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# Introduction

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Integrated Planning is the term used to describe the planning process where long-term community aspirations and goals are identified in order to develop strategies and delivery plans in consultation with stakeholders. Council has participated in Integrated Planning & Reporting (IP&R) framework as prescribed by the Office of Local Government (OLG) since July 2012. The framework provides for a ten-year Community Strategic Plan, a four-year Delivery Program and an annual Operational Plan linked to longer term specific strategic plans collectively referred to as the Resourcing Strategy.

Community Strategic Plan outlines the needs and aspirations of the Gunnedah community, both now and into the future. Accordingly, all of the plans contained within the resourcing strategy provide key input in shaping both the Delivery Program (four years) and Operational Plans (annual) of Council.

The Resourcing Strategy informs, influences and ultimately reflects Council’s Community Strategic Plan. This Long Term Financial Plan (LTFP) is a key component of the Resourcing Strategy.

This Long Term Financial Plan has been prepared to:

- confirm and communicate Council’s financial objectives and forecasts for the planning period to the community and all of Council’s stakeholders;
- guide the preparation of Council’s Delivery Program and Operational Plan within long term financial sustainability;
- identify financial and non-financial risks; and
- ensure that Council complies with key financial performance indicators as prescribed by OLG.



Figure 1: Council’s IP&R framework

This LTFP provides a framework for sustainable financial management, balancing our environmental, social, economic and governance objectives whilst delivering services and maintaining infrastructure to the community and visitors of Council area. It also provides direction for development of future strategies and is a critical instrument in identifying, leveraging and managing Council’s key strengths, opportunities, risks and areas for improvement.

Financial Year 2022-23 is the first year in this LTFP, which is a reflection of Operational Plan. The next three financial years are forward estimates from Delivery Program up to Financial Year 2025-26. The last six years, ending Financial Year 2031/32, include financial projections and assumptions from first four years, however, known exceptions are incorporated, such as Council elections, asset revaluations and periodic asset renewal programs. The level of detail is comparatively less, as progressing to the tenth year, compared to first year in the plan.

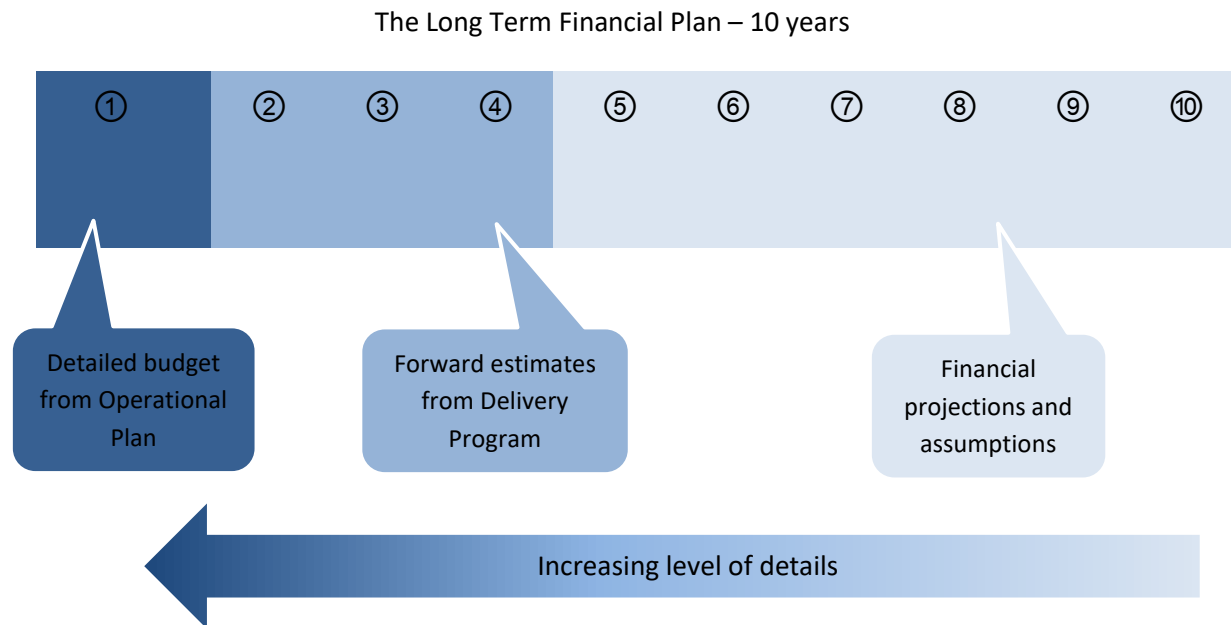


Figure 2: Level of details as progressing through the LTFP

# Revenue Strategy

Council’s revenue is comprised of a few streams, such as rates, annual charges, user fees, grants, developer contributions and investment revenue. Growth of revenue is a critical success factor for Council’s long-term financial sustainability due to the increase in operating expenditure and complexity in service delivery models. However, some of these revenue streams, such as rates, are subject to OLG’s indexation regulations, therefore, not readily responsive to market price elasticity of operating expenditure. This LTFP focuses on revenue streams Council has direct control of, and formulates pricing with the aim to recover a set percentage of associated cost of delivering services.

## Rates and Annual Charges

Rates and Annual Charges are a major component of Council’s revenue base, contributing approximately 43.4% of Council’s estimated revenue for the FY2022/23.

### Ordinary Rates

Council levies rates on properties within the Council area and funds a range of services in the community. This is the most prominent income stream for Council. Rates are levied across four rating categories, and the breakdown of each category for Financial Year 2020/21 is as follows.

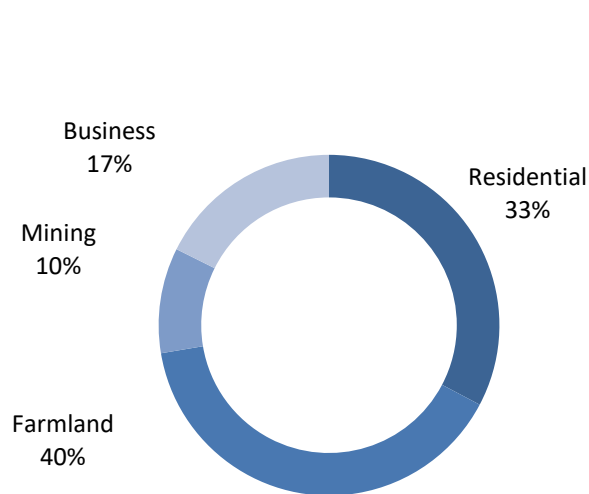


Figure 3: Composition of rates by category – Audited Financial Statements 2020/21

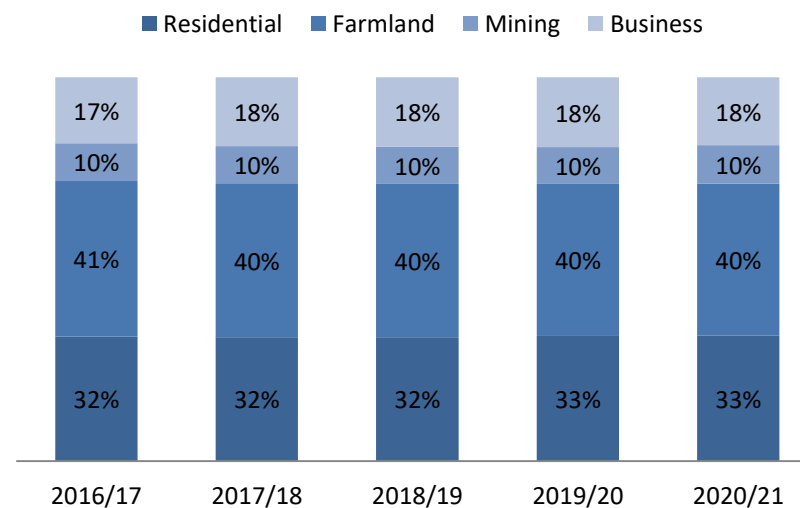


Figure 4: Comparison of rates by categories – 5 years

Farmland is the major contributor, and has maintained a steady level of contribution over the last five years. This category symbolises Gunnedah Shire's positioning as one of Australia's richest pockets of agricultural land.

Council is limited by the rates indexation determined by Independent Pricing and Regulatory Tribunal (IPART) known as rate peg. IPART sets the rate peg for Financial Year 2022/23 at a historically low of 0.8%, presenting challenges to deliver all services and maintain infrastructure. However, future years are indexed with IPART's indicative rate peg of 2.5% before population factor. Council has also applied and been successful in obtaining an Additional Special Variation of 1.7% to bridge the record low rate-peg gap in Financial Year 2022/23.

Council's rate base consists of approximately 6,369 properties and is estimated to generate \$14.41m worth of rates revenue in Financial Year 2022/23 with the Additional Special Variation, with a stable growth in line with the Gunnedah Shire Local Housing Strategy. A population factor of 0.1% has been built into the first five years of this LTFP, resulting in an effective indexation of 2.6% (rate peg 2.5% + population factor 0.1%) until Financial Year 2026/27.

#### *Waste Management*

A 3.50% increase in Domestic Waste Management (DWM) Charges has been factored into the 2022-23 financial year based on the reasonable cost for providing this service due to significant increases in the costs associated with the provision of this service. From Financial Year 2023/24, a 2.50% increase in DWM charges has been assumed for the term of the plan.

#### *Water Supply*

The water supply annual charges and usage charges have been set in accordance with reference to the Department of Water and Energy's Best Practice Management of Water Supply and Sewerage Guidelines. The strategy in place for the Water Supply Long Term Financial Plan has been established to ensure that the total income generated is sufficient to meet all of the long-term operations, maintenance, asset renewal and new infrastructure costs associated with the provision of water supply services. To ensure this is the case into the future, charges are annually adjusted to reflect movement in costs.

The standard Water Service Availability Charge for the year 2022-23 has increased by 4.76% to \$220.00. Charges in following years are expected to be increased by 2.50% to ensure overall revenue keeps up with rising costs. This course of action will ensure that the water fund has well-maintained assets and appropriate level of services, thus reducing Council's risk exposure.

#### *Sewerage Services*

The sewerage supply annual charges and usage charges have been set in accordance with the Department of Water and Energy's Best Practice Management of Water Supply and Sewerage Guidelines. The Long Term Financial Plan strategy for Sewerage Services has established that the total income generated needs to be sufficient to meet all of the long-term operations, maintenance, asset renewal and new infrastructure costs associated with the provision of sewer supply services. To ensure this is the case into the future, charges are annually adjusted to reflect movement in costs. Charges for the

Financial Year 2022/23 will increase by 2.25% to \$624.40 for a residential sewer charge. Charges in the following years have been estimated to rise by 2.50% over the life of the plan. This course of action will ensure that the sewer fund has well-maintained assets and appropriate level of services, thus reducing Council's risk exposure.

### **Fees & Charges**

Council has the ability to raise revenue through the adoption of a fee or an annual charge for services or facilities provided. Our fees and charges are split into the following categories:

1. Regulatory – these fees are generally determined by State Government Legislation, and primarily relate to building, development or compliance activities. Council has no control over the calculation or any annual increase of these fees and charges.
2. Discretionary – Council has the capacity to determine the charge or fee for discretionary works or services, such as the use of community facilities and access to community services. These fees are charged with the intention of recovering all cost (e.g. water/sewer/domestic waste) or internally stipulated percentage of cost (e.g. The Civic/swimming pool) associated with this service or usage of a facility.

### **Grants & Contributions**

This LTFP includes ongoing recurrent grant funding such as Financial Assistance Grant, Block Grant and Roads to Recovery Program. Equally, the associated grant funded expenditure is also recognised where applicable. Most of the other non-recurrent grant funding is included only in the first year. In the instances Council is aware of such grant applications at the time of preparing this LTFP. Each Financial Year, Council is also awarded significant contract works on State Roads, which assist in maintaining existing workforce and plant resource levels.

