve accounts the the level of current borrowing liabilities, the ratio is above 1.0. The ratio increase in line with the movement in reserve account levels. The ratio reflects the forecast current asset position of the Shire at the end of each year. The ratio does not indicate short term cashflow positions during the year.

5.8 Net Financial Liabilities Ratio



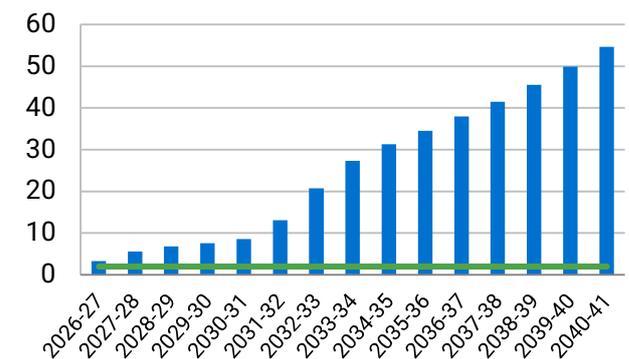
The lower the ratio the better. The ratio is below the target and fluctuates with reserve account levels indicating the Shire’s improving borrowing capacity. The ratio improves as debt is paid down and reserve account levels increase.

5.9 Operating Surplus Ratio



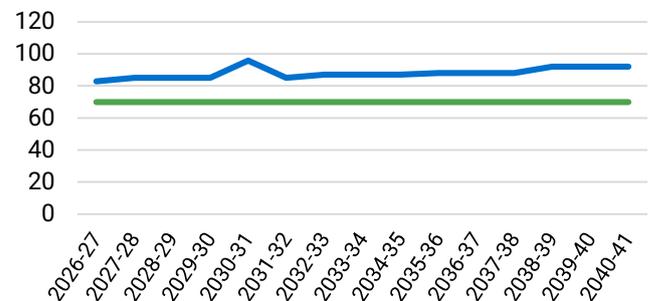
The ratio reflects the Shire has an operating deficit due to depreciation exceeding the ability of the Shire to raise rates to cover the cost of renewing its assets and the low level of capital grants. The ratio throughout the plan due to revenue increasing at a higher level than expenditure as the Shire finds efficiencies. The spike in 2030-31 is due to a planned capital grant for renewal of a road bridge.

5.10 Debt Service Cover Ratio



The ratio is just above the benchmark in the first year and improves as borrowings are repaid. The ratio indicates the Shire has improving capacity to borrow.

5.11 LGFI Score



The Local Government Financial indicator is above the target and improves over the term of the plan with a spike in 2030-31 when the Shire has planned to receive a significant grant for renewal of a road bridge.

6.0 Scenario Modelling

6.1 Scenario Modelling

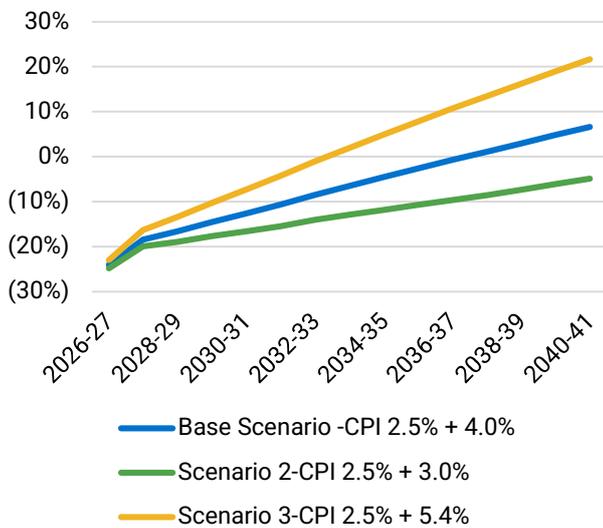
Scenarios were developed to test the financial impact of increased levels of operating funding from rates. Modelling of various scenarios were undertaken to ascertain the effects of increased and reduced funding levels.

A base scenario was developed with a rates yield 4.0% above inflation for the first 10 years 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%)	Rates total increase
Base Scenario	4.0%	6.5%
Scenario 2	3.0%	5.5%
Scenario 3	5.4%	7.9%

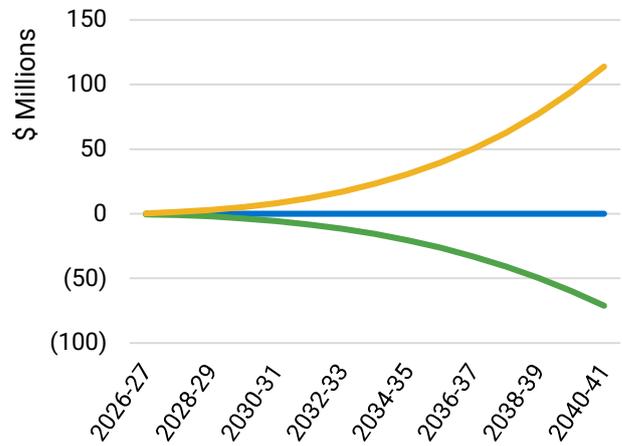
The base scenario was selected as the most appropriate and has been used for the Plan. The base scenario includes levels of rate revenue and fees and charges to ensure the current levels of service are maintained.

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 maintains existing service levels.

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 along with fees and charges results in the surplus (deficit) shown in the table below.

Base Scenario	Estimated Surplus/(Deficit)	
	Scenario 2 CPI 2.5%+ 3.0% \$	Scenario 3 CPI 2.5%+ 5.4% \$
0	(311,607)	436,250
0	(980,003)	1,382,477
0	(2,054,874)	2,921,056
0	(3,590,795)	5,143,882
0	(5,647,635)	8,153,333
0	(8,291,014)	12,063,306
0	(11,592,777)	17,000,364
0	(15,631,514)	23,104,978
0	(20,493,120)	30,532,885
0	(26,271,390)	39,456,583
0	(33,068,673)	50,066,943
0	(40,847,678)	62,574,983
0	(49,694,167)	77,213,794
0	(59,722,278)	94,240,646
0	(71,045,854)	113,939,281

7.0 Strategic Planning and Policies

7.1 Linkage with Other Plans

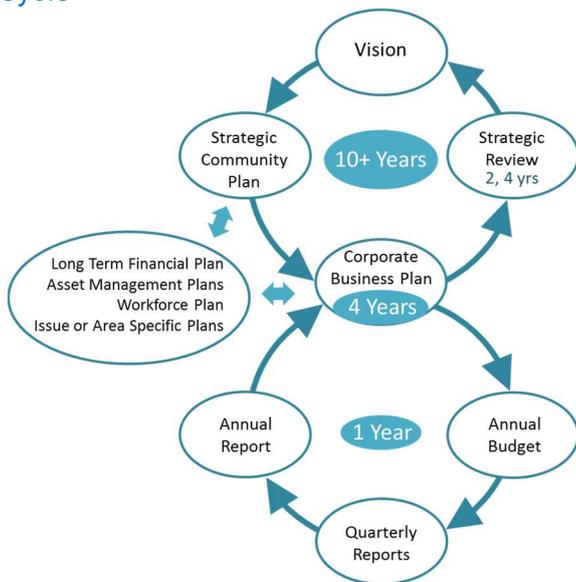
The Long Term Financial Plan is one component of a number of integrated strategic planning practices the Shire has developed. The Long Term Financial Plan considers, and influences, asset management and workforce planning along with other key strategic plans. This Long Term Financial Plan has been prepared 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.

7.3 Diagram: Integrated Planning and Reporting Cycle¹



7.4 Strategic Community Plan

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.

7.5 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 Long Term Financial 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.

7.6 Other Strategic Plans

The Asset Management Plan, Workforce Plan and other strategic plans integrate with the Long Term Financial 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.