Council is also delivering a few significant grant funded projects in the Financial Year 2021/22 including Gunnedah Regional Saleyards Redevelopment (\$17.5m), Clifton Road Upgrade (\$9.8m), Water Treatment Facility (\$8.3m), Koala Sanctuary (\$6.5m) and airport runway upgrade (\$3.8m), but not limited to. This LTFP includes operating expenditure and depreciation when these assets are commissioned for community use.

### **Developer Contributions**

Section 7.11 and 7.12 of the Environmental Planning & Assessment Act (1979) enables Council to collect contributions towards the provision, extension or augmentation of public amenities and services required as the result of a development. Council's Contribution Plans set out what infrastructure is required, likely timing of construction, cost of required works and how this cost will be split between Council and developers. Council is only able to levy contributions in accordance with this plan. Where permitted, developers may construct works, or dedicate land in lieu of making cash contributions. When

this happens, the developer enters into a Voluntary Planning Agreement (VPA). In these cases, the works are required to be completed prior to the developer being issued a certificate for their development.

**Interest Revenue**

Council holds funds for externally restricted reserves, such as water and sewer augmentation, domestic waste management and government grants, received in advance and internally restricted reserves for particular business activities such as plant replacement, saleyards and GoCo. These funds, together with any excess unrestricted general funds, are invested in accredited financial institutions in accordance with Council’s Investment Policy. Risk profile of each financial institution, working capital requirements of aforesaid business activities and long-term interest rate forecasts are reviewed thoroughly before placing any investment and are reported to Council on monthly basis. It is also noteworthy that Council holds one of the highest-performing self-managed investment portfolios\* in NSW. Interest revenue is recognised by each fund and has been forecast in this LTFP.

**Loan Borrowings**

Council will consider borrowing funds for specific capital projects which are clearly linked to community expectations outlined in the Long Term Financial Plan and Community Strategic Plan, and after all other potential funding strategies have been investigated, including the use of existing cash reserves and external funding opportunities. Council will review its Long Term Financial Plan to ensure capacity to service the debt from recurrent revenues. One of the key performance indicators for loan borrowings is debt service cover ratio, and it sits at much higher level compared to the OLG benchmark, which requires an operating result before capital, interest and non-cash items of at least twice of principal and interest of loans.

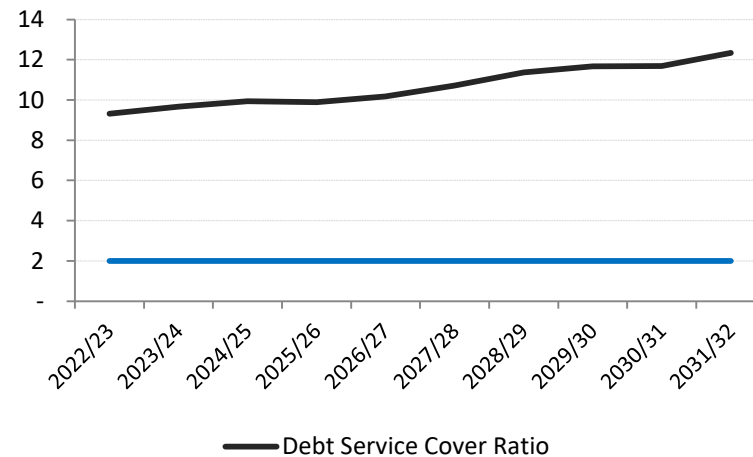


Figure 5: Debt service cover ratio – 10 years

\* Based on NSW Local Government T/D Performance & Rankings December 2021 by Imperium Markets Pty Ltd



# Operating and Capital Expenditure

## Operating Expenditure

Operating expenditure includes the ongoing cost of delivering services, and maintenance of Council’s infrastructure. This is funded by operating revenue including operating grants and contributions, but generally excludes capital grants and contributions, which are intended to fund capital expenditure.

Employee cost represents more than a third of Council’s operating expenses, which is a key characteristic of a service organisation. This is closely followed by materials and services which generally account for another third of operating expenses. Depreciation accounts for approximately a quarter of operating expenditure and is a fair indication of how much Council’s asset portfolio is expected to deplete in the coming 12-month period. In order to maintain assets to at least the same condition rating, capital renewal work by asset category can be benchmarked against depreciation, which forms part of Council’s capital expenditure. The chart on the right shows the breakdown of operating expenditure in the last financial year. Some of these assumptions are being utilised in formulating future expenditure projections, however, a number of modifications have been incorporated to address external changes to operating environment and internal changes to operating models.

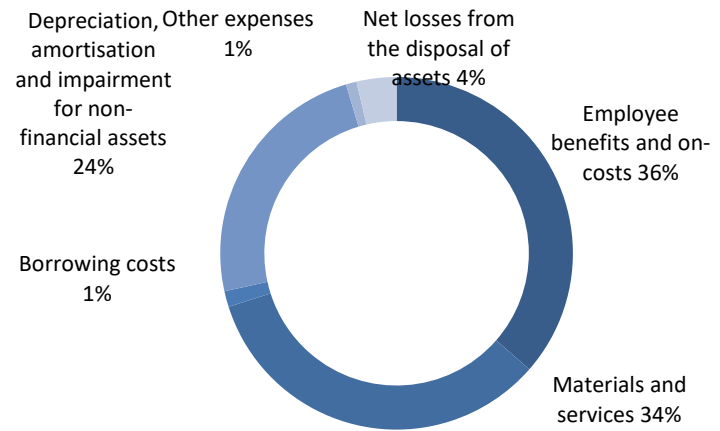


Figure 6: Operating expenditure by category – Audited Financial Statements 2020/21

### Employee Cost

Council's workforce maintain infrastructure, and manage and deliver services and across the Gunnedah Shire including provision of water and sewerage services. The Local Government Award stipulates the percentage increase in each year, which is 2% for Financial Year 2022/23 based on the NSW Local

Government (State) Award 2020. An award increase of 2.5% has been used from Financial Year 2023/24 onwards. Additionally, an allowance has been made for the superannuation guarantee levy increase of 0.5% per financial year until Financial Year 2025/26.

This LTFP also includes a budget allocation of \$4.67m over the 10 years for staff training and development; to enable maintain a skilled workforce for quality service delivery, and to empower succession planning strategies.

### **Materials & Services**

This category represents expenses of Council in the day-to-day operations that are not included in employee costs or depreciation, such as raw materials used in maintaining infrastructure, contractors and consultants, utilities, insurance and information technology-related expenditure. Materials and services represent approximately a third of operating expenses and are subject to external factors, such as inflation and scarcity, which can vary from the assumptions used in this LTFP. This risk is identified in the Risk Assessment and Sensitivity Analysis section.

### **Depreciation**

Depreciation is non-cash expenditure in the income statement and is calculated using the straight-line method to allocate the respective asset's cost and net of residual value over the estimated useful life. Land is not depreciated and infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every five years; however, the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value. Any material differences are recognised either through the income statement or against the revaluation reserve as appropriate. Depreciation cost represents the portion of funding that is used in capital expenses, such as renewing or upgrading existing assets, complemented by any operating surpluses before capital.

### **Other expenses**

Other expenses are not part of the day-to-day operations of Council and generally relate to subscriptions, write-downs of financial assets, S356 contributions and levies payable to other levels of government, and comprise less than 5% of total operating expenses. Emergency Service Levy (ESL) is one of the notable items in this category which forms part of 11.7% contribution to State Emergency Services funding by NSW Councils. Similar to the immediate two preceding Financial Years, Year 1 of this LTFP includes an ESL increase that is more than standard indexation; however, the NSW Government has announced funding for this additional increase, eliminating immediate financial pressure on Council's LTFP.

## Capital Expenditure

This LTFP includes \$100m worth of capital expenses over the entire ten-year period. It predominantly consists of capital renewal expenditure over \$85m, capital upgrade of \$7m and capital new over \$7m. Capital renewal expenditure is defined as bringing existing assets into original or agreed service condition, such as a road reseal. Capital upgrade expenditure enhances the service level, such as widening a road. Capital new expenditure represents construction or purchase of a new asset into the current asset portfolio such as construction of a new playground or purchase an additional plant fleet.

Capital expenditure is funded by a range of funding sources including general revenue, internal restrictions (e.g. plant replacement reserve), water, sewer, domestic waste funds and developer contributions. Funding also includes expected government grant funding, however, the risk of changes to these grant arrangements and amounts are identified in the Risk Assessment and Sensitivity Analysis section.

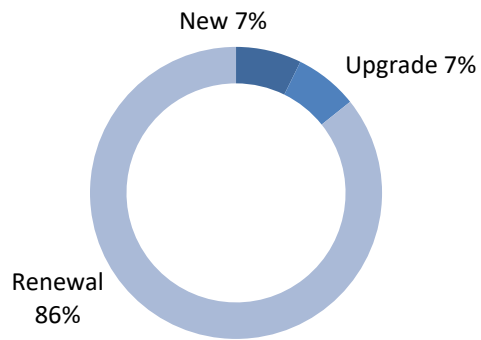


Figure 7: Capital expenditure by category –LTFP 2022/23-2031/32

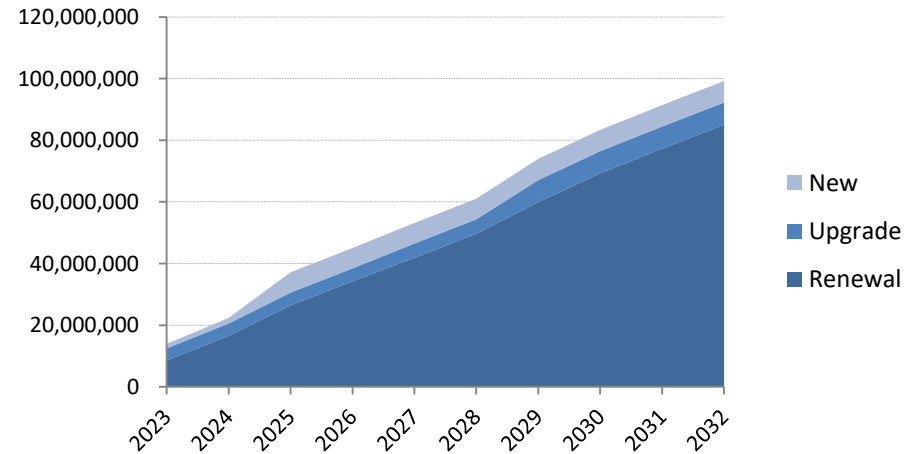


Figure 8: Cumulative Capital expenditure by category –LTFP 2022/23-2031/32

Health of the current asset portfolio is annually measured using a few ratios, such as buildings and infrastructure renewals ratio, infrastructure backlog ratio and asset maintenance ratio and is reported in Financial Statements as a special schedule.

# Current Assets, Non-Current Assets and Liabilities

Assets are any resource owned or controlled by Council that can be used to produce positive economic value. Current assets largely consist of cash and cash equivalents, investments, receivables, contract assets and inventory which are expected to be realised within one year. Non-current assets represent infrastructure, property, plant and equipment, and are not expected to be realised within one year. Council’s asset base consists of approximately 90% non-current asset and 10% current assets as per audited financial statements, and, demonstrated in Figure 9. Council owns a large amount of specialised assets, such as road infrastructure and bridges, and require periodical maintenance and renewal, as outlined in the previous section under Capital Expenditure.

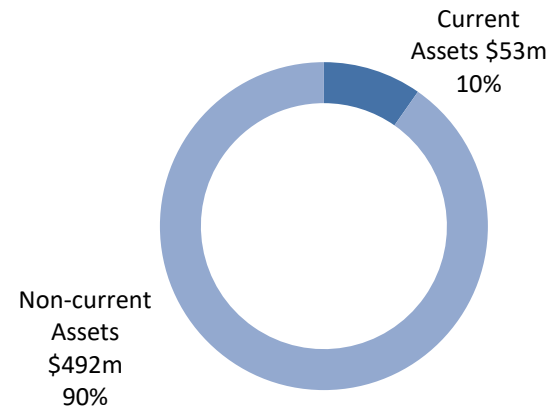


Figure 9: Current Assets vs Non Current Assets - Audited Financial Statements 2020/21

Cash and cash equivalents and investments are categorised as external restrictions, internal restrictions and unrestricted. External restrictions include water, sewer and domestic waste funds, developer contributions, and grants received in advance. Council is bound by legislation or third-party contractual agreements that restrict the use of funds held. Internal restrictions are those that Council have allocated by resolution or policy to identified programs of works and any forward strategic plans. Details of these restrictions and unrestricted cash amount are presented to the Council at the end of each month through investment reports.

Liabilities are categorised as current liabilities and non-current liabilities. Current liabilities include all payables, most contract assets (funds received prior to performance obligation being satisfied (upfront payments) – AASB 15), current portion of borrowings and lease liabilities. Employee benefit provisions can be current (eg: annual leave) or non-current (eg: portion of long service leave). Long-term borrowings and tip remediation provision are two major items in non-current liabilities of Council.

# Summary of Financial Statements

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The following table illustrates high-level consolidated financial statements and ratios. This includes provisions for changes in the external operating environment such as energy prices and insurance premiums. Additionally, year 1 includes one-off operating projects, such as a level three bridge inspection, road network condition assessment and water reservoir condition assessment. This LTFP includes a provision for depreciation starting progressively from Year 1 and 2, deriving from assets associated with extensive capital works program in Financial Year 2021/22. It is expected that consolidated operating results will improve from Year 3 onwards due to a combination of factors including growth of revenue, expenditure management and expiration of past borrowings. A full list of assumptions used in these future projections is presented in Table 2 under Risk Assessment and Sensitivity Analysis. It is also noteworthy that operating result projections outlined below in Table 1 include the Additional Special Variation of 1.7% approved by IPART, which has improve the operating results and ratios throughout this LTFP.

Operating Performance Ratio is an indicator of Council's ability to contain operating expenditure within operating revenue. As shown above, the first year is marginally outside the benchmark ratio of  $\geq 0.00\%$ , however, with an upward trend in forward projections. The average Operating Performance Ratio over first 5 years is 1.39%, which meets the benchmark. Also, Council will monitor and review the first two Financial Years and identify operating savings where possible to improve the ratio.

Own Source Operating Revenue Ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. Council meets this ratio throughout this LTFP. Unrestricted Current Ratio, cash expense cover ratio and Debt Services Cover Ratio indicate adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council and payment of debt. Council's projected results sits well above both there ratios. Council also meets all other key ratios as illustrated below and figures 9-14 on page 14.

Projected Statements 2022/23-2031/32										
	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/2031	2031/2032
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue	47,086,654	47,807,800	49,003,635	49,452,436	50,085,275	51,354,872	52,759,659	53,971,950	55,260,030	55,897,086
Operating Expenses	45,546,474	46,588,775	46,874,614	47,067,026	47,993,288	48,812,640	49,729,224	50,120,308	51,631,680	51,571,115
<b>Net Operating Result for the Year</b>	<b>1,540,179</b>	<b>1,219,025</b>	<b>2,129,021</b>	<b>2,385,410</b>	<b>2,091,987</b>	<b>2,542,232</b>	<b>3,030,435</b>	<b>3,851,642</b>	<b>3,628,350</b>	<b>4,325,971</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>-64,315</b>	<b>15,482</b>	<b>895,389</b>	<b>1,120,938</b>	<b>1,414,263</b>	<b>1,847,565</b>	<b>2,318,401</b>	<b>3,121,808</b>	<b>2,880,270</b>	<b>3,559,189</b>
Total Assets	599,073,457	599,191,301	600,845,528	602,356,183	603,696,072	605,552,253	607,966,538	611,021,573	614,342,427	617,912,743
Total Liabilities	32,035,581	30,934,401	30,459,607	29,584,852	28,832,754	28,149,878	27,533,728	26,737,120	26,058,276	25,074,816
Total Equity	<b>567,037,875</b>	<b>568,256,900</b>	<b>570,385,921</b>	<b>572,771,331</b>	<b>574,863,318</b>	<b>577,402,375</b>	<b>580,432,810</b>	<b>584,284,452</b>	<b>588,284,151</b>	<b>592,837,927</b>

	Benchmark	Projected Years									
		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/2031	2031/2032
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating performance ratio	>=0.00%	-0.14%	0.03%	1.87%	2.33%	2.86%	3.65%	4.45%	5.86%	5.28%	6.46%

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Own source operating revenue ratio	>=60.00%	67.19%	67.61%	67.64%	68.77%	69.66%	69.71%	69.82%	69.80%	69.80%	69.40%
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This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Unrestricted current ratio	>=1.50	2.67	2.06	2.13	2.24	2.33	2.44	2.53	2.67	2.77	2.91
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To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Debt services cover ratio	>=2.00	9.31	9.66	9.93	9.90	10.17	10.72	11.37	11.67	11.69	12.34
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This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Rates and annual charges outstanding	<=10.00%	5.82%	5.82%	5.81%	5.83%	5.81%	5.81%	5.80%	5.81%	5.81%	5.81%
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To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Table 1: Summary of Financial Statements and ratios – including ASV

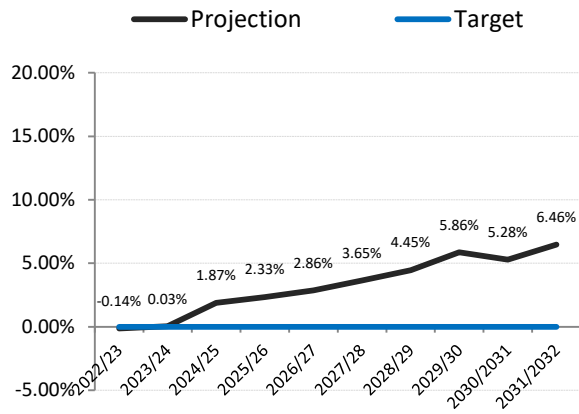


Figure 10: Operating Performance Ratio

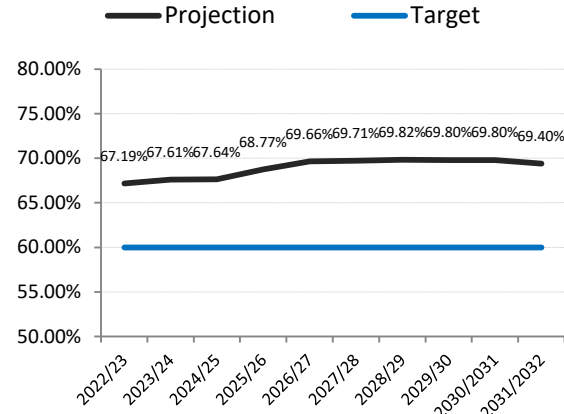


Figure 11: Own Source Operating Revenue Ratio

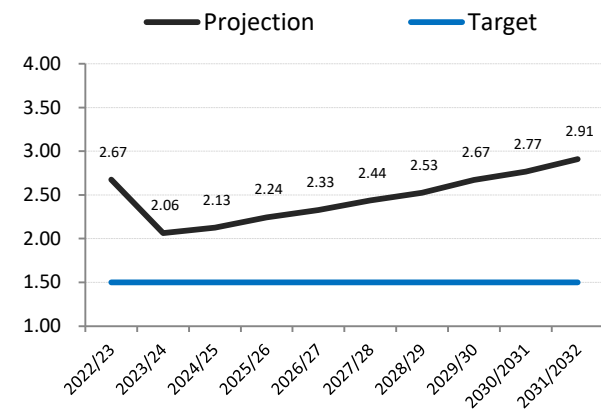


Figure 12: Unrestricted Current Ratio

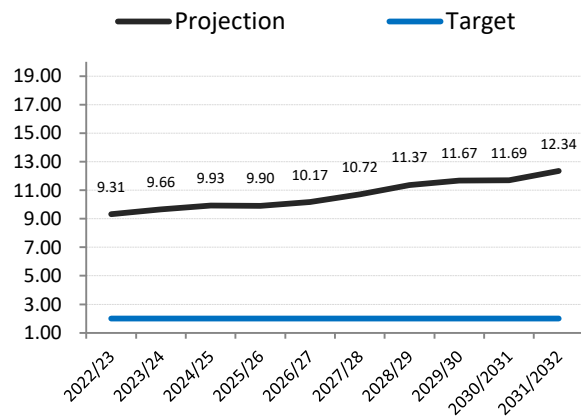


Figure 13: Debt Service Cover Ratio

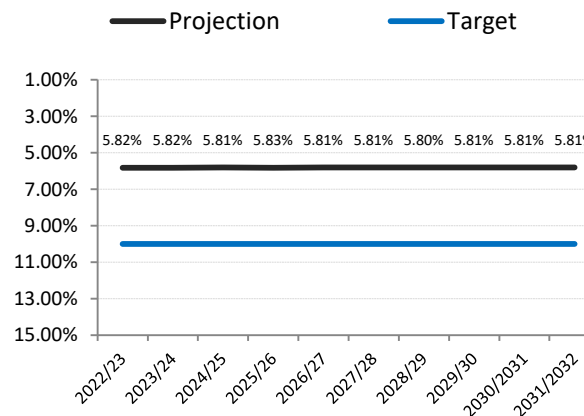


Figure 14: Rates and Annual Charges Outstanding

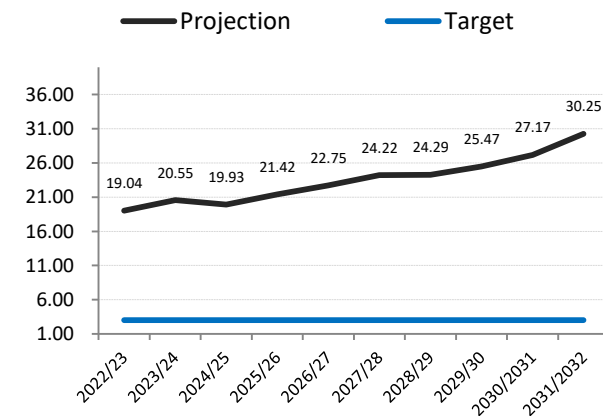


Figure 15: Cash Expense Cover Ratio

# Risk Assessment and Sensitivity Analysis

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The following risk factors have been considered in the development of this LTFP. While some factors would only have a minor impact on the projections, others could have a more significant impact. Two comparative scenarios have been developed with a) favourable and b) unfavourable assumptions compared to the current model and the impact on key financial ratios has been evaluated.

**a) Favourable scenario:**

- Rate peg is determined by IPART based on Local Government Cost Index for preceding 12 months prior to announcement date. Due to a higher Producer Price Index in current financial year, a higher rate peg has been included in Year 2 onwards.
- Due to the higher cost of providing services, annual charges are subject to a higher indexation.
- Higher materials and services indexation has been used from Year 2 onwards to allow for corresponding cost increases.

These favourable assumptions improve the operating performance from Year 2 onwards. There are no material changes to the non-current asset position or other financial ratios.