¹ Department of Local Government, Industry Regulation and Safety, 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 reserve accounts) 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

9.1 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 increase at 3% per annum.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Rates Level Increase: Annual rates revenue has been based on an increase in the total rate yield of 6.5% being CPI 2.5% and population growth 3.0% and 1% service growth.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Grants, Subsidies and Contributions: Increases in line with inflation forecast after year 1.	Medium	Not assessed as high financial risk.	High	Not assessed as high level of uncertainty.
Capital Grants, Subsidies and Contributions: Forecast road grants in line with historic levels and significant grant for the renewal of a road bridge in 2030-31.	High	The forecast capital works program is highly dependent on external grants and contributions. Changes in these levels would impact directly on the amount spent on capital projects and ultimately impact on service levels.	High	± \$757,567 to the value of capital grants, subsidies and contributions per 1% movement in the value over the life of the Plan.
Fees and Charges: Increases at forecast inflation of 2.5%.	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: Small fluctuation during initial years before increasing 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)

9.2 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: In the initial year of the Plan, employee costs increase by 5.25% (CPI 2.5% + 2.75%), before decreasing in year 2 as the ERP project is completed. Thereafter annual employee costs has been based on an increase of 3.5% (CPI 2.5% + 1.0%).	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty. Uncertainty exists in relation to the employee costs on completion of the Enterprise Resource Planning (ERP) project. Employee cost savings in year 2 may not occur.
Materials and Contracts: Increased annually by forecast inflation. An additional increase in materials and contracts of 2.5% is forecast for certain services expected to be impacted by population growth.	Medium	Not assessed as high financial risk.	High	± \$3,202,242 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 costs due to the impacts of climate change and the current global economic uncertainty.
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: Increased annually by 3.0% (CPI 2.5% + 0.5%).	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)

9.3 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	±\$1,163,183 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan. ±\$4,703,646 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	±\$757,567 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 Forward Capital Works Plan and asset management 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)

9.4 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: No new borrowings are planned.	Low	Not assessed as high financial risk.	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.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

9.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

9.5 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
Reserve accounts: It has been assumed the Shire will invest reserve accounts 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.	Medium	Not assessed as high level of uncertainty.

9.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

9.6 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
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.	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.
Inflators: Forecast inflation at 2.5% per annum.	Medium	Not assessed as high financial risk.	High	± \$11,528,335 to operating revenue per 1% movement in the inflators over the life of the Plan. ± \$12,075,207 to operating expenditure per 1% movement in the inflators over the life of the Plan.
Commercial Activities: The Shire has no plans to undertake a significant commercial activity during the period the of the Plan.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
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.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
General Economic Forecasts for Region: The region's economy is heavily dependent on the tourism and agriculture industry. This remains the assumption for the term of this Plan.	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 ratios contained within the Local Government Financial Indicator available at <https://www.mycouncil.wa.gov.au/>.

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 Local Government Financial Indicator.

The Local Government Financial Indicator provides target levels for each of the ratios.

RATIO	CALCULATION	DEFINITIONS	OBJECTIVE AND RATIONALE
Current Ratio	Current Assets	Per Statement of Financial Position (SoFP)	The Current Ratio provides insights to the ability of a local government to meet its short-term financial obligations out of unrestricted current assets. Benchmark is 1.
	Current Liabilities	Per Statement of Financial Position (SoFP)	
Debt Service Coverage Ratio	Adjusted Operating Surplus with Exclusions	[Adjusted Operating Revenue (1) = Operating Revenues plus Federal Assistance Grants adjustment (see below)] Less [Adjusted Operating Expenses = Operating Expenses less (i) Depreciation Expense (ii) Interest Expense]	The Debt Service Coverage ratio is the measurement of a local government's ability to repay its debt including lease payments. Benchmark is 2.
	Debt Service Costs	[Debt Service Costs = Includes principal repayments (excluding refinancing loans) and Interest, including lease interest and repayments]	
Operating Surplus Ratio	Adjusted Operating Surplus	[Adjusted Operating Revenue (2) = Adjusted Operating Revenue (1) plus non-operating grants/contributions for asset renewal] Less [Operating Expenses = Sum of (i) employee costs, (ii) materials & contracts, (iii) depreciation on non-current assets, (iv) insurance (v) utility charges (vi) interest expense (to be amended to finance costs) and other expenditure]	The Operating Surplus Ratio is a measure of a local government's ability to cover its operational costs and generate funds available for capital funding or other purposes. Benchmark is 0. Note: To achieve the benchmark the local government needs to raise enough revenue to cover depreciation.
	Adjusted Operating Revenue	Adjusted Operating Revenue (1) Operating Revenue <i>Less:</i> Federal Assistance Grants Current Year Early Payment <i>Plus:</i> Federal Assistance Grants Prior Year Early Payment Plus: Non-operating Grants/ contributions for asset renewal	

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 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 Financial Activity

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 Capital 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

A number of statements in the Plan are disclosed using nature 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 A2 Forecast Statement of Comprehensive Income 2026 – 2041

	2022-23	2023-24	2024-25	Base	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues																			
Rates	25,011,839	27,107,437	29,128,206	31,160,675	33,186,119	35,343,216	37,640,524	40,087,159	42,692,824	45,467,858	48,423,269	51,570,781	54,922,883	58,492,870	62,294,906	66,344,075	70,656,440	75,249,108	80,140,299
Grants, subsidies and contributions	4,219,412	4,021,608	2,116,237	2,415,130	3,382,036	3,466,589	3,553,255	3,642,084	3,733,139	3,826,469	3,922,132	4,020,185	4,120,691	4,223,708	4,329,300	4,437,532	4,548,469	4,662,184	4,778,739
Fees and charges	12,534,633	13,417,347	15,217,606	14,480,861	14,842,887	15,213,965	15,594,322	15,984,181	16,383,788	16,793,383	17,213,223	17,643,557	18,084,649	18,536,774	19,000,190	19,475,189	19,962,071	20,461,120	20,972,649
Interest revenue	1,327,994	2,176,797	2,340,264	1,932,066	1,556,032	1,383,739	1,343,816	1,310,028	1,361,899	1,332,578	1,478,139	1,513,686	1,540,138	1,574,977	1,603,869	1,477,831	1,491,310	1,517,834	1,548,743
Other revenue	137,652	138,727	142,582	78,350	89,309	91,317	89,376	91,486	93,648	95,864	93,136	95,464	97,851	100,297	102,804	105,374	108,008	110,707	113,476
	43,231,530	46,861,916	48,944,895	50,067,082	53,056,383	55,498,826	58,221,293	61,114,938	64,265,298	67,516,152	71,129,899	74,843,673	78,766,212	82,928,626	87,331,069	91,840,001	96,766,298	102,000,953	107,553,906
Expenses																			
Employee costs	(17,312,008)	(18,693,182)	(21,298,796)	(24,228,529)	(26,714,931)	(26,393,055)	(27,316,816)	(28,272,903)	(29,262,450)	(30,286,638)	(31,346,677)	(32,443,803)	(33,579,335)	(34,754,617)	(35,971,033)	(37,230,020)	(38,533,070)	(39,881,721)	(41,277,587)
Materials and contracts	(11,507,795)	(12,308,608)	(13,023,193)	(15,004,722)	(16,727,673)	(16,059,757)	(16,771,403)	(17,516,340)	(18,296,190)	(19,112,623)	(19,967,429)	(20,862,461)	(21,799,643)	(22,781,042)	(23,808,788)	(24,885,133)	(26,012,451)	(27,193,226)	(28,430,027)
Utility charges	(1,027,164)	(1,303,456)	(1,468,754)	(1,492,326)	(1,529,635)	(1,567,877)	(1,607,073)	(1,647,251)	(1,688,433)	(1,730,644)	(1,773,911)	(1,818,259)	(1,863,717)	(1,910,310)	(1,958,066)	(2,007,018)	(2,057,195)	(2,108,624)	(2,161,339)
Depreciation	(12,600,776)	(14,642,936)	(15,538,170)	(15,455,195)	(16,813,419)	(17,898,497)	(18,395,508)	(18,815,482)	(19,425,012)	(19,915,268)	(20,417,166)	(20,937,413)	(21,463,413)	(22,002,687)	(22,555,565)	(23,122,401)	(23,703,550)	(24,300,941)	(24,920,519)
Finance costs	(647,629)	(597,353)	(548,403)	(508,036)	(534,218)	(426,338)	(377,877)	(330,263)	(260,955)	(213,397)	(187,827)	(168,460)	(151,502)	(134,135)	(116,065)	(97,268)	(77,712)	(57,365)	(36,199)
Insurance	(833,563)	(870,489)	(914,213)	(962,114)	(990,977)	(1,020,706)	(1,051,328)	(1,082,868)	(1,115,355)	(1,148,816)	(1,183,281)	(1,218,780)	(1,255,343)	(1,293,003)	(1,331,793)	(1,371,747)	(1,412,899)	(1,455,285)	(1,498,944)
Other expenditure	(1,619,597)	(1,482,286)	(1,544,726)	(1,649,324)	(1,690,558)	(1,732,823)	(1,776,143)	(1,820,548)	(1,866,062)	(1,912,713)	(1,960,531)	(2,009,545)	(2,059,782)	(2,111,277)	(2,164,060)	(2,218,162)	(2,273,615)	(2,330,455)	(2,388,716)
	(45,548,532)	(49,898,310)	(54,336,255)	(59,300,246)	(65,001,411)	(65,099,053)	(67,296,148)	(69,485,655)	(71,914,457)	(74,320,099)	(76,836,822)	(79,458,721)	(82,172,735)	(84,987,071)	(87,905,370)	(90,931,749)	(94,070,492)	(97,327,617)	(100,713,331)
	(2,317,002)	(3,036,394)	(5,391,360)	(9,233,164)	(11,945,028)	(9,600,227)	(9,074,855)	(8,370,717)	(7,649,159)	(6,803,947)	(5,706,923)	(4,615,048)	(3,406,523)	(2,058,445)	(574,301)	908,252	2,695,806	4,673,336	6,840,575
Capital grants, subsidies and contributions	20,177,108	16,904,031	8,633,020	9,000,111	10,637,163	5,362,109	4,930,176	4,721,594	16,220,852	3,065,908	2,926,789	3,311,571	3,186,852	3,266,523	3,876,186	3,431,891	3,517,688	3,605,631	3,695,771
Fair value adjustments to financial assets at fair value through profit or loss	4,607	2,102	(4,440)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss on revaluation	(11,408,839)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit on asset disposals	70,151	6,495	48,658	86,502	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss on asset disposal	(1,458,182)	(132,775)	(69,445)	(181,085)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RESULT	5,067,843	13,743,459	3,216,433	(327,636)	(1,307,865)	(4,238,118)	(4,144,679)	(3,649,123)	8,571,693	(3,738,039)	(2,780,134)	(1,303,477)	(219,671)	1,208,078	3,301,885	4,340,143	6,213,494	8,278,967	10,536,346
Other comprehensive income	(91,346,688)	0	0	0	10,212,882	10,407,728	10,587,805	10,667,311	11,165,974	11,198,287	11,372,467	11,594,684	11,851,808	12,151,705	12,666,264	13,080,000	13,537,739	14,054,072	14,642,567
TOTAL COMPREHENSIVE INCOME	(86,278,845)	13,743,459	3,216,433	(327,636)	8,905,017	6,169,610	6,443,126	7,018,188	19,737,667	7,460,248	8,592,333	10,291,207	11,632,137	13,359,783	15,968,149	17,420,143	19,751,233	22,333,039	25,178,913