**b) Unfavourable scenario:**

- This scenario considers the possibility that the Additional Special Variation for Year 1 is not approved by IPART, leaving the Year 1 rate peg at 0.8%.
- A downward adjustment for potential domestic waste peg has been incorporated from Year 3 onwards. A domestic waste peg will limit the ability to respond to changes in market forces by means of corresponding cost recovery.
- NSW Councils currently receive Financial Assistance Grant in advance; however, change in this methodology can have a significant impact on any given financial year. To identify this risk, a one-off downward adjustment for possible progressive discontinuation of FAG advance payment in Year 4, Year 5 and Year 6 has been incorporated.
- A higher indexation has been used for materials and services based on the Producer Price Index. An efficiency factor has not been incorporated for the purpose of this exercise.



Favourable Scenario - Projected Statements 2022/23-2031/32										
	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/2031	2031/2032
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue	47,086,654	47,971,400	49,340,009	49,971,151	50,796,290	52,268,129	53,885,731	55,321,826	56,845,160	57,579,526
Operating Expenses	45,546,474	46,626,242	46,941,887	47,165,377	48,110,123	48,948,425	49,868,407	50,264,004	51,780,393	51,742,223
<b>Net Operating Result for the Year</b>	<b>1,540,179</b>	<b>1,345,158</b>	<b>2,398,122</b>	<b>2,805,774</b>	<b>2,686,167</b>	<b>3,319,704</b>	<b>4,017,324</b>	<b>5,057,822</b>	<b>5,064,767</b>	<b>5,837,303</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>-64,315</b>	<b>141,615</b>	<b>1,164,490</b>	<b>1,541,302</b>	<b>2,008,443</b>	<b>2,625,037</b>	<b>3,305,290</b>	<b>4,327,988</b>	<b>4,316,687</b>	<b>5,070,521</b>
Total Assets	599,064,468	599,315,409	601,246,062	603,184,766	605,125,202	607,765,516	611,171,283	615,437,462	620,199,963	625,439,434
Total Liabilities	32,035,581	30,941,365	30,473,896	29,606,826	28,861,095	28,184,880	27,573,323	26,781,680	26,108,065	25,132,596
Total Equity	<b>567,028,886</b>	<b>568,374,044</b>	<b>570,772,166</b>	<b>573,577,940</b>	<b>576,264,107</b>	<b>579,580,636</b>	<b>583,597,960</b>	<b>588,655,782</b>	<b>594,091,898</b>	<b>600,306,838</b>

	Benchmark	Projected Years									
		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/2031	2031/2032
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating performance ratio	>=0.00%	-0.14%	0.30%	2.42%	3.16%	4.01%	5.09%	6.22%	7.93%	7.70%	8.92%

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Own source operating revenue ratio	>=60.00%	67.19%	67.72%	67.86%	69.09%	70.09%	70.24%	70.45%	70.54%	70.65%	70.30%
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This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Unrestricted current ratio	>=1.50	2.67	2.07	2.14	2.27	2.36	2.50	2.61	2.79	2.92	3.11
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To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Debt services cover ratio	>=2.00	9.31	9.69	10.06	10.13	10.52	11.20	12.01	12.46	12.65	13.37
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This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Rates and annual charges outstanding	<=10.00%	5.82%	5.83%	5.81%	5.83%	5.81%	5.81%	5.80%	5.81%	5.81%	5.81%
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To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Cash expense cover ratio	>=3.00	19.03	20.57	20.01	21.60	23.08	24.76	25.10	26.59	28.65	32.19
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This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Table 3: Summary of impact on operating performance – favourable scenario

Unfavourable Scenario - Projected Statements 2022/23-2031/32										
	Projected Years:									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/2031	2031/2032
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue	46,850,213	47,565,213	48,716,556	47,811,779	48,403,307	49,630,855	52,442,158	53,646,512	54,926,456	55,405,340
Operating Expenses	45,546,474	46,648,481	46,996,911	47,254,914	48,188,132	49,051,981	50,015,221	50,455,204	51,978,967	51,931,250
<b>Net Operating Result for the Year</b>	<b>1,303,738</b>	<b>916,732</b>	<b>1,719,645</b>	<b>556,865</b>	<b>215,175</b>	<b>578,874</b>	<b>2,426,937</b>	<b>3,191,308</b>	<b>2,947,489</b>	<b>3,474,090</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>-300,756</b>	<b>-286,811</b>	<b>486,013</b>	<b>-707,607</b>	<b>-462,549</b>	<b>-115,793</b>	<b>1,714,903</b>	<b>2,461,474</b>	<b>2,199,409</b>	<b>2,707,308</b>
Total Assets	598,828,232	598,645,782	599,891,318	599,316,720	598,773,300	598,661,672	600,746,742	603,143,859	605,784,107	608,652,641
Total Liabilities	32,026,797	30,927,616	30,453,507	29,322,044	28,563,449	27,876,122	27,534,255	26,740,064	26,061,473	25,078,281
Total Equity	<b>566,801,434</b>	<b>567,718,166</b>	<b>569,437,811</b>	<b>569,994,676</b>	<b>570,209,851</b>	<b>570,785,550</b>	<b>573,212,487</b>	<b>576,403,795</b>	<b>579,722,633</b>	<b>583,574,360</b>

	Benchmark	Projected Years:									
		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/2031	2031/2032
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating performance ratio	>=0.00%	-0.66%	-0.62%	1.02%	-1.52%	-0.97%	-0.24%	3.32%	4.65%	4.06%	4.95%

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Own source operating revenue ratio	>=60.00%	67.02%	67.44%	67.45%	70.51%	71.46%	71.51%	69.64%	69.62%	69.62%	69.13%
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This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Unrestricted current ratio	>=1.50	2.66	2.04	2.10	2.14	2.16	2.20	2.30	2.43	2.52	2.65
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To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Debt services cover ratio	>=2.00	9.15	9.45	9.65	8.65	8.89	9.34	10.94	11.19	11.20	11.71
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This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Rates and annual charges outstanding	<=10.00%	5.81%	5.82%	5.81%	5.83%	5.81%	5.81%	5.80%	5.81%	5.81%	5.81%
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To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Cash expense cover ratio	>=3.00	18.96	20.34	19.56	20.37	21.13	22.01	21.98	22.97	24.48	27.25
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This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Table 4: Summary of impact on operating performance –unfavourable scenario

As illustrated above in Table 4, the unfavourable assumptions significantly deteriorate the operating performance throughout the LTFP. Notably, the first five-year average operating preference ratio remains below 0.00%, which means Council will not be able to maintain an equivalent service levels and fund planned and unplanned capital expenditure as required. To maintain current asset ratios above the benchmark, Council will have to evaluate service levels and make necessary adjustments to improve operating performance.

Council monitors actual financial performance against the budget monthly, and quarterly budget review statements are tabled at Council meetings at end of the first three quarters every financial year. Indications of eventuating any of the above risk factors will be reported timely, including recommendations for remedial action.

A full list of assumptions used in developing the current LTFP and scenario analysis is outlined in table below.

Statement Item	Scenario 1 – Current Model	Scenario 2 - Favourable	Scenario 3 - Unfavourable
Rates	2.5% approved rate peg in Year 1 with Additional Special Variation and rate peg 2.5% + population growth factor of 0.1% for Year 2-Year 5. A rate peg of 2.5% afterwards.	2.5% approved rate peg in Year 1 with Additional Special Variation and rate peg 3% + population growth factor of 0.1% for Year 2-Year 5. A rate peg of 3.0% afterwards.	0.8% approved rate peg in Year 1 and rate peg 2.5% + population growth factor of 0.1% for Year 2-Year 5. A rate peg of 2.5% afterwards. A downward adjustment for potential Domestic Waste Peg from Year 3 onwards.
User Fees & Charges	2.3% in Year 1 and 2.5% from Year 2 onwards.	2.3% in Year 1 and 3% from Year 2 onwards.	Same assumptions as Scenario 1.
Operating Grants & Contributions	2.3% in Year 1 and 2.5% from Year 2 onwards.	Same assumptions as Scenario 1.	Same assumptions as Scenario 1 and an one-off downward adjustment for possible progressive discontinuation of FAG advance payment in Year 4, Year 5 and Year 6.
Capital Grants & Contributions	2.3% in Year 1 and 2.5% from Year 2 onwards.	Same assumptions as Scenario 1.	Same assumptions as Scenario 1.
Employee Benefits & on-cost	2.1% in Year 1, 2.6% from Year 2-Year 4 to allow for superannuation increase and 2.5% Year 5 onwards.	Same assumptions as Scenario 1.	Same assumptions as Scenario 1.
Materials and Services	1.1% in Year 1 with additional increases to identified contracts and services and 2.5% from Year 2 onwards.	1.1% in Year 1 with additional increases to identified contracts and services and 3% from Year 2 onwards.	1.1% in Year 1 with additional increases to identified contracts and services and 3.7% from Year 2 onwards based on Producer Price Index as of 31 December 2021.
Other Expenses	1.5% with additional increases to identified expenses in Year 1 and 2.5% from Year 2 onwards.	Same assumptions as Scenario 1.	Same assumptions as Scenario 1.

Table 5: List of assumptions – LTFP and scenario analysis

# Appendices

## Consolidated income statement, financial position and cash flow

Gunnedah Shire Council  
10 Year Financial Plan for the Years ending 30 June 2032  
INCOME STATEMENT - CONSOLIDATED  
Scenario: Current Model

	2022/23	2023/24	2024/25	2025/26	Projected Years		2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	2026/27	2027/28	\$	\$	\$	\$
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	20,412,394	20,943,770	21,488,973	22,048,368	22,622,321	23,188,470	23,768,784	24,363,616	24,973,413	25,598,306
User Charges & Fees	9,515,754	9,741,193	9,993,399	10,253,080	10,519,447	10,837,239	11,176,926	11,444,512	11,712,455	11,992,915
Other Revenues	849,572	860,514	872,306	884,919	897,841	911,650	1,015,224	979,132	993,379	307,911
Grants & Contributions provided for Operating Purposes	13,845,290	14,283,519	14,622,918	14,181,692	14,516,710	14,859,729	15,210,941	15,570,541	15,938,734	16,337,203
Grants & Contributions provided for Capital Purposes	1,604,494	1,203,543	1,233,632	1,264,472	677,724	694,667	712,034	729,834	748,080	766,782
Interest & Investment Revenue	859,150	775,261	792,407	819,905	851,232	863,117	875,750	884,315	893,969	744,137
<b>Total Income from Continuing Operations</b>	<b>47,086,654</b>	<b>47,807,800</b>	<b>49,003,635</b>	<b>49,452,436</b>	<b>50,085,275</b>	<b>51,354,872</b>	<b>52,759,659</b>	<b>53,971,950</b>	<b>55,260,030</b>	<b>55,747,254</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	19,335,701	19,675,925	20,122,392	20,581,960	21,068,824	21,563,328	21,998,982	22,572,803	23,136,075	23,600,524
Borrowing Costs	744,876	697,526	658,704	618,217	575,437	531,717	484,326	439,890	393,140	312,169
Materials & Services	10,940,469	10,916,449	11,041,706	10,932,952	11,200,610	11,423,608	11,641,333	11,964,926	13,003,127	13,193,202
Depreciation & Amortisation and Impairment of non-financial assets	13,017,561	13,412,296	12,975,312	12,744,228	12,909,351	12,895,054	13,023,134	12,690,068	13,021,201	12,950,494
Other Expenses	1,507,867	1,886,579	2,076,500	2,189,669	2,239,066	2,398,933	2,581,449	2,452,621	2,078,137	1,514,726
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>45,546,474</b>	<b>46,588,775</b>	<b>46,874,614</b>	<b>47,067,026</b>	<b>47,993,288</b>	<b>48,812,640</b>	<b>49,729,224</b>	<b>50,120,308</b>	<b>51,631,680</b>	<b>51,571,115</b>
<b>Operating Result from Continuing Operations</b>	<b>1,540,179</b>	<b>1,219,025</b>	<b>2,129,021</b>	<b>2,385,410</b>	<b>2,091,987</b>	<b>2,542,232</b>	<b>3,030,435</b>	<b>3,851,642</b>	<b>3,628,350</b>	<b>4,176,139</b>
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-
<b>Net Profit/(Loss) from Discontinued Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the Year</b>	<b>1,540,179</b>	<b>1,219,025</b>	<b>2,129,021</b>	<b>2,385,410</b>	<b>2,091,987</b>	<b>2,542,232</b>	<b>3,030,435</b>	<b>3,851,642</b>	<b>3,628,350</b>	<b>4,176,139</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>(64,315)</b>	<b>15,482</b>	<b>895,389</b>	<b>1,120,938</b>	<b>1,414,263</b>	<b>1,847,565</b>	<b>2,318,401</b>	<b>3,121,808</b>	<b>2,880,270</b>	<b>3,409,357</b>

**Gunnedah Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2032**  
**FINANCIAL POSITION - CONSOLIDATED**  
**Scenario: Current Model**

	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Investments	34,615,483	38,213,665	36,258,483	40,587,432	44,982,464	49,777,505	50,053,795	53,694,334	59,406,272	65,966,122
Receivables	5,060,801	5,237,714	5,395,199	5,611,726	5,745,412	5,930,007	6,151,981	6,336,282	6,520,044	6,481,030
Inventories	796,410	796,006	807,220	820,338	838,856	854,650	868,193	891,503	932,782	953,702
Contract assets	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000
Other	270,061	275,997	282,023	287,610	294,028	303,216	308,379	314,921	328,883	330,603
<b>Total Current Assets</b>	<b>47,247,755</b>	<b>51,028,382</b>	<b>49,247,924</b>	<b>53,812,106</b>	<b>58,365,760</b>	<b>63,370,377</b>	<b>63,887,348</b>	<b>67,742,040</b>	<b>73,692,980</b>	<b>80,236,457</b>
<b>Non-Current Assets</b>										
Investments	21,688,914	23,133,216	24,605,369	26,196,156	27,657,541	29,452,151	31,243,832	33,526,357	35,715,623	38,243,167
Receivables	10,500	7,000	3,500	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	529,443,288	524,339,702	526,305,735	521,664,921	516,989,771	512,046,724	512,152,357	509,070,176	504,250,824	498,750,119
Right of use assets	683,000	683,000	683,000	683,000	683,000	683,000	683,000	683,000	683,000	683,000
<b>Total Non-Current Assets</b>	<b>551,825,702</b>	<b>548,162,918</b>	<b>551,597,604</b>	<b>548,544,077</b>	<b>545,330,312</b>	<b>542,181,875</b>	<b>544,079,189</b>	<b>543,279,533</b>	<b>540,649,447</b>	<b>537,676,286</b>
<b>TOTAL ASSETS</b>	<b>599,073,457</b>	<b>599,191,301</b>	<b>600,845,528</b>	<b>602,356,183</b>	<b>603,696,072</b>	<b>605,552,253</b>	<b>607,966,538</b>	<b>611,021,573</b>	<b>614,342,427</b>	<b>617,912,743</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Payables	4,875,671	4,465,900	4,657,485	4,639,617	4,756,711	4,828,026	4,979,134	4,992,567	5,168,815	5,115,553
Contract Liabilities	2,912,719	2,918,425	2,987,984	2,907,522	2,857,534	2,925,145	2,994,374	3,065,257	3,137,836	3,216,282
Borrowings	766,196	805,220	846,819	890,729	894,475	908,702	954,301	1,002,232	1,052,653	1,106,201
Provisions	5,320,374	5,320,374	5,320,374	5,320,374	5,320,374	5,320,374	5,320,374	5,320,374	5,320,374	5,320,374
<b>Total Current Liabilities</b>	<b>13,874,961</b>	<b>13,509,919</b>	<b>13,812,663</b>	<b>13,758,242</b>	<b>13,829,095</b>	<b>13,982,248</b>	<b>14,248,184</b>	<b>14,380,430</b>	<b>14,679,679</b>	<b>14,758,411</b>
<b>Non-Current Liabilities</b>										
Lease Liabilities	636,000	636,000	636,000	636,000	636,000	636,000	636,000	636,000	636,000	636,000
Borrowings	12,369,452	11,565,692	10,720,332	9,831,062	8,938,046	8,030,803	7,077,961	6,077,188	5,025,995	3,921,253
Provisions	5,155,169	5,222,790	5,290,613	5,359,548	5,429,613	5,500,827	5,571,584	5,643,503	5,716,603	5,759,153
<b>Total Non-Current Liabilities</b>	<b>18,160,620</b>	<b>17,424,481</b>	<b>16,646,944</b>	<b>15,826,609</b>	<b>15,003,658</b>	<b>14,167,629</b>	<b>13,285,544</b>	<b>12,356,690</b>	<b>11,378,597</b>	<b>10,316,405</b>
<b>TOTAL LIABILITIES</b>	<b>32,035,581</b>	<b>30,934,401</b>	<b>30,459,607</b>	<b>29,584,852</b>	<b>28,832,754</b>	<b>28,149,878</b>	<b>27,533,728</b>	<b>26,737,120</b>	<b>26,058,276</b>	<b>25,074,816</b>
<b>Net Assets</b>	<b>567,037,875</b>	<b>568,256,900</b>	<b>570,385,921</b>	<b>572,771,331</b>	<b>574,863,318</b>	<b>577,402,375</b>	<b>580,432,810</b>	<b>584,284,453</b>	<b>588,284,151</b>	<b>592,837,927</b>
<b>EQUITY</b>										
Retained Earnings	310,506,875	311,725,900	313,854,921	316,240,331	318,332,318	320,871,375	323,901,810	327,753,452	331,753,151	336,306,927
Revaluation Reserves	256,531,000	256,531,000	256,531,000	256,531,000	256,531,000	256,531,000	256,531,000	256,531,000	256,531,000	256,531,000
Council Equity Interest	567,037,875	568,256,900	570,385,921	572,771,331	574,863,318	577,402,375	580,432,810	584,284,452	588,284,151	592,837,927
Minority Equity Interest	-	-	-	-	-	-	-	-	-	-
<b>Total Equity</b>	<b>567,037,875</b>	<b>568,256,900</b>	<b>570,385,921</b>	<b>572,771,331</b>	<b>574,863,318</b>	<b>577,402,375</b>	<b>580,432,810</b>	<b>584,284,452</b>	<b>588,284,151</b>	<b>592,837,927</b>

**Gunnedah Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2032**  
**CASH FLOW STATEMENT - CONSOLIDATED**  
**Scenario: Current Model**

	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates & Annual Charges	20,491,855	21,048,220	21,595,472	22,156,955	22,733,037	23,301,646	23,884,187	24,481,291	25,093,322	25,720,656
User Charges & Fees	11,033,293	11,256,510	11,548,469	11,854,746	12,169,390	12,524,376	12,911,113	13,253,785	13,578,072	13,913,146
Interest & Investment Revenue Received	1,148,442	689,306	748,143	770,893	808,123	808,430	821,301	817,150	828,743	672,975
Grants & Contributions	8,106,666	15,491,864	15,915,088	15,378,451	15,152,366	15,611,295	15,981,235	16,360,028	16,747,894	17,170,002
Other	1,488,461	887,904	896,682	1,084,529	1,180,200	1,187,898	1,262,286	1,308,098	1,323,349	872,336
<b>Payments:</b>										
Employee Benefits & On-Costs	(14,188,380)	(14,572,598)	(14,952,066)	(15,336,218)	(15,719,884)	(16,112,037)	(16,515,618)	(16,927,666)	(17,351,637)	(17,783,788)
Materials & Contracts	(18,525,571)	(18,026,358)	(18,286,877)	(18,500,080)	(18,931,182)	(19,301,651)	(19,638,303)	(20,241,560)	(21,142,573)	(20,542,074)
Borrowing Costs	(669,676)	(630,902)	(591,929)	(550,384)	(506,531)	(461,667)	(414,752)	(369,212)	(321,344)	(270,989)
Other	(2,014,166)	(2,406,974)	(2,611,395)	(2,739,476)	(2,804,160)	(2,979,850)	(3,178,589)	(3,066,446)	(2,640,908)	(2,093,260)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>6,870,924</b>	<b>13,736,973</b>	<b>14,261,587</b>	<b>14,119,416</b>	<b>14,081,359</b>	<b>14,578,440</b>	<b>15,112,860</b>	<b>15,615,468</b>	<b>16,114,917</b>	<b>17,659,004</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	14,645,411	-	3,996,708	-	-	-	1,514,032	90,279	-	-
Sale of Infrastructure, Property, Plant & Equipment	736,922	748,717	760,505	692,981	780,622	758,048	779,962	755,515	760,981	659,315
Sale of Disposal Groups	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
<b>Payments:</b>										
Purchase of Investment Securities	(1,776,427)	(5,042,484)	(3,513,678)	(5,919,736)	(5,856,417)	(6,589,651)	(3,582,003)	(6,013,343)	(7,901,205)	(9,087,393)
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(19,754,418)	(8,681,969)	(14,704,862)	(8,050,801)	(8,119,795)	(7,857,321)	(12,921,108)	(9,498,578)	(7,977,421)	(8,183,232)
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(6,145,012)</b>	<b>(12,972,236)</b>	<b>(13,457,827)</b>	<b>(13,274,056)</b>	<b>(13,192,089)</b>	<b>(13,685,424)</b>	<b>(14,205,617)</b>	<b>(14,662,626)</b>	<b>(15,114,145)</b>	<b>(16,607,811)</b>
<b>Cash Flows from Financing Activities</b>										
Repayment of Borrowings & Advances	(725,912)	(764,737)	(803,760)	(845,360)	(889,270)	(893,016)	(907,243)	(952,842)	(1,000,773)	(1,051,194)
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(725,912)</b>	<b>(764,737)</b>	<b>(803,760)</b>	<b>(845,360)</b>	<b>(889,270)</b>	<b>(893,016)</b>	<b>(907,243)</b>	<b>(952,842)</b>	<b>(1,000,773)</b>	<b>(1,051,194)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>
<b>plus: Cash, Cash Equivalents &amp; Investments - beginning of year</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>
Cash & Cash Equivalents - end of the year	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Investments - end of the year	56,304,397	61,346,882	60,863,852	66,783,588	72,640,005	79,229,656	81,297,627	87,220,691	95,121,895	104,209,289
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>57,304,397</b>	<b>62,346,882</b>	<b>61,863,852</b>	<b>67,783,588</b>	<b>73,640,005</b>	<b>80,229,656</b>	<b>82,297,627</b>	<b>88,220,691</b>	<b>96,121,895</b>	<b>105,209,289</b>
<b>Representing:</b>										
- External Restrictions	38,551,411	41,707,062	40,092,106	45,067,067	50,257,763	55,747,984	56,415,749	60,506,958	66,768,345	73,567,573
- Internal Restrictions	15,293,454	16,060,933	15,980,664	16,356,665	16,635,737	17,038,866	17,569,380	18,335,217	19,234,468	20,517,408
- Unrestricted	3,459,533	4,578,887	5,791,082	6,359,856	6,746,505	7,442,806	8,312,498	9,378,515	10,119,082	11,124,308
	<b>57,304,397</b>	<b>62,346,882</b>	<b>61,863,852</b>	<b>67,783,588</b>	<b>73,640,005</b>	<b>80,229,656</b>	<b>82,297,627</b>	<b>88,220,691</b>	<b>96,121,895</b>	<b>105,209,289</b>