Appendix A3 Forecast Statement of Financial Position 2026 – 2041

	2023	2024	2025	Base	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31	30 June 32	30 June 33	30 June 34	30 June 35	30 June 36	30 June 37	30 June 38	30 June 39	30 June 40	30 June 41	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
CURRENT ASSETS																				
Cash and cash equivalents	19,080,042	27,011,622	26,887,694	30,241,260	23,349,572	21,752,652	20,401,109	22,475,942	21,303,108	27,125,557	28,547,437	29,605,503	30,999,061	32,154,750	27,113,223	27,652,407	28,713,378	29,949,729	31,074,358	
Financial assets	17,535,905	8,517,905	10,511,500	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Trade and other receivables	1,635,854	2,310,626	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272
Inventories	96,045	233,060	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693
Other assets	1,023,197	1,130,618	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082
TOTAL CURRENT ASSETS	39,371,043	39,203,831	42,786,241	35,641,307	28,749,619	27,152,699	25,801,156	27,875,989	26,703,155	32,525,604	33,947,484	35,005,550	36,399,108	37,554,797	32,513,270	33,052,454	34,113,425	35,349,776	36,474,405	
NON-CURRENT ASSETS																				
Financial assets	199,267	153,464	137,524	144,524	144,524	144,524	144,524	144,524	144,524	144,524	144,524	144,524	144,524	144,524	144,524	144,524	144,524	144,524	144,524	144,524
Other receivables	76,224	91,777	96,832	96,832	96,832	96,832	96,832	96,832	96,832	96,832	96,832	96,832	96,832	96,832	96,832	96,832	96,832	96,832	96,832	96,832
Property plant and equipment	88,866,694	92,925,835	90,449,996	91,969,233	92,385,538	94,507,234	95,284,081	95,795,066	97,047,445	97,090,595	97,503,979	98,142,825	98,664,965	98,492,881	107,807,050	112,179,306	112,260,258	115,997,739	116,318,309	
Infrastructure	297,923,906	307,710,011	308,556,831	310,273,548	321,475,441	325,930,647	331,847,921	334,073,154	352,590,674	353,382,126	359,608,234	367,767,912	377,054,047	388,982,553	400,212,321	412,236,486	430,341,701	447,176,468	470,364,574	
TOTAL NON-CURRENT ASSETS	387,066,091	400,881,087	399,241,183	402,484,137	414,102,335	420,679,237	427,373,358	430,109,576	449,879,475	450,714,077	457,353,569	466,152,093	475,960,368	487,716,790	508,260,727	524,657,148	542,843,315	563,415,563	586,924,239	
TOTAL ASSETS	426,437,134	440,084,918	442,027,424	438,125,444	442,851,954	447,831,936	453,174,514	457,985,565	476,582,630	483,239,681	491,301,053	501,157,643	512,359,476	525,271,587	540,773,997	557,709,602	576,956,740	598,765,339	623,398,644	
CURRENT LIABILITIES																				
Trade and other payables	5,307,314	6,537,147	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795	5,458,795
Other liabilities	3,696,227	3,549,921	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593	4,119,593
Lease liabilities	89,253	69,383	75,069	70,303	71,457	74,173	31,732	0	0	0	0	0	0	0	0	0	0	0	0	0
Current portion of long-term borrowings	1,069,008	1,158,628	1,084,812	1,112,520	1,138,629	1,047,235	1,092,862	1,140,602	803,197	530,961	434,617	430,304	447,672	465,739	484,538	504,095	524,440	545,608	567,628	
Employee provisions	2,343,577	2,305,696	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469	2,519,469
Other provisions	1,440,000	512,500	4,000,000	3,075,000	79,316	79,316	1,082,543	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT LIABILITIES	13,945,379	14,133,275	17,257,738	16,355,680	13,387,259	13,298,581	14,304,994	13,238,459	12,901,054	12,628,818	12,532,474	12,528,161	12,545,529	12,563,596	12,582,395	12,601,952	12,622,297	12,643,465	12,665,485	
NON-CURRENT LIABILITIES																				
Other liabilities	26,450	26,450	26,450	26,450	26,453	26,453	26,453	26,453	26,453	26,453	26,453	26,453	26,453	26,453	26,453	26,453	26,453	26,453	26,453	26,453
Lease liabilities	480,436	329,514	250,370	177,365	105,905	31,732	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Long-term borrowings	13,497,757	12,337,776	11,269,848	10,158,127	9,019,498	7,972,263	6,879,401	5,738,799	4,935,602	4,404,641	3,970,024	3,539,720	3,092,048	2,626,309	2,141,771	1,637,676	1,113,236	567,628	0	
Employee provisions	243,594	189,783	268,665	268,665	268,665	268,665	268,665	268,665	268,665	268,665	268,665	268,665	268,665	268,665	268,665	268,665	268,665	268,665	268,665	268,665
Other provisions	4,698,526	5,779,669	2,449,469	961,909	961,909	982,367	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL NON-CURRENT LIABILITIES	18,946,763	18,663,192	14,264,802	11,592,516	10,382,430	9,281,480	7,174,519	6,033,917	5,230,720	4,699,759	4,265,142	3,834,838	3,387,166	2,921,427	2,436,889	1,932,794	1,408,354	862,746	295,118	
TOTAL LIABILITIES	32,892,142	32,796,467	31,522,540	27,948,196	23,769,689	22,580,061	21,479,513	19,272,376	18,131,774	17,328,577	16,797,616	16,362,999	15,932,695	15,485,023	15,019,284	14,534,746	14,030,651	13,506,211	12,960,603	
NET ASSETS	393,544,992	407,288,451	410,504,884	410,177,248	419,082,265	425,251,875	431,695,001	438,713,189	458,450,856	465,911,104	474,503,437	484,794,644	496,426,781	509,786,564	525,754,713	543,174,856	562,926,089	585,259,128	610,438,041	
EQUITY																				
Retained surplus	225,212,669	236,489,241	237,886,513	242,179,253	247,763,076	245,121,878	242,328,742	236,604,786	246,349,313	236,788,825	232,586,811	230,225,268	228,612,039	228,664,428	237,007,840	240,808,799	245,961,322	253,003,938	262,415,655	
Reserves - cash backed	26,397,247	28,864,134	30,683,295	26,062,919	19,171,231	17,574,311	16,222,768	18,297,601	17,124,767	22,947,216	24,369,096	25,427,162	26,820,720	27,976,409	22,934,882	23,474,066	24,535,037	25,771,388	26,896,017	
Asset revaluation surplus	141,935,076	141,935,076	141,935,076	141,935,076	152,147,958	162,555,686	173,143,491	183,810,802	194,976,776	206,175,063	217,547,530	229,142,214	240,994,022	253,145,727	265,811,991	278,891,991	292,429,730	306,483,802	321,126,369	
TOTAL EQUITY	393,544,992	407,288,451	410,504,884	410,177,248	419,082,265	425,251,875	431,695,001	438,713,189	458,450,856	465,911,104	474,503,437	484,794,644	496,426,781	509,786,564	525,754,713	543,174,856	562,926,089	585,259,128	610,438,041	