## General fund income statement, financial position and cash flow

Gunnedah Shire Council  
 10 Year Financial Plan for the Years ending 30 June 2032  
**INCOME STATEMENT - GENERAL FUND**  
 Scenario: Current Model

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	16,846,369	17,285,001	17,735,050	18,196,814	18,670,597	19,137,928	19,616,952	20,107,963	20,611,263	21,127,157
User Charges & Fees	5,859,075	5,995,083	6,155,681	6,321,526	6,491,774	6,711,109	6,949,945	7,114,225	7,276,354	7,448,427
Other Revenues	879,088	890,932	903,653	1,167,223	1,181,131	1,195,956	1,300,577	1,315,565	1,330,925	646,602
Grants & Contributions provided for Operating Purposes	13,701,331	14,135,797	14,471,335	13,776,144	14,107,094	14,445,938	14,792,866	15,098,069	15,461,748	15,855,586
Grants & Contributions provided for Capital Purposes	1,411,356	1,005,577	1,030,717	1,056,485	464,537	476,150	488,054	500,255	512,761	525,580
Interest & Investment Revenue	595,150	503,186	517,207	531,475	554,492	557,983	562,137	562,137	562,137	562,137
<b>Total Income from Continuing Operations</b>	<b>39,292,369</b>	<b>39,815,576</b>	<b>40,813,643</b>	<b>41,049,667</b>	<b>41,469,625</b>	<b>42,525,064</b>	<b>43,710,531</b>	<b>44,698,214</b>	<b>45,755,188</b>	<b>46,165,489</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	18,050,272	18,367,413	18,783,322	19,218,321	19,686,781	20,154,858	20,559,844	21,109,755	21,644,849	22,080,513
Borrowing Costs	744,876	697,526	658,704	618,217	575,437	531,717	484,326	439,890	393,140	312,169
Materials & Services	9,189,468	9,193,863	9,280,114	9,150,502	9,351,356	9,529,689	9,685,633	9,966,735	10,609,465	10,621,319
Depreciation & Amortisation and Impairment of non-financial assets	10,639,709	11,009,105	10,566,529	10,360,086	10,521,433	10,547,239	10,596,342	10,256,906	10,595,929	10,525,222
Other Expenses	297,337	616,282	776,092	860,498	876,309	1,080,399	1,149,429	983,708	955,399	963,392
<b>Total Expenses from Continuing Operations</b>	<b>38,921,662</b>	<b>39,884,189</b>	<b>40,064,761</b>	<b>40,207,624</b>	<b>41,011,316</b>	<b>41,843,902</b>	<b>42,475,574</b>	<b>42,756,994</b>	<b>44,198,782</b>	<b>44,502,615</b>
<b>Operating Result from Continuing Operations</b>	<b>370,707</b>	<b>(68,613)</b>	<b>748,882</b>	<b>842,043</b>	<b>458,309</b>	<b>681,162</b>	<b>1,234,957</b>	<b>1,941,220</b>	<b>1,556,406</b>	<b>1,662,874</b>
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-
<b>Net Profit/(Loss) from Discontinued Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the Year</b>	<b>370,707</b>	<b>(68,613)</b>	<b>748,882</b>	<b>842,043</b>	<b>458,309</b>	<b>681,162</b>	<b>1,234,957</b>	<b>1,941,220</b>	<b>1,556,406</b>	<b>1,662,874</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>(1,040,649)</b>	<b>(1,074,190)</b>	<b>(281,835)</b>	<b>(214,442)</b>	<b>(6,228)</b>	<b>205,012</b>	<b>746,903</b>	<b>1,440,965</b>	<b>1,043,645</b>	<b>1,137,294</b>



**Gunnedah Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2032**  
**FINANCIAL POSITION - GENERAL FUND**  
**Scenario: Current Model**

	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Investments	14,972,146	15,969,167	16,985,414	18,083,556	19,092,369	20,331,213	21,568,034	23,143,691	24,654,971	26,399,768
Receivables	4,321,455	4,479,651	4,617,944	4,814,794	4,928,304	5,092,471	5,293,507	5,456,345	5,618,109	5,556,547
Inventories	595,078	595,406	602,371	611,359	625,036	637,482	646,065	667,330	700,319	703,348
Contract Assets	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000	5,505,000
Other	270,061	275,997	282,023	287,610	294,028	303,216	308,379	314,921	328,883	330,603
<b>Total Current Assets</b>	<b>26,163,741</b>	<b>27,325,221</b>	<b>28,492,752</b>	<b>29,802,318</b>	<b>30,944,737</b>	<b>32,369,381</b>	<b>33,820,985</b>	<b>35,587,289</b>	<b>37,307,282</b>	<b>38,995,266</b>
<b>Non-Current Assets</b>										
Investments	21,688,914	23,133,216	24,605,369	26,196,156	27,657,541	29,452,151	31,243,832	33,526,357	35,715,623	38,243,167
Receivables	10,500	7,000	3,500	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	431,329,088	427,239,759	424,549,492	421,282,054	418,036,118	414,457,048	411,463,121	408,179,745	404,754,558	400,843,654
Right of use assets	683,000	683,000	683,000	683,000	683,000	683,000	683,000	683,000	683,000	683,000
<b>Total Non-Current Assets</b>	<b>453,711,502</b>	<b>451,062,975</b>	<b>449,841,361</b>	<b>448,161,210</b>	<b>446,376,659</b>	<b>444,592,199</b>	<b>443,389,953</b>	<b>442,389,102</b>	<b>441,153,181</b>	<b>439,769,821</b>
<b>TOTAL ASSETS</b>	<b>479,875,243</b>	<b>478,388,197</b>	<b>478,334,113</b>	<b>477,963,528</b>	<b>477,321,396</b>	<b>476,961,581</b>	<b>477,210,938</b>	<b>477,976,391</b>	<b>478,460,463</b>	<b>478,765,087</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Payables	4,733,813	4,322,414	4,510,952	4,490,122	4,603,815	4,672,405	4,820,134	4,831,492	5,002,607	4,974,681
Contract Liabilities	2,912,719	2,918,425	2,987,984	2,907,522	2,857,534	2,925,145	2,994,374	3,065,257	3,137,836	3,216,282
Borrowings	766,196	805,220	846,819	890,729	894,475	908,702	954,301	1,002,232	1,052,653	1,106,201
Provisions	5,314,374	5,314,374	5,314,374	5,314,374	5,314,374	5,314,374	5,314,374	5,314,374	5,314,374	5,314,374
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>13,727,102</b>	<b>13,360,433</b>	<b>13,660,129</b>	<b>13,602,747</b>	<b>13,670,199</b>	<b>13,820,627</b>	<b>14,083,183</b>	<b>14,213,356</b>	<b>14,507,471</b>	<b>14,611,539</b>
<b>Non-Current Liabilities</b>										
Lease Liabilities	636,000	636,000	636,000	636,000	636,000	636,000	636,000	636,000	636,000	636,000
Borrowings	12,369,452	11,565,692	10,720,332	9,831,062	8,938,046	8,030,803	7,077,961	6,077,188	5,025,995	3,921,253
Provisions	5,155,169	5,222,790	5,290,613	5,359,548	5,429,613	5,500,827	5,571,584	5,643,503	5,716,603	5,759,153
<b>Total Non-Current Liabilities</b>	<b>18,160,620</b>	<b>17,424,481</b>	<b>16,646,944</b>	<b>15,826,609</b>	<b>15,003,658</b>	<b>14,167,629</b>	<b>13,285,544</b>	<b>12,356,690</b>	<b>11,378,597</b>	<b>10,316,405</b>
<b>TOTAL LIABILITIES</b>	<b>31,887,722</b>	<b>30,784,915</b>	<b>30,307,074</b>	<b>29,429,357</b>	<b>28,673,858</b>	<b>27,988,257</b>	<b>27,368,728</b>	<b>26,570,046</b>	<b>25,886,068</b>	<b>24,927,944</b>
<b>Net Assets</b>	<b>447,987,520</b>	<b>447,603,282</b>	<b>448,027,039</b>	<b>448,534,171</b>	<b>448,647,538</b>	<b>448,973,324</b>	<b>449,842,211</b>	<b>451,406,345</b>	<b>452,574,394</b>	<b>453,837,143</b>
<b>EQUITY</b>										
Retained Earnings	239,195,520	238,811,282	239,235,039	239,742,171	239,855,538	240,181,324	241,050,211	242,614,344	243,782,394	245,045,143
Revaluation Reserves	208,792,000	208,792,000	208,792,000	208,792,000	208,792,000	208,792,000	208,792,000	208,792,000	208,792,000	208,792,000
Other Reserves	-	-	-	-	-	-	-	-	-	-
Council Equity Interest	447,987,520	447,603,282	448,027,039	448,534,171	448,647,538	448,973,324	449,842,211	451,406,344	452,574,394	453,837,143
Minority Equity Interest	-	-	-	-	-	-	-	-	-	-
<b>Total Equity</b>	<b>447,987,520</b>	<b>447,603,282</b>	<b>448,027,039</b>	<b>448,534,171</b>	<b>448,647,538</b>	<b>448,973,324</b>	<b>449,842,211</b>	<b>451,406,344</b>	<b>452,574,394</b>	<b>453,837,143</b>

**Gunnedah Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2032**  
**CASH FLOW STATEMENT - GENERAL FUND**  
**Scenario: Current Model**