Appendix A4 Forecast Statement of Changes in Equity 2026 – 2041

	2023	2024	2025	Base	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31	30 June 32	30 June 33	30 June 34	30 June 35	30 June 36	30 June 37	30 June 38	30 June 39	30 June 40	30 June 41
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RETAINED SURPLUS																			
Opening balance	220,144,826	225,212,669	236,489,241	237,886,513	242,179,253	247,763,076	245,121,878	242,328,742	236,604,786	246,349,313	236,788,825	232,586,811	230,225,268	228,612,039	228,664,428	237,007,840	240,808,799	245,961,322	253,003,938
Net result	5,067,843	13,743,459	3,216,433	(327,636)	(1,307,865)	(4,238,118)	(4,144,679)	(3,649,123)	8,571,693	(3,738,039)	(2,780,134)	(1,303,477)	(219,671)	1,208,078	3,301,885	4,340,143	6,213,494	8,278,967	10,536,346
Amount transferred (to)/from reserves	0	(2,466,887)	(1,819,161)	4,620,376	6,891,688	1,596,920	1,351,543	(2,074,833)	1,172,834	(5,822,449)	(1,421,880)	(1,058,066)	(1,393,558)	(1,155,689)	5,041,527	(539,184)	(1,060,971)	(1,236,351)	(1,124,629)
Closing balance	225,212,669	236,489,241	237,886,513	242,179,253	247,763,076	245,121,878	242,328,742	236,604,786	246,349,313	236,788,825	232,586,811	230,225,268	228,612,039	228,664,428	237,007,840	240,808,799	245,961,322	253,003,938	262,415,655
RESERVES ACCOUNTS																			
Opening balance	26,397,247	26,397,247	28,864,134	30,683,295	26,062,919	19,171,231	17,574,311	16,222,768	18,297,601	17,124,767	22,947,216	24,369,096	25,427,162	26,820,720	27,976,409	22,934,882	23,474,066	24,535,037	25,771,388
Amount transferred to/(from) retained surplus	0	2,466,887	1,819,161	(4,620,376)	(6,891,688)	(1,596,920)	(1,351,543)	2,074,833	(1,172,834)	5,822,449	1,421,880	1,058,066	1,393,558	1,155,689	(5,041,527)	539,184	1,060,971	1,236,351	1,124,629
Closing balance	26,397,247	28,864,134	30,683,295	26,062,919	19,171,231	17,574,311	16,222,768	18,297,601	17,124,767	22,947,216	24,369,096	25,427,162	26,820,720	27,976,409	22,934,882	23,474,066	24,535,037	25,771,388	26,896,017
ASSET REVALUATION SURPLUS																			
Opening balance	233,281,764	141,935,076	141,935,076	141,935,076	141,935,076	152,147,958	162,555,686	173,143,491	183,810,802	194,976,776	206,175,063	217,547,530	229,142,214	240,994,022	253,145,727	265,811,991	278,891,991	292,429,730	306,483,802
Total other comprehensive income	(91,346,688)	0	0	0	10,212,882	10,407,728	10,587,805	10,667,311	11,165,974	11,198,287	11,372,467	11,594,684	11,851,808	12,151,705	12,666,264	13,080,000	13,537,739	14,054,072	14,642,567
Closing balance	141,935,076	141,935,076	141,935,076	141,935,076	152,147,958	162,555,686	173,143,491	183,810,802	194,976,776	206,175,063	217,547,530	229,142,214	240,994,022	253,145,727	265,811,991	278,891,991	292,429,730	306,483,802	321,126,369
TOTAL EQUITY																			
	393,544,992	407,288,451	410,504,884	410,177,248	419,082,265	425,251,875	431,695,001	438,713,189	458,450,856	465,911,104	474,503,437	484,794,644	496,426,781	509,786,564	525,754,713	543,174,856	562,926,089	585,259,128	610,438,041

Appendix A5 Forecast Statement of Cashflows 2026 – 2041

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash flows from operating activities															
Receipts															
Rates	33,186,119	35,343,216	37,640,524	40,087,159	42,692,824	45,467,858	48,423,269	51,570,781	54,922,883	58,492,870	62,294,906	66,344,075	70,656,440	75,249,108	80,140,299
Grants, subsidies and contributions	3,382,036	3,466,589	3,553,255	3,642,084	3,733,139	3,826,469	3,922,132	4,020,185	4,120,691	4,223,708	4,329,300	4,437,532	4,548,469	4,662,184	4,778,739
Fees and charges	14,842,887	15,213,965	15,594,322	15,984,181	16,383,788	16,793,383	17,213,223	17,643,557	18,084,649	18,536,774	19,000,190	19,475,189	19,962,071	20,461,120	20,972,649
Interest revenue	1,556,032	1,383,739	1,343,816	1,310,028	1,361,899	1,332,578	1,478,139	1,513,686	1,540,138	1,574,977	1,603,869	1,477,831	1,491,310	1,517,834	1,548,743
Other revenue	89,309	91,317	89,376	91,486	93,648	95,864	93,136	95,464	97,851	100,297	102,804	105,374	108,008	110,707	113,476
	53,056,383	55,498,826	58,221,293	61,114,938	64,265,298	67,516,152	71,129,899	74,843,673	78,766,212	82,928,626	87,331,069	91,840,001	96,766,298	102,000,953	107,553,906
Payments															
Employee costs	(26,714,931)	(26,393,055)	(27,316,816)	(28,272,903)	(29,262,450)	(30,286,638)	(31,346,677)	(32,443,803)	(33,579,335)	(34,754,617)	(35,971,033)	(37,230,020)	(38,533,070)	(39,881,721)	(41,277,587)
Materials and contracts	(16,727,673)	(16,059,757)	(16,771,403)	(17,516,340)	(18,296,190)	(19,112,623)	(19,967,429)	(20,862,461)	(21,799,643)	(22,781,042)	(23,808,788)	(24,885,133)	(26,012,451)	(27,193,226)	(28,430,027)
Utility charges	(1,529,635)	(1,567,877)	(1,607,073)	(1,647,251)	(1,688,433)	(1,730,644)	(1,773,911)	(1,818,259)	(1,863,717)	(1,910,310)	(1,958,066)	(2,007,018)	(2,057,195)	(2,108,624)	(2,161,339)
Finance costs	(454,901)	(405,880)	(357,017)	(308,993)	(260,955)	(213,397)	(187,827)	(168,460)	(151,502)	(134,135)	(116,065)	(97,268)	(77,712)	(57,365)	(36,199)
Insurance	(990,977)	(1,020,706)	(1,051,328)	(1,082,868)	(1,115,355)	(1,148,816)	(1,183,281)	(1,218,780)	(1,255,343)	(1,293,003)	(1,331,793)	(1,371,747)	(1,412,899)	(1,455,285)	(1,498,944)
Other expenditure	(1,690,558)	(1,732,823)	(1,776,143)	(1,820,548)	(1,866,062)	(1,912,713)	(1,960,531)	(2,009,545)	(2,059,782)	(2,111,277)	(2,164,060)	(2,218,162)	(2,273,615)	(2,330,455)	(2,388,716)
	(48,108,675)	(47,180,098)	(48,879,780)	(50,648,903)	(52,489,445)	(54,404,831)	(56,419,656)	(58,521,308)	(60,709,322)	(62,984,384)	(65,349,805)	(67,809,348)	(70,366,942)	(73,026,676)	(75,792,812)
Net cash provided by (used in) operating activities	4,947,708	8,318,728	9,341,513	10,466,035	11,775,853	13,111,321	14,710,243	16,322,365	18,056,890	19,944,242	21,981,264	24,030,653	26,399,356	28,974,277	31,761,094
Cash flows from investing activities															
Payments for purchase of property, plant & equipment	(2,997,284)	(5,025,513)	(3,725,941)	(3,248,067)	(4,200,214)	(2,981,555)	(3,764,318)	(4,168,678)	(3,870,374)	(3,498,121)	(12,732,631)	(7,825,482)	(3,890,573)	(7,430,995)	(4,360,561)
Payments for construction of infrastructure	(15,497,996)	(9,591,146)	(11,282,855)	(7,873,253)	(24,221,750)	(6,838,496)	(12,491,867)	(14,616,987)	(15,899,940)	(18,649,248)	(18,084,557)	(19,003,960)	(25,072,293)	(23,832,507)	(30,079,654)
Payments for make good provision	(3,075,000)	0	0	(1,103,813)	0	0	0	0	0	0	0	0	0	0	0
Proceeds from capital grants, subsidies and contributions	10,637,163	5,362,109	4,930,176	4,721,594	16,220,852	3,065,908	2,926,789	3,311,571	3,186,852	3,266,523	3,876,186	3,431,891	3,517,688	3,605,631	3,695,771
Proceeds from sale of plant & equipment	276,544	548,988	506,972	236,931	393,027	268,468	571,994	644,412	350,434	539,965	383,950	390,620	610,888	444,385	653,587
Net cash provided by (used in) investing activities	(10,656,573)	(8,705,562)	(9,571,648)	(7,266,608)	(11,808,085)	(6,485,675)	(12,757,402)	(14,829,682)	(16,233,028)	(18,340,881)	(26,557,052)	(23,006,931)	(24,834,290)	(27,213,486)	(30,090,857)
Cash flows from financing activities															
Repayment of debentures	(1,112,520)	(1,138,629)	(1,047,235)	(1,092,862)	(1,140,602)	(803,197)	(530,961)	(434,617)	(430,304)	(447,672)	(465,739)	(484,538)	(504,095)	(524,440)	(545,608)
Repayment of leases	(70,303)	(71,457)	(74,173)	(31,732)	0	0	0	0	0	0	0	0	0	0	0
Net cash provided by (used in) financing activities	(1,182,823)	(1,210,086)	(1,121,408)	(1,124,594)	(1,140,602)	(803,197)	(530,961)	(434,617)	(430,304)	(447,672)	(465,739)	(484,538)	(504,095)	(524,440)	(545,608)
Net increase (decrease) in cash held	(6,891,688)	(1,596,920)	(1,351,543)	2,074,833	(1,172,834)	5,822,449	1,421,880	1,058,066	1,393,558	1,155,689	(5,041,527)	539,184	1,060,971	1,236,351	1,124,629
Cash at beginning of year	30,241,260	23,349,572	21,752,652	20,401,109	22,475,942	21,303,108	27,125,557	28,547,437	29,605,503	30,999,061	32,154,750	27,113,223	27,652,407	28,713,378	29,949,729
Cash and cash equivalents at the end of year	23,349,572	21,752,652	20,401,109	22,475,942	21,303,108	27,125,557	28,547,437	29,605,503	30,999,061	32,154,750	27,113,223	27,652,407	28,713,378	29,949,729	31,074,358