	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates & Annual Charges	16,949,033	17,390,220	17,842,365	18,306,267	18,782,230	19,251,843	19,733,139	20,226,466	20,732,128	21,250,432
User Charges & Fees	7,096,387	7,113,920	7,302,314	7,502,437	7,708,273	7,951,731	8,224,151	8,449,647	8,653,830	8,865,798
Interest & Investment Revenue Received	887,783	417,848	473,576	483,112	512,049	503,953	508,362	495,663	497,619	491,700
Grants & Contributions	7,802,299	15,179,888	15,595,313	15,050,681	14,816,401	15,266,930	15,628,261	15,998,231	16,377,051	16,789,888
Other	1,485,309	884,616	893,312	1,081,074	1,176,658	1,184,267	1,258,564	1,304,284	1,319,440	868,329
<b>Payments:</b>										
Employee Benefits & On-Costs	(13,635,330)	(14,005,169)	(14,369,884)	(14,738,901)	(15,107,635)	(15,484,482)	(15,872,375)	(16,268,341)	(16,675,829)	(17,091,085)
Materials & Contracts	(15,678,947)	(15,346,489)	(15,542,302)	(15,719,210)	(16,073,416)	(16,378,616)	(16,634,421)	(17,181,825)	(17,970,638)	(17,358,885)
Borrowing Costs	(669,676)	(630,902)	(591,929)	(550,384)	(506,531)	(461,667)	(414,752)	(369,212)	(321,344)	(270,989)
Other	(745,260)	(1,076,628)	(1,249,214)	(1,346,759)	(1,376,032)	(1,594,068)	(1,677,388)	(1,526,364)	(1,513,091)	(1,536,708)
					-					
<b>Net Cash provided (or used in) Operating Activities</b>	3,491,598	9,927,305	10,353,552	10,068,317	9,931,999	10,239,892	10,753,541	11,128,548	11,099,165	12,008,481
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Infrastructure, Property, Plant & Equipment	736,922	748,717	760,505	692,981	780,622	758,048	779,962	755,515	760,981	659,315
Sale of Disposal Groups	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
<b>Payments:</b>										
Purchase of Investment Securities	-	(2,441,323)	(2,488,400)	(2,688,928)	(2,470,199)	(3,033,454)	(3,028,502)	(3,858,182)	(3,700,545)	(4,272,341)
Purchase of Infrastructure, Property, Plant & Equipment	(16,932,673)	(7,473,462)	(7,825,397)	(7,230,510)	(7,356,653)	(7,074,970)	(7,601,257)	(7,076,539)	(7,162,328)	(7,347,761)
<b>Net Cash provided (or used in) Investing Activities</b>	(2,765,686)	(9,162,568)	(9,549,791)	(9,222,957)	(9,042,729)	(9,346,875)	(9,846,297)	(10,175,706)	(10,098,393)	(10,957,287)
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
<b>Payments:</b>										
Repayment of Borrowings & Advances	(725,912)	(764,737)	(803,760)	(845,360)	(889,270)	(893,016)	(907,243)	(952,842)	(1,000,773)	(1,051,194)
<b>Net Cash Flow provided (used in) Financing Activities</b>	(725,912)	(764,737)	(803,760)	(845,360)	(889,270)	(893,016)	(907,243)	(952,842)	(1,000,773)	(1,051,194)
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	(0)	(0)	(0)	0	-	(0)	0	0	0	0
<b>plus: Cash, Cash Equivalents &amp; Investments - beginning of year</b>	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
Cash & Cash Equivalents - end of the year	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Investments - end of the year	36,661,061	39,102,384	41,590,783	44,279,711	46,749,910	49,783,364	52,811,866	56,670,048	60,370,594	64,642,935
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>37,161,061</b>	<b>39,602,384</b>	<b>42,090,783</b>	<b>44,779,711</b>	<b>47,249,910</b>	<b>50,283,364</b>	<b>53,311,866</b>	<b>57,170,048</b>	<b>60,870,594</b>	<b>65,142,935</b>
<b>Representing:</b>										
- External Restrictions	18,408,074	18,962,564	20,319,037	22,063,190	23,867,668	25,801,692	27,429,988	29,456,316	31,517,044	33,501,219
- Internal Restrictions	15,293,454	16,060,933	15,980,664	16,356,665	16,635,737	17,038,866	17,569,380	18,335,217	19,234,468	20,517,408
- Unrestricted	3,459,533	4,578,887	5,791,082	6,359,856	6,746,505	7,442,806	8,312,498	9,378,515	10,119,082	11,124,308
	<b>37,161,061</b>	<b>39,602,384</b>	<b>42,090,783</b>	<b>44,779,711</b>	<b>47,249,910</b>	<b>50,283,364</b>	<b>53,311,866</b>	<b>57,170,048</b>	<b>60,870,594</b>	<b>65,142,935</b>

## Water fund income statement, financial position and cash flow

**Gunnedah Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2032**  
**INCOME STATEMENT - WATER FUND**  
**Scenario: Current Model**

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	1,280,324	1,313,619	1,347,779	1,382,828	1,418,790	1,454,265	1,490,628	1,527,900	1,566,104	1,605,263
User Charges & Fees	2,774,005	2,841,369	2,910,358	2,981,010	3,053,366	3,127,465	3,203,349	3,281,063	3,360,647	3,442,148
Other Revenues	3,214	3,294	3,376	3,461	3,548	3,637	3,728	3,821	3,916	4,014
Grants & Contributions provided for Operating Purposes	69,784	71,528	73,316	75,150	77,029	78,955	80,929	82,952	85,026	87,151
Grants & Contributions provided for Capital Purposes	124,972	128,096	131,298	134,580	137,945	141,394	144,929	148,552	152,266	156,073
Interest & Investment Revenue	123,000	126,075	129,200	132,430	135,740	139,134	142,613	146,178	149,832	149,832
<b>Total Income from Continuing Operations</b>	<b>4,375,299</b>	<b>4,483,981</b>	<b>4,595,327</b>	<b>4,709,459</b>	<b>4,826,418</b>	<b>4,944,850</b>	<b>5,066,176</b>	<b>5,190,466</b>	<b>5,317,791</b>	<b>5,444,481</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	819,235	834,230	853,144	872,669	881,974	899,110	920,290	934,510	952,794	971,475
Borrowing Costs	-	-	-	-	-	-	-	-	-	-
Materials & Services	1,181,934	1,169,275	1,194,266	1,218,181	1,257,675	1,277,012	1,306,030	1,317,755	1,378,025	1,518,667
Depreciation & Amortisation and Impairment of non-financial assets	1,310,653	1,320,686	1,327,322	1,335,902	1,343,383	1,346,566	1,412,230	1,423,029	1,420,060	1,420,060
Other Expenses	728,434	761,947	778,237	793,756	811,220	829,741	845,861	864,274	882,293	301,992
<b>Total Expenses from Continuing Operations</b>	<b>4,040,256</b>	<b>4,086,138</b>	<b>4,152,969</b>	<b>4,220,508</b>	<b>4,294,252</b>	<b>4,352,429</b>	<b>4,484,411</b>	<b>4,539,568</b>	<b>4,633,172</b>	<b>4,212,194</b>
<b>Operating Result from Continuing Operations</b>	<b>335,043</b>	<b>397,843</b>	<b>442,358</b>	<b>488,951</b>	<b>532,166</b>	<b>592,421</b>	<b>581,765</b>	<b>650,898</b>	<b>684,619</b>	<b>1,232,287</b>
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-
<b>Net Profit/(Loss) from Discontinued Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the Year</b>	<b>335,043</b>	<b>397,843</b>	<b>442,358</b>	<b>488,951</b>	<b>532,166</b>	<b>592,421</b>	<b>581,765</b>	<b>650,898</b>	<b>684,619</b>	<b>1,232,287</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>210,071</b>	<b>269,747</b>	<b>311,060</b>	<b>354,371</b>	<b>394,221</b>	<b>451,027</b>	<b>436,836</b>	<b>502,346</b>	<b>532,353</b>	<b>1,076,214</b>

**Gunnedah Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2032**  
**FINANCIAL POSITION - WATER FUND**  
**Scenario: Current Model**

	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Investments	6,627,281	7,852,766	8,878,045	10,143,935	11,489,426	12,887,120	11,373,087	11,282,808	12,809,891	14,904,153
Receivables	516,075	529,069	542,391	556,047	570,048	584,300	598,907	613,880	629,227	644,958
Inventories	200,029	199,317	203,534	207,670	212,462	215,760	220,668	222,658	230,892	248,726
Other	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>7,593,386</b>	<b>8,831,153</b>	<b>9,873,970</b>	<b>11,157,652</b>	<b>12,521,937</b>	<b>13,937,179</b>	<b>12,442,662</b>	<b>12,369,346</b>	<b>13,920,011</b>	<b>16,047,836</b>
<b>Non-Current Assets</b>										
Investments	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	63,063,296	62,608,746	62,406,594	62,021,942	61,612,554	61,224,369	63,748,897	64,933,398	64,544,445	63,959,856
Investment Property	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Assets</b>	<b>63,063,296</b>	<b>62,608,746</b>	<b>62,406,594</b>	<b>62,021,942</b>	<b>61,612,554</b>	<b>61,224,369</b>	<b>63,748,897</b>	<b>64,933,398</b>	<b>64,544,445</b>	<b>63,959,856</b>
<b>TOTAL ASSETS</b>	<b>70,656,682</b>	<b>71,439,899</b>	<b>72,280,564</b>	<b>73,179,594</b>	<b>74,134,491</b>	<b>75,161,548</b>	<b>76,191,559</b>	<b>77,302,744</b>	<b>78,464,456</b>	<b>80,007,692</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Payables	141,859	143,486	146,533	149,495	152,896	155,621	159,000	161,074	166,208	140,872
Income received in advance	-	-	-	-	-	-	-	-	-	-
Provisions	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>147,859</b>	<b>149,486</b>	<b>152,533</b>	<b>155,495</b>	<b>158,896</b>	<b>161,621</b>	<b>165,000</b>	<b>167,074</b>	<b>172,208</b>	<b>146,872</b>
<b>Non-Current Liabilities</b>										
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>147,859</b>	<b>149,486</b>	<b>152,533</b>	<b>155,495</b>	<b>158,896</b>	<b>161,621</b>	<b>165,000</b>	<b>167,074</b>	<b>172,208</b>	<b>146,872</b>
<b>Net Assets</b>	<b>70,508,823</b>	<b>71,290,413</b>	<b>72,128,031</b>	<b>73,024,099</b>	<b>73,975,595</b>	<b>74,999,927</b>	<b>76,026,559</b>	<b>77,135,670</b>	<b>78,292,248</b>	<b>79,860,820</b>
<b>EQUITY</b>										
Retained Earnings	49,105,823	49,887,413	50,725,031	51,621,099	52,572,595	53,596,927	54,623,559	55,732,670	56,889,248	58,457,820
Revaluation Reserves	21,403,000	21,403,000	21,403,000	21,403,000	21,403,000	21,403,000	21,403,000	21,403,000	21,403,000	21,403,000
Other Reserves	-	-	-	-	-	-	-	-	-	-
Council Equity Interest	70,508,823	71,290,413	72,128,031	73,024,099	73,975,595	74,999,927	76,026,559	77,135,670	78,292,248	79,860,820
Minority Equity Interest	-	-	-	-	-	-	-	-	-	-
<b>Total Equity</b>	<b>70,508,823</b>	<b>71,290,413</b>	<b>72,128,031</b>	<b>73,024,099</b>	<b>73,975,595</b>	<b>74,999,927</b>	<b>76,026,559</b>	<b>77,135,670</b>	<b>78,292,248</b>	<b>79,860,820</b>

**Gunnedah Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2032**  
**CASH FLOW STATEMENT - WATER FUND**  
**Scenario: Current Model**

	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates & Annual Charges	1,265,976	1,312,683	1,346,812	1,381,829	1,417,757	1,453,288	1,489,620	1,526,860	1,565,031	1,604,157
User Charges & Fees	3,056,066	3,239,889	3,320,887	3,403,908	3,489,007	3,576,233	3,665,639	3,757,281	3,851,213	3,947,493
Interest & Investment Revenue Received	120,848	125,783	128,900	132,122	135,424	138,822	142,294	145,851	149,497	(344)
Grants & Contributions	194,756	199,624	204,614	209,730	214,974	220,349	225,858	231,504	237,292	243,224
Bonds & Deposits Received	-	-	-	-	-	-	-	-	-	-
Other	3,152	3,288	3,370	3,455	3,542	3,631	3,722	3,814	3,909	4,007
<b>Payments:</b>										
Employee Benefits & On-Costs	(344,650)	(353,611)	(362,805)	(372,237)	(381,542)	(391,081)	(400,857)	(410,879)	(421,151)	(431,680)
Materials & Contracts	(2,006,983)	(1,850,310)	(1,894,391)	(1,933,950)	(1,979,458)	(2,012,230)	(2,059,377)	(2,080,282)	(2,156,243)	(2,129,915)
Borrowing Costs	-	-	-	-	-	-	-	-	-	-
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-
Other	(732,527)	(766,152)	(782,556)	(798,193)	(815,779)	(834,424)	(850,673)	(869,217)	(887,372)	(307,210)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>1,556,639</b>	<b>1,911,194</b>	<b>1,964,831</b>	<b>2,026,664</b>	<b>2,083,925</b>	<b>2,154,587</b>	<b>2,216,225</b>	<b>2,304,933</b>	<b>2,342,176</b>	<b>2,929,733</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	1,218,846	-	-	-	-	-	1,514,032	90,279	-	-
<b>Payments:</b>										
Purchase of Investment Securities	-	(1,225,485)	(1,025,279)	(1,265,889)	(1,345,492)	(1,397,693)	-	-	(1,527,083)	(2,094,262)
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(2,775,485)	(685,709)	(939,552)	(760,775)	(738,433)	(756,894)	(3,730,257)	(2,395,212)	(815,093)	(835,471)
Purchase of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(1,556,639)</b>	<b>(1,911,194)</b>	<b>(1,964,831)</b>	<b>(2,026,664)</b>	<b>(2,083,925)</b>	<b>(2,154,587)</b>	<b>(2,216,225)</b>	<b>(2,304,933)</b>	<b>(2,342,176)</b>	<b>(2,929,733)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>-</b>
<b>plus: Cash, Cash Equivalents &amp; Investments - beginning of year</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>
Cash & Cash Equivalents - end of the year	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Investments - end of the year	6,627,281	7,852,766	8,878,045	10,143,935	11,489,426	12,887,120	11,373,087	11,282,808	12,809,891	14,904,153
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>6,877,281</b>	<b>8,102,766</b>	<b>9,128,045</b>	<b>10,393,935</b>	<b>11,739,426</b>	<b>13,137,120</b>	<b>11,623,087</b>	<b>11,532,808</b>	<b>13,059,891</b>	<b>15,154,153</b>
<b>Representing:</b>										
- External Restrictions	6,877,281	8,102,766	9,128,045	10,393,935	11,739,426	13,137,120	11,623,087	11,532,808	13,059,891	15,154,153
- Internal Restrictitons	-	-	-	-	-	-	-	-	-	-
- Unrestricted	-	-	-	-	-	-	-	-	-	-
	<b>6,877,281</b>	<b>8,102,766</b>	<b>9,128,045</b>	<b>10,393,935</b>	<b>11,739,426</b>	<b>13,137,120</b>	<b>11,623,087</b>	<b>11,532,808</b>	<b>13,059,891</b>	<b>15,154,153</b>