Appendix A6 Forecast Statement of Financial Activity 2026 – 2041

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
FUNDING FROM OPERATIONAL ACTIVITIES																
Revenues																
Rates	33,186,119	35,343,216	37,640,524	40,087,159	42,692,824	45,467,858	48,423,269	51,570,781	54,922,883	58,492,870	62,294,906	66,344,075	70,656,440	75,249,108	80,140,299	
Grants, subsidies and contributions	3,382,036	3,466,589	3,553,255	3,642,084	3,733,139	3,826,469	3,922,132	4,020,185	4,120,691	4,223,708	4,329,300	4,437,532	4,548,469	4,662,184	4,778,739	
Fees and charges	14,842,887	15,213,965	15,594,322	15,984,181	16,383,788	16,793,383	17,213,223	17,643,557	18,084,649	18,536,774	19,000,190	19,475,189	19,962,071	20,461,120	20,972,649	
Interest revenue	1,556,032	1,383,739	1,343,816	1,310,028	1,361,899	1,332,578	1,478,139	1,513,686	1,540,138	1,574,977	1,603,869	1,477,831	1,491,310	1,517,834	1,548,743	
Other revenue	89,309	91,317	89,376	91,486	93,648	95,864	93,136	95,464	97,851	100,297	102,804	105,374	108,008	110,707	113,476	
	53,056,383	55,498,826	58,221,293	61,114,938	64,265,298	67,516,152	71,129,899	74,843,673	78,766,212	82,928,626	87,331,069	91,840,001	96,766,298	102,000,953	107,553,906	
Expenses																
Employee costs	(26,714,931)	(26,393,055)	(27,316,816)	(28,272,903)	(29,262,450)	(30,286,638)	(31,346,677)	(32,443,803)	(33,579,335)	(34,754,617)	(35,971,033)	(37,230,020)	(38,533,070)	(39,881,721)	(41,277,587)	
Materials and contracts	(16,727,673)	(16,059,757)	(16,771,403)	(17,516,340)	(18,296,190)	(19,112,623)	(19,967,429)	(20,862,461)	(21,799,643)	(22,781,042)	(23,808,788)	(24,885,133)	(26,012,451)	(27,193,226)	(28,430,027)	
Utility charges (electricity, gas, water etc.)	(1,529,635)	(1,567,877)	(1,607,073)	(1,647,251)	(1,688,433)	(1,730,644)	(1,773,911)	(1,818,259)	(1,863,717)	(1,910,310)	(1,958,066)	(2,007,018)	(2,057,195)	(2,108,624)	(2,161,339)	
Depreciation	(16,813,419)	(17,898,497)	(18,395,508)	(18,815,482)	(19,425,012)	(19,915,268)	(20,417,166)	(20,937,413)	(21,463,413)	(22,002,687)	(22,555,565)	(23,122,401)	(23,703,550)	(24,300,941)	(24,920,519)	
Finance costs	(534,218)	(426,338)	(377,877)	(330,263)	(260,955)	(213,397)	(187,827)	(168,460)	(151,502)	(134,135)	(116,065)	(97,268)	(77,712)	(57,365)	(36,199)	
Insurance	(990,977)	(1,020,706)	(1,051,328)	(1,082,868)	(1,115,355)	(1,148,816)	(1,183,281)	(1,218,780)	(1,255,343)	(1,293,003)	(1,331,793)	(1,371,747)	(1,412,899)	(1,455,285)	(1,498,944)	
Other expenditure	(1,690,558)	(1,732,823)	(1,776,143)	(1,820,548)	(1,866,062)	(1,912,713)	(1,960,531)	(2,009,545)	(2,059,782)	(2,111,277)	(2,164,060)	(2,218,162)	(2,273,615)	(2,330,455)	(2,388,716)	
	(65,001,411)	(65,099,053)	(67,296,148)	(69,485,655)	(71,914,457)	(74,320,099)	(76,836,822)	(79,458,721)	(82,172,735)	(84,987,071)	(87,905,370)	(90,931,749)	(94,070,492)	(97,327,617)	(100,713,331)	
	(11,945,028)	(9,600,227)	(9,074,855)	(8,370,717)	(7,649,159)	(6,803,947)	(5,706,923)	(4,615,048)	(3,406,523)	(2,058,445)	(574,301)	908,252	2,695,806	4,673,336	6,840,575	
Funding position adjustments																
Depreciation	16,813,419	17,898,497	18,395,508	18,815,482	19,425,012	19,915,268	20,417,166	20,937,413	21,463,413	22,002,687	22,555,565	23,122,401	23,703,550	24,300,941	24,920,519	
Unwinding of discount	79,317	20,458	20,860	21,270	0	0	0	0	0	0	0	0	0	0	0	
Net funding from operational activities	4,947,708	8,318,728	9,341,513	10,466,035	11,775,853	13,111,321	14,710,243	16,322,365	18,056,890	19,944,242	21,981,264	24,030,653	26,399,356	28,974,277	31,761,094	
FUNDING FROM CAPITAL ACTIVITIES																
Inflows																
Proceeds on disposal	276,544	548,988	506,972	236,931	393,027	268,468	571,994	644,412	350,434	539,965	383,950	390,620	610,888	444,385	653,587	
Capital grants, subsidies and contributions	10,637,163	5,362,109	4,930,176	4,721,594	16,220,852	3,065,908	2,926,789	3,311,571	3,186,852	3,266,523	3,876,186	3,431,891	3,517,688	3,605,631	3,695,771	
Outflows																
Purchase of property plant and equipment	(2,997,284)	(5,025,513)	(3,725,941)	(3,248,067)	(4,200,214)	(2,981,555)	(3,764,318)	(4,168,678)	(3,870,374)	(3,498,121)	(12,732,631)	(7,825,482)	(3,890,573)	(7,430,995)	(4,360,561)	
Purchase of infrastructure	(15,497,996)	(9,591,146)	(11,282,855)	(7,873,253)	(24,221,750)	(6,838,496)	(12,491,867)	(14,616,987)	(15,899,940)	(18,649,248)	(18,084,557)	(19,003,960)	(25,072,293)	(23,832,507)	(30,079,654)	
Payments of make good costs	(3,075,000)	0	0	(1,103,813)	0	0	0	0	0	0	0	0	0	0	0	
Net funding from capital activities	(10,656,573)	(8,705,562)	(9,571,648)	(7,266,608)	(11,808,085)	(6,485,675)	(12,757,402)	(14,829,682)	(16,233,028)	(18,340,881)	(26,557,052)	(23,006,931)	(24,834,290)	(27,213,486)	(30,090,857)	
FUNDING FROM FINANCING ACTIVITIES																
Inflows																
Transfer from reserves	9,557,940	6,869,025	5,645,532	1,809,915	3,670,303	674,911	1,530,929	1,599,899	1,109,456	1,687,257	9,075,283	1,404,016	1,896,152	1,233,209	1,663,549	
Outflows																
Transfer to reserves	(2,666,252)	(5,272,105)	(4,293,989)	(3,884,748)	(2,497,469)	(6,497,360)	(2,952,809)	(2,657,965)	(2,503,014)	(2,842,946)	(4,033,756)	(1,943,200)	(2,957,123)	(2,469,560)	(2,788,178)	
Repayment of past borrowings	(1,112,520)	(1,138,629)	(1,047,235)	(1,092,862)	(1,140,602)	(803,197)	(530,961)	(434,617)	(430,304)	(447,672)	(465,739)	(484,538)	(504,095)	(524,440)	(545,608)	
Principal elements of finance lease payments	(70,303)	(71,457)	(74,173)	(31,732)	0	0	0	0	0	0	0	0	0	0	0	
Net funding from financing activities	5,708,865	386,834	230,135	(3,199,427)	32,232	(6,625,646)	(1,952,841)	(1,492,683)	(1,823,862)	(1,603,361)	4,575,788	(1,023,722)	(1,565,066)	(1,760,791)	(1,670,237)	
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 A7 Forecast Statement of Net Current Asset Composition 2026 – 2041

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Estimated surplus/deficit July 1 B/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CURRENT ASSETS															
Cash and equivalents	23,349,572	21,752,652	20,401,109	22,475,942	21,303,108	27,125,557	28,547,437	29,605,503	30,999,061	32,154,750	27,113,223	27,652,407	28,713,378	29,949,729	31,074,358
Financial assets	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Trade and other receivables	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272	3,601,272
Inventories	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693	344,693
Other assets	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082	1,441,082
CURRENT LIABILITIES															
Trade and other payables	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)	(5,458,795)
Other liabilities	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)	(4,119,593)
Lease liabilities	(71,457)	(74,173)	(31,732)	0	0	0	0	0	0	0	0	0	0	0	0
Current portion of long-term borrowings	(1,138,629)	(1,047,235)	(1,092,862)	(1,140,602)	(803,197)	(530,961)	(434,617)	(430,304)	(447,672)	(465,739)	(484,538)	(504,095)	(524,440)	(545,608)	(567,628)
Employee provisions	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)	(2,519,469)
Other provisions	(79,316)	(79,316)	(1,082,543)	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENTS TO NET CURRENT ASSETS															
Reserves	(19,171,231)	(17,574,311)	(16,222,768)	(18,297,601)	(17,124,767)	(22,947,216)	(24,369,096)	(25,427,162)	(26,820,720)	(27,976,409)	(22,934,882)	(23,474,066)	(24,535,037)	(25,771,388)	(26,896,017)
Current self supporting loans receivable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Current liabilities not expected to be cleared at end of year															
Add: lease payments	71,457	74,173	31,732	0	0	0	0	0	0	0	0	0	0	0	0
Add: current long-term borrowings	1,138,629	1,047,235	1,092,862	1,140,602	803,197	530,961	434,617	430,304	447,672	465,739	484,538	504,095	524,440	545,608	567,628
Add: Employee provisions - cash backed by reserve	451,765	463,059	474,635	486,501	498,664	511,131	523,909	537,007	550,432	564,193	578,298	592,755	607,574	622,763	638,332
Add: non cash backed current Leave liability not paid	2,067,704	2,056,410	2,044,834	2,032,968	2,020,805	2,008,338	1,995,560	1,982,462	1,969,037	1,955,276	1,941,171	1,926,714	1,911,895	1,896,706	1,881,137
Add: Other provisions	79,316	79,316	1,082,543	0	0	0	0	0	0	0	0	0	0	0	0
Estimated surplus/deficit June 30 C/Fwd	0														

Appendix A8 Forecast Statement of Fixed Asset Movements 2026 – 2041

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CAPITAL WORKS - INFRASTRUCTURE															
Infrastructure - roads	6,566,889	4,218,132	4,565,428	3,758,107	4,051,933	4,091,068	10,072,319	11,508,476	13,796,672	16,439,504	15,762,943	16,564,813	22,509,665	21,140,146	27,250,991
Infrastructure - road bridges	4,023,000	512,500	1,681,000	2,046,092	14,791,093	113,141	115,969	178,303	121,840	128,008	134,489	141,297	148,451	155,966	163,862
Infrastructure - car parks	350,000	243,438	372,972	277,299	220,763	410,135	339,210	297,171	251,296	264,017	277,383	291,426	306,179	321,680	337,965
Infrastructure - paths	1,151,400	679,268	583,097	722,163	547,491	690,159	525,341	508,534	389,889	409,627	430,364	452,152	475,042	499,091	524,357
Infrastructure - drainage	500,000	184,500	420,250	43,076	441,525	452,563	463,877	475,474	487,361	512,034	537,956	565,190	593,802	623,863	655,447
Infrastructure - parks and reserves	2,554,008	965,308	671,079	698,064	774,527	690,940	666,672	1,246,065	389,889	409,627	430,364	452,152	475,042	499,091	524,357
Infrastructure - aerodromes	42,199	41,000	42,025	43,076	44,153	52,199	46,388	47,547	48,736	51,203	53,796	56,519	59,380	62,386	65,545
Infrastructure - boat ramps and jetties	242,000	153,750	252,150	215,378	264,915	271,538	193,669	285,285	335,061	352,023	369,844	388,568	408,239	428,906	450,620
Infrastructure - waste management facilities	0	2,562,500	2,626,563	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure - public utilities	68,500	30,750	68,291	69,998	3,085,350	66,753	68,422	70,132	79,196	83,205	87,418	91,843	96,493	101,378	106,510
Infrastructure - landfill	3,075,000	0	0	1,103,813	0	0	0	0	0	0	0	0	0	0	0
Total capital works - infrastructure	18,572,996	9,591,146	11,282,855	8,977,066	24,221,750	6,838,496	12,491,867	14,616,987	15,899,940	18,649,248	18,084,557	19,003,960	25,072,293	23,832,507	30,079,654
Represented by:															
Additions - assets at no cost	455,767	198,166	73,544	37,691	0	0	0	208,020	0	0	0	0	0	0	0
Additions - renewal	15,042,229	9,392,980	11,209,311	7,835,562	24,221,750	6,838,496	12,491,867	14,408,967	15,899,940	18,649,248	18,084,557	19,003,960	25,072,293	23,832,507	30,079,654
Payment for provision	3,075,000	0	0	1,103,813	0	0	0	0	0	0	0	0	0	0	0
Total Capital Works - Infrastructure	18,572,996	9,591,146	11,282,855	8,977,066	24,221,750	6,838,496	12,491,867	14,616,987	15,899,940	18,649,248	18,084,557	19,003,960	25,072,293	23,832,507	30,079,654
Asset movement reconciliation															
Total capital works infrastructure	18,572,996	9,591,146	11,282,855	8,977,066	24,221,750	6,838,496	12,491,867	14,616,987	15,899,940	18,649,248	18,084,557	19,003,960	25,072,293	23,832,507	30,079,654
Depreciation infrastructure	(12,428,995)	(13,407,651)	(13,794,079)	(14,140,109)	(14,661,602)	(15,032,773)	(15,412,609)	(15,807,741)	(16,205,500)	(16,613,325)	(17,031,470)	(17,460,203)	(17,899,798)	(18,352,095)	(18,822,952)
Revaluation of infrastructure assets (inflation)	8,132,893	8,271,711	8,428,498	8,492,089	8,957,372	8,985,729	9,146,850	9,350,432	9,591,695	9,892,583	10,176,681	10,480,408	10,932,720	11,354,355	11,931,404
Capital used to settle provision	(3,075,000)	0	0	(1,103,813)	0	0	0	0	0	0	0	0	0	0	0
Net movement in infrastructure assets	11,201,894	4,455,206	5,917,274	2,225,233	18,517,520	791,452	6,226,108	8,159,678	9,286,135	11,928,506	11,229,768	12,024,165	18,105,215	16,834,767	23,188,106
CAPITAL WORKS - PROPERTY, PLANT AND EQUIPMENT															
Buildings - non-specialised	1,793,520	2,777,500	1,675,160	2,105,034	2,036,884	1,838,176	1,461,395	1,724,367	2,210,484	1,070,899	11,026,202	6,330,846	1,183,533	5,553,401	1,843,425
Furniture and equipment	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Plant and equipment	1,003,764	2,048,013	1,850,781	943,033	1,963,330	943,379	2,102,923	2,244,311	1,459,890	2,227,222	1,506,429	1,294,636	2,507,040	1,677,594	2,317,136
Total capital works property, plant and equipment	2,997,284	5,025,513	3,725,941	3,248,067	4,200,214	2,981,555	3,764,318	4,168,678	3,870,374	3,498,121	12,732,631	7,825,482	3,890,573	7,430,995	4,360,561
Represented by:															
Additions - renewal	2,997,284	5,025,513	3,725,941	3,248,067	4,200,214	2,981,555	3,764,318	4,168,678	3,870,374	3,498,121	12,732,631	7,825,482	3,890,573	7,430,995	4,360,561
Total capital works property, plant and equipment	2,997,284	5,025,513	3,725,941	3,248,067	4,200,214	2,981,555	3,764,318	4,168,678	3,870,374	3,498,121	12,732,631	7,825,482	3,890,573	7,430,995	4,360,561
Asset movement reconciliation															
Total capital works property, plant and equipment	2,997,284	5,025,513	3,725,941	3,248,067	4,200,214	2,981,555	3,764,318	4,168,678	3,870,374	3,498,121	12,732,631	7,825,482	3,890,573	7,430,995	4,360,561
Depreciation property, plant and equipment	(4,315,414)	(4,423,300)	(4,533,883)	(4,647,229)	(4,763,410)	(4,882,495)	(5,004,557)	(5,129,672)	(5,257,913)	(5,389,362)	(5,524,095)	(5,662,198)	(5,803,752)	(5,948,846)	(6,097,567)
Net book value of disposed/written off assets	(276,544)	(548,988)	(506,972)	(236,931)	(393,027)	(268,468)	(571,994)	(644,412)	(350,434)	(539,965)	(383,950)	(390,620)	(610,888)	(444,385)	(653,587)
Revaluation of property, plant and equipment (inflation)	2,079,989	2,136,017	2,159,307	2,175,222	2,208,602	2,212,558	2,225,617	2,244,252	2,260,113	2,259,122	2,489,583	2,599,592	2,605,019	2,699,717	2,711,163
Net movement in property, plant and equipment	485,315	2,189,242	844,393	539,129	1,252,379	43,150	413,384	638,846	522,140	(172,084)	9,314,169	4,372,256	80,952	3,737,481	320,570
Asset movement reconciliation															
Depreciation right of use assets	(69,010)	(67,546)	(67,546)	(28,144)	0	0	0	0	0	0	0	0	0	0	0
Net movement in right of use assets	(69,010)	(67,546)	(67,546)	(28,144)	0	0	0	0	0	0	0	0	0	0	0
CAPITAL WORKS - TOTALS															
Capital works															
Total capital works infrastructure	18,572,996	9,591,146	11,282,855	8,977,066	24,221,750	6,838,496	12,491,867	14,616,987	15,899,940	18,649,248	18,084,557	19,003,960	25,072,293	23,832,507	30,079,654
Total capital works property, plant and equipment	2,997,284	5,025,513	3,725,941	3,248,067	4,200,214	2,981,555	3,764,318	4,168,678	3,870,374	3,498,121	12,732,631	7,825,482	3,890,573	7,430,995	4,360,561
Total capital works	21,570,280	14,616,659	15,008,796	12,225,133	28,421,964	9,820,051	16,256,185	18,785,665	19,770,314	22,147,369	30,817,188	26,829,442	28,962,866	31,263,502	34,440,215
Fixed asset movement															
Net movement in infrastructure assets	11,201,894	4,455,206	5,917,274	2,225,233	18,517,520	791,452	6,226,108	8,159,678	9,286,135	11,928,506	11,229,768	12,024,165	18,105,215	16,834,767	23,188,106
Net movement in property, plant and equipment	485,315	2,189,242	844,393	539,129	1,252,379	43,150	413,384	638,846	522,140	(172,084)	9,314,169	4,372,256	80,952	3,737,481	320,570
Net movement in right of use assets	(69,010)	(67,546)	(67,546)	(28,144)	0	0	0	0	0	0	0	0	0	0	0
Net movement in fixed assets	11,618,199	6,576,902	6,694,121	2,736,218	19,769,899	834,602	6,639,492	8,798,524	9,808,275	11,756,422	20,543,937	16,396,421	18,186,167	20,572,248	23,508,676