## Sewer fund income statement, financial position and cash flow

### Gunnedah Shire Council

#### 10 Year Financial Plan for the Years ending 30 June 2032

#### INCOME STATEMENT - SEWER FUND

#### Scenario: Current Model

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	2,285,701	2,345,150	2,406,144	2,468,726	2,532,934	2,596,277	2,661,204	2,727,753	2,796,046	2,865,886
User Charges & Fees	882,674	904,741	927,360	950,544	974,307	998,665	1,023,632	1,049,224	1,075,454	1,102,340
Other Revenues	41,445	42,482	43,544	44,633	45,749	46,893	48,065	49,266	50,498	51,761
Grants & Contributions provided for Operating Purposes	68,166	69,870	71,617	73,407	75,242	77,123	79,051	81,027	83,053	85,129
Grants & Contributions provided for Capital Purposes	141,000	146,000	146,000	156,000	161,000	166,000	171,000	176,000	182,000	182,000
Interest & Investment Revenue	-	-	-	-	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>3,418,986</b>	<b>3,508,243</b>	<b>3,594,665</b>	<b>3,693,310</b>	<b>3,789,232</b>	<b>3,884,958</b>	<b>3,982,952</b>	<b>4,083,270</b>	<b>4,187,051</b>	<b>4,287,116</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	466,194	474,282	485,926	490,970	500,069	509,360	518,848	528,538	538,432	548,536
Borrowing Costs	-	-	-	-	-	-	-	-	-	-
Materials & Services	569,067	553,311	567,326	564,269	591,579	616,907	649,670	680,436	1,015,637	1,053,216
Depreciation & Amortisation and Impairment of non-financial assets	1,067,199	1,082,505	1,081,461	1,048,240	1,044,535	1,001,249	1,014,562	1,010,133	1,005,212	1,005,212
Impairment of investments	-	-	-	-	-	-	-	-	-	-
Impairment of receivables	-	-	-	-	-	-	-	-	-	-
Other Expenses	482,096	508,350	522,171	535,415	551,537	488,793	586,159	604,639	240,445	249,342
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>2,584,556</b>	<b>2,618,448</b>	<b>2,656,884</b>	<b>2,638,894</b>	<b>2,687,720</b>	<b>2,616,309</b>	<b>2,769,239</b>	<b>2,823,746</b>	<b>2,799,726</b>	<b>2,856,306</b>
<b>Operating Result from Continuing Operations</b>	<b>834,430</b>	<b>889,795</b>	<b>937,781</b>	<b>1,054,416</b>	<b>1,101,512</b>	<b>1,268,649</b>	<b>1,213,713</b>	<b>1,259,524</b>	<b>1,387,325</b>	<b>1,430,810</b>
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-
<b>Net Profit/(Loss) from Discontinued Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the Year</b>	<b>834,430</b>	<b>889,795</b>	<b>937,781</b>	<b>1,054,416</b>	<b>1,101,512</b>	<b>1,268,649</b>	<b>1,213,713</b>	<b>1,259,524</b>	<b>1,387,325</b>	<b>1,430,810</b>

**Gunnedah Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2032**

**FINANCIAL POSITION - SEWER FUND**

Scenario: Current Model

	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Investments	13,016,056	14,391,732	10,395,024	12,359,942	14,400,668	16,559,173	17,112,674	19,267,834	21,941,410	24,662,201
Receivables	223,270	228,994	234,864	240,885	247,060	253,236	259,567	266,056	272,708	279,525
Inventories	1,302	1,283	1,315	1,310	1,358	1,408	1,460	1,514	1,570	1,629
Contract assets	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>13,490,628</b>	<b>14,872,008</b>	<b>10,881,202</b>	<b>12,852,136</b>	<b>14,899,086</b>	<b>17,063,817</b>	<b>17,623,701</b>	<b>19,785,405</b>	<b>22,465,688</b>	<b>25,193,355</b>
<b>Non-Current Assets</b>										
Infrastructure, Property, Plant & Equipment	35,050,904	34,491,197	39,349,649	38,360,925	37,341,099	36,365,307	36,940,339	35,957,033	34,951,821	33,946,609
Investment Property	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Assets</b>	<b>35,050,904</b>	<b>34,491,197</b>	<b>39,349,649</b>	<b>38,360,925</b>	<b>37,341,099</b>	<b>36,365,307</b>	<b>36,940,339</b>	<b>35,957,033</b>	<b>34,951,821</b>	<b>33,946,609</b>
<b>TOTAL ASSETS</b>	<b>48,541,532</b>	<b>49,363,205</b>	<b>50,230,851</b>	<b>51,213,061</b>	<b>52,240,185</b>	<b>53,429,124</b>	<b>54,564,040</b>	<b>55,742,438</b>	<b>57,417,509</b>	<b>59,139,964</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
<b>Total Current Liabilities</b>	-	-	-	-	-	-	-	-	-	-
<b>Non-Current Liabilities</b>										
<b>Total Non-Current Liabilities</b>	-	-	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	-	-	-	-	-	-	-	-	-	-
<b>Net Assets</b>	<b>48,541,532</b>	<b>49,363,205</b>	<b>50,230,851</b>	<b>51,213,061</b>	<b>52,240,185</b>	<b>53,429,124</b>	<b>54,564,040</b>	<b>55,742,438</b>	<b>57,417,509</b>	<b>59,139,964</b>
<b>EQUITY</b>										
Retained Earnings	22,205,532	23,027,205	23,894,851	24,877,061	25,904,185	27,093,124	28,228,040	29,406,438	31,081,509	32,803,964
Revaluation Reserves	26,336,000	26,336,000	26,336,000	26,336,000	26,336,000	26,336,000	26,336,000	26,336,000	26,336,000	26,336,000
Other Reserves	-	-	-	-	-	-	-	-	-	-
Council Equity Interest	48,541,532	49,363,205	50,230,851	51,213,061	52,240,185	53,429,124	54,564,040	55,742,438	57,417,509	59,139,964
Non Controlling Equity interest	-	-	-	-	-	-	-	-	-	-
<b>Total Equity</b>	<b>48,541,532</b>	<b>49,363,205</b>	<b>50,230,851</b>	<b>51,213,061</b>	<b>52,240,185</b>	<b>53,429,124</b>	<b>54,564,040</b>	<b>55,742,438</b>	<b>57,417,509</b>	<b>59,139,964</b>

**Gunnedah Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2032**

**CASH FLOW STATEMENT - SEWER FUND**

Scenario: Current Model

	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates & Annual Charges	2,276,846	2,345,317	2,406,295	2,468,859	2,533,049	2,596,515	2,661,429	2,727,964	2,796,163	2,866,068
User Charges & Fees	880,839	902,701	925,269	948,400	972,110	996,413	1,021,323	1,046,858	1,073,029	1,099,854
Interest & Investment Revenue Received	139,811	145,676	145,667	155,659	160,650	165,654	170,646	175,637	181,628	181,619
Grants & Contributions	109,611	112,352	115,161	118,040	120,991	124,016	127,116	130,293	133,551	136,890
<b>Payments:</b>										
Employee Benefits & On-Costs	(208,400)	(213,818)	(219,377)	(225,080)	(230,707)	(236,474)	(242,386)	(248,446)	(254,657)	(261,023)
Materials & Contracts	(839,641)	(829,559)	(850,185)	(846,920)	(878,308)	(910,805)	(944,505)	(979,453)	(1,015,693)	(1,053,274)
Borrowing Costs	-	-	-	-	-	-	-	-	-	-
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-
Other	(536,379)	(564,194)	(579,625)	(594,524)	(612,349)	(551,358)	(650,528)	(670,865)	(240,445)	(249,342)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>1,822,687</b>	<b>1,898,474</b>	<b>1,943,205</b>	<b>2,024,434</b>	<b>2,065,436</b>	<b>2,183,961</b>	<b>2,143,095</b>	<b>2,181,988</b>	<b>2,673,576</b>	<b>2,720,791</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	-	-	3,996,708	-	-	-	-	-	-	-
<b>Payments:</b>										
Purchase of Investment Securities	(1,776,427)	(1,375,676)	-	(1,964,918)	(2,040,727)	(2,158,504)	(553,501)	(2,155,161)	(2,673,576)	(2,720,791)
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(46,260)	(522,798)	(5,939,913)	(59,516)	(24,709)	(25,457)	(1,589,594)	(26,827)	-	-
Purchase of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(1,822,687)</b>	<b>(1,898,474)</b>	<b>(1,943,205)</b>	<b>(2,024,434)</b>	<b>(2,065,436)</b>	<b>(2,183,961)</b>	<b>(2,143,095)</b>	<b>(2,181,988)</b>	<b>(2,673,576)</b>	<b>(2,720,791)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>plus: Cash, Cash Equivalents &amp; Investments - beginning of year</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>
Cash & Cash Equivalents - end of the year	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Investments - end of the year	13,016,056	14,391,732	10,395,024	12,359,942	14,400,668	16,559,173	17,112,674	19,267,834	21,941,410	24,662,201
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>13,266,056</b>	<b>14,641,732</b>	<b>10,645,024</b>	<b>12,609,942</b>	<b>14,650,668</b>	<b>16,809,173</b>	<b>17,362,674</b>	<b>19,517,834</b>	<b>22,191,410</b>	<b>24,912,201</b>
<b>Representing:</b>										
- External Restrictions	13,266,056	14,641,732	10,645,024	12,609,942	14,650,668	16,809,173	17,362,674	19,517,834	22,191,410	24,912,201
- Internal Restrictions	-	-	-	-	-	-	-	-	-	-
- Unrestricted	-	-	-	-	-	-	-	-	-	-
	<b>13,266,056</b>	<b>14,641,732</b>	<b>10,645,024</b>	<b>12,609,942</b>	<b>14,650,668</b>	<b>16,809,173</b>	<b>17,362,674</b>	<b>19,517,834</b>	<b>22,191,410</b>	<b>24,912,201</b>