Appendix A9 Forecast Statement of Capital Funding 2026 – 2041

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital expenditure															
Infrastructure - roads	6,566,889	4,218,132	4,565,428	3,758,107	4,051,933	4,091,068	10,072,319	11,508,476	13,796,672	16,439,504	15,762,943	16,564,813	22,509,665	21,140,146	27,250,991
Infrastructure - road bridges	4,023,000	512,500	1,681,000	2,046,092	14,791,093	113,141	115,969	178,303	121,840	128,008	134,489	141,297	148,451	155,966	163,862
Infrastructure - car parks	350,000	243,438	372,972	277,299	220,763	410,135	339,210	297,171	251,296	264,017	277,383	291,426	306,179	321,680	337,965
Infrastructure - paths	1,151,400	679,268	583,097	722,163	547,491	690,159	525,341	508,534	389,889	409,627	430,364	452,152	475,042	499,091	524,357
Infrastructure - drainage	500,000	184,500	420,250	43,076	441,525	452,563	463,877	475,474	487,361	512,034	537,956	565,190	593,802	623,863	655,447
Infrastructure - parks and reserves	2,554,008	965,308	671,079	698,064	774,527	690,940	666,672	1,246,065	389,889	409,627	430,364	452,152	475,042	499,091	524,357
Infrastructure - aerodromes	42,199	41,000	42,025	43,076	44,153	52,199	46,388	47,547	48,736	51,203	53,796	56,519	59,380	62,386	65,545
Infrastructure - boat ramps and jetties	242,000	153,750	252,150	215,378	264,915	271,538	193,669	285,285	335,061	352,023	369,844	388,568	408,239	428,906	450,620
Infrastructure - waste management facilities	0	2,562,500	2,626,563	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure - public utilities	68,500	30,750	68,291	69,998	3,085,350	66,753	68,422	70,132	79,196	83,205	87,418	91,843	96,493	101,378	106,510
Infrastructure - landfill	3,075,000	0	0	1,103,813	0	0	0	0	0	0	0	0	0	0	0
Buildings - non-specialised	1,793,520	2,777,500	1,675,160	2,105,034	2,036,884	1,838,176	1,461,395	1,724,367	2,210,484	1,070,899	11,026,202	6,330,846	1,183,533	5,553,401	1,843,425
Furniture and equipment	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Plant and equipment	1,003,764	2,048,013	1,850,781	943,033	1,963,330	943,379	2,102,923	2,244,311	1,459,890	2,227,222	1,506,429	1,294,636	2,507,040	1,677,594	2,317,136
Total - Capital expenditure	21,570,280	14,616,659	15,008,796	12,225,133	28,421,964	9,820,051	16,256,185	18,785,665	19,770,314	22,147,369	30,817,188	26,829,442	28,962,866	31,263,502	34,440,215
Funded by:															
Capital grants & contributions															
Infrastructure - roads	5,107,763	3,280,803	3,360,176	2,791,594	2,920,852	2,865,908	2,926,789	2,874,571	3,186,852	3,266,523	3,348,186	3,431,891	3,517,688	3,605,631	3,695,771
Infrastructure - road bridges	3,923,000	400,000	1,500,000	1,800,000	13,300,000	0	0	50,000	0	0	0	0	0	0	0
Infrastructure - car parks	80,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure - paths	318,400	231,000	0	45,000	0	200,000	0	0	0	0	0	0	0	0	0
Infrastructure - parks and reserves	1,208,000	430,306	70,000	85,000	0	0	0	387,000	0	0	0	0	0	0	0
Buildings - non-specialised	0	1,020,000	0	0	0	0	0	0	0	0	528,000	0	0	0	0
Total - Capital grants & contributions	10,637,163	5,362,109	4,930,176	4,721,594	16,220,852	3,065,908	2,926,789	3,311,571	3,186,852	3,266,523	3,876,186	3,431,891	3,517,688	3,605,631	3,695,771
Own source funding															
Infrastructure - roads	1,459,126	937,329	1,205,252	966,513	1,131,081	1,225,160	7,145,530	8,633,905	10,609,820	13,172,981	12,414,757	13,132,922	18,991,977	17,534,515	23,555,220
Infrastructure - road bridges	100,000	112,500	181,000	246,092	1,491,093	113,141	115,969	128,303	121,840	128,008	134,489	141,297	148,451	155,966	163,862
Infrastructure - car parks	270,000	243,438	372,972	277,299	220,763	410,135	339,210	297,171	251,296	264,017	277,383	291,426	306,179	321,680	337,965
Infrastructure - paths	833,000	448,268	583,097	677,163	547,491	490,159	525,341	508,534	389,889	409,627	430,364	452,152	475,042	499,091	524,357
Infrastructure - drainage	500,000	184,500	420,250	43,076	441,525	452,563	463,877	475,474	487,361	512,034	537,956	565,190	593,802	623,863	655,447
Infrastructure - parks and reserves	1,346,008	535,002	601,079	613,064	774,527	690,940	666,672	859,065	389,889	409,627	430,364	452,152	475,042	499,091	524,357
Infrastructure - aerodromes	42,199	41,000	42,025	43,076	44,153	52,199	46,388	47,547	48,736	51,203	53,796	56,519	59,380	62,386	65,545
Infrastructure - boat ramps and jetties	242,000	153,750	252,150	215,378	264,915	271,538	193,669	285,285	335,061	352,023	369,844	388,568	408,239	428,906	450,620
Infrastructure - waste management facilities	0	2,562,500	2,626,563	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure - public utilities	68,500	30,750	68,291	69,998	3,085,350	66,753	68,422	70,132	79,196	83,205	87,418	91,843	96,493	101,378	106,510
Infrastructure - landfill	3,075,000	0	0	1,103,813	0	0	0	0	0	0	0	0	0	0	0
Buildings - non-specialised	1,793,520	1,757,500	1,675,160	2,105,034	2,036,884	1,838,176	1,461,395	1,724,367	2,210,484	1,070,899	10,498,202	6,330,846	1,183,533	5,553,401	1,843,425
Furniture and equipment	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Plant and equipment	727,220	1,499,025	1,343,809	706,102	1,570,303	674,911	1,530,929	1,599,899	1,109,456	1,687,257	1,122,479	904,016	1,896,152	1,233,209	1,663,549
Total - Own source funding	10,656,573	8,705,562	9,571,648	7,266,608	11,808,085	6,485,675	12,757,402	14,829,682	16,233,028	18,340,881	26,557,052	23,006,931	24,834,290	27,213,486	30,090,857
Borrowings															
Total - Borrowings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (disposals & C/Fwd)															
Plant and equipment	276,544	548,988	506,972	236,931	393,027	268,468	571,994	644,412	350,434	539,965	383,950	390,620	610,888	444,385	653,587
Total - Other (disposals & C/Fwd)	276,544	548,988	506,972	236,931	393,027	268,468	571,994	644,412	350,434	539,965	383,950	390,620	610,888	444,385	653,587
Total Capital Funding	21,570,280	14,616,659	15,008,796	12,225,133	28,421,964	9,820,051	16,256,185	18,785,665	19,770,314	22,147,369	30,817,188	26,829,442	28,962,866	31,263,502	34,440,215

Appendix A10 Forecast Ratios 2026 – 2041

	Target Range		Average	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41
Current Ratio	> 1.00	> 1.10	2.51	2.15	2.04	1.80	2.11	2.07	2.58	2.71	2.79	2.90	2.99	2.58	2.62	2.70	2.80	2.88
Debt Service Coverage Ratio	> 2	> 5	25.89	3.28	5.57	6.81	7.57	8.59	13.11	20.73	27.34	31.30	34.51	37.98	41.47	45.51	49.90	54.65
Operating Surplus Ratio	> 0.00	> 0.15	0.01	(0.03)	(0.07)	(0.07)	(0.06)	0.11	(0.05)	(0.04)	(0.02)	0.00	0.01	0.04	0.05	0.06	0.08	0.09
Net Financial Liabilities Ratio	< 0.30	< 0.00	(0.17)	(0.06)	(0.05)	(0.05)	(0.12)	(0.11)	(0.20)	(0.22)	(0.23)	(0.24)	(0.25)	(0.18)	(0.18)	(0.19)	(0.20)	(0.20)
Actual LGFI Score (Weighted Score x 10)	> 70		88.00	83.00	85.00	85.00	85.00	96.00	85.00	87.00	87.00	87.00	88.00	88.00	88.00	92.00	92.00	92.00

Ratios determined in accordance with the Local Government Financial Indicator, Refer <https://mycouncil.wa.gov.au/>

Appendix A11 Forecast Significant Accounting Policies

Basis of Preparation

The Long Term Financial Plan (the Plan) comprises forecast 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 and is considered a zero cost concessionary lease. 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.

The Local Government (Financial Management) Regulations 1996 provide that: land and buildings classified as property, plant and equipment; or infrastructure; or vested improvements that the local government controls; and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 Property, Plant and Equipment, which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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 future 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.

Appendix A11 Forecast Significant Accounting Policies (Continued)

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.

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.

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.

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.

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.

Appendix A11 Forecast Significant Accounting Policies (Continued)

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.

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.

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 for each year. These are provided in the table on the right.

Asset Class	Effective average depreciation rates
Buildings - non-specialised	1.89%
Furniture and equipment	8.46%
Plant and equipment	10.03%
Right of use – plant and equipment	22.31%
Infrastructure - roads	2.23%
Infrastructure - road bridges	1.25%
Infrastructure - car parks	1.44%
Infrastructure - paths	2.65%
Infrastructure - drainage	1.38%
Infrastructure - caravan and camping	1.99%
Infrastructure - parks and reserves	3.12%
Infrastructure - aerodromes	4.86%
Infrastructure - boat ramps and jetties	3.50%
Infrastructure - waste management facilities	1.85%
Infrastructure - public utilities	4.49%
Infrastructure - landfill	1.91%

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.

Employee Benefits

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

Appendix A11 Forecast Significant Accounting Policies (Continued)

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 in collaboration with the Shire of Augusta Margaret River by Moore Australia (WA) Pty Ltd.

Reliance

This Plan has been prepared for the exclusive use of the Shire of Augusta Margaret River 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 Shire of Augusta Margaret River. 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 Shire of Augusta Margaret River.

This Plan contains quantitative and qualitative statements, including projections, estimates, opinions and forecasts concerning the anticipated future performance of Shire of Augusta Margaret River 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 Shire of Augusta Margaret River. 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 Shire of Augusta Margaret River and the impact that a variation in future outcomes may have on the Plan and the Shire of Augusta Margaret River.

Please refer to the attached compilation report.

Document Management

Version	2026 – 2041 V1
Status	Final
Date	10 March 2026

References

Reference to the following documents or sources were made during the preparation of the Long Term Financial Plan.

- Shire of Augusta Margaret River Strategic Community Plan 2025 – 2035;
- Shire of Augusta Margaret River Annual Financial Report 2023-24;
- Shire of Augusta Margaret River Annual Financial Report 2024-25;
- Shire of Augusta Margaret River Adopted Annual Budget 2025-26;
- Australian Bureau of Statistics 2021 Census of Population and Housing, Augusta Margaret River (LGA50280);
- WALGA Online Local Government Directory 2023/24, Shire of Augusta Margaret River; and
- Council website: www.amrshire.wa.gov.au

Disclaimer

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2 February 2026

Andrea Selvey
Chief Executive Officer
Shire of Augusta Margaret River
PO Box 61
Margaret River WA 6285

Dear Andrea

COMPILATION REPORT TO SHIRE OF AUGUSTA MARGARET RIVER

We have compiled the accompanying Shire of Augusta Margaret River Long Term Financial Plan 2026 – 2041 based on information you have provided.

THE RESPONSIBILITY OF SHIRE OF AUGUSTA MARGARET RIVER

The Chief Executive Officer of the Shire of Augusta Margaret River is solely responsible for the information contained in the Long Term Financial Plan 2026 – 2041, the reliability, accuracy and completeness of the information and for the determination that the statutory financial reporting framework used is appropriate to meet their needs and for the purpose that the forward looking financial statements were prepared.

This Long Term Financial Plan 2026 – 2041 and the reliability, accuracy and completeness of the information used to compile it are your responsibility.

OUR RESPONSIBILITY

On the basis of information provided by the Shire of Augusta Margaret River we have compiled the accompanying special purpose financial statements in accordance with the statutory *financial reporting framework* and APES 315 *Compilation of Financial Information*.

We have applied our professional expertise in accounting and financial reporting to assist management in the preparation and presentation of these forward looking financial statements on the basis of accounting described in Appendix A11 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

ASSURANCE DISCLAIMER

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information you provided to us to compile the Schedule. Accordingly, we do not express an audit opinion or a review conclusion¹ on whether the Long Term Financial Plan 2026 – 2041 is prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

As stated in Appendix A11, the Long Term Financial Plan 2026 – 2041 is prepared and presented on the basis prescribed by *Local Government Act 1995* and accompanying regulations in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), for the purpose of the Shire of Augusta Margaret River's compliance with the *Local Government Act 1995* and accompanying regulations. Accordingly, the Long Term Financial Plan 2026 – 2041 is for use only in connection with that purpose and may not be suitable for any other purpose.

Our compilation report is intended solely for the use of the Shire of Augusta Margaret River and should not be distributed to parties other than the Shire of Augusta Margaret River without our prior written consent.

Russell Barnes
Director
Moore Australia (WA) Pty Ltd