

**2021-31**

# **Draft** Prospective Financial Statements

## Waitomo District Council

---

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR YEARS ENDING 30 JUNE.....	2
PROSPECTIVE STATEMENT OF CHANGES IN EQUITY FOR YEARS ENDING 30 JUNE .....	3
PROSPECTIVE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE .....	4
PROSPECTIVE CASH FLOW STATEMENT FOR THE YEARS ENDING 30 JUNE .....	5
PROSPECTIVE STATEMENT OF PUBLIC DEBT FOR THE YEARS ENDING 30 JUNE .....	7
PROSPECTIVE STATEMENT OF RESERVE FUND MOVEMENTS FOR COUNCIL CREATED RESERVES FOR THE YEARS ENDING 30 JUNE.....	7

---



## Prospective Statement of Comprehensive Revenue and Expense for years ending 30 June

\$000's	Adjusted EAP 20/21	10YP Y1 21/22	10YP Y2 22/23	10YP Y3 23/24	10YP Y4 24/25	10YP Y5 25/26	10YP Y6 26/27	10YP Y7 27/28	10YP Y8 28/29	10YP Y9 29/30	10YP Y10 30/31
<b>Revenue</b>											
Rates revenue including rates penalties	20,030	19,863	20,259	21,156	22,092	22,464	22,967	23,393	23,884	24,519	24,740
Metered water rates	892	950	983	1,009	1,036	1,067	1,096	1,131	1,169	1,209	1,246
Subsidies and grants	9,749	11,789	10,537	10,257	10,819	11,101	11,451	11,734	12,069	12,461	12,764
Interest revenue	15	9	9	9	9	9	9	9	9	9	9
Fees and charges	3,765	3,827	4,288	4,646	4,905	5,050	5,185	5,333	5,507	5,678	5,839
Other revenue including gains/(losses)	187	153	158	162	167	172	176	181	187	192	198
<b>Total Revenue and Gains/(Losses)</b>	<b>34,638</b>	<b>36,591</b>	<b>36,234</b>	<b>37,239</b>	<b>39,028</b>	<b>39,863</b>	<b>40,884</b>	<b>41,781</b>	<b>42,825</b>	<b>44,068</b>	<b>44,796</b>
<b>Expenditure</b>											
Employee benefit expenses	5,884	6,367	6,520	6,556	6,667	6,801	6,950	7,110	7,281	7,470	7,672
Depreciation and amortisation expense	6,107	6,878	7,399	7,679	7,967	8,357	8,699	9,106	9,418	9,791	10,121
Finance costs	1,426	1,118	1,115	1,103	1,384	1,292	1,218	1,117	980	843	706
Other expenses	18,250	18,708	18,225	18,874	18,747	19,356	20,029	20,185	20,796	21,645	21,657
<b>Total Expenditure</b>	<b>31,667</b>	<b>33,071</b>	<b>33,259</b>	<b>34,212</b>	<b>34,765</b>	<b>35,806</b>	<b>36,896</b>	<b>37,518</b>	<b>38,475</b>	<b>39,749</b>	<b>40,156</b>
<b>Surplus/(Deficit)</b>	<b>2,971</b>	<b>3,520</b>	<b>2,975</b>	<b>3,027</b>	<b>4,263</b>	<b>4,057</b>	<b>3,988</b>	<b>4,263</b>	<b>4,350</b>	<b>4,319</b>	<b>4,640</b>
<b>Other Comprehensive Revenue and Expense</b>											
Gains/(losses) on revaluation of property, plant and equipment	4,291	0	14,995	9,836	0	18,969	8,075	0	20,087	11,148	0
<b>Total Other Comprehensive Revenue and Expense</b>	<b>4,291</b>	<b>0</b>	<b>14,995</b>	<b>9,836</b>	<b>0</b>	<b>18,969</b>	<b>8,075</b>	<b>0</b>	<b>20,087</b>	<b>11,148</b>	<b>0</b>
<b>Total Comprehensive Revenue and Expense for the year</b>	<b>7,262</b>	<b>3,520</b>	<b>17,970</b>	<b>12,863</b>	<b>4,263</b>	<b>23,026</b>	<b>12,063</b>	<b>4,263</b>	<b>24,437</b>	<b>15,467</b>	<b>4,640</b>

## Prospective Statement of Changes in Equity for years ending 30 June

\$000's	Adjusted EAP 20/21	10YP Y1 21/22	10YP Y2 22/23	10YP Y3 23/24	10YP Y4 24/25	10YP Y5 25/26	10YP Y6 26/27	10YP Y7 27/28	10YP Y8 28/29	10YP Y9 29/30	10YP Y10 30/31
<b>Opening balance at 1 July</b>	<b>331,131</b>	<b>339,439</b>	<b>342,959</b>	<b>360,929</b>	<b>373,792</b>	<b>378,055</b>	<b>401,081</b>	<b>413,144</b>	<b>417,407</b>	<b>441,844</b>	<b>457,311</b>
Revaluation of property, plant and equipment	4,291	0	14,995	9,836	0	18,969	8,075	0	20,087	11,148	0
<b>Net Income recognised directly in equity</b>	<b>4,291</b>	<b>0</b>	<b>14,995</b>	<b>9,836</b>	<b>0</b>	<b>18,969</b>	<b>8,075</b>	<b>0</b>	<b>20,087</b>	<b>11,148</b>	<b>0</b>
Net Surplus/(Deficit) for the year	2,971	3,520	2,975	3,027	4,263	4,057	3,988	4,263	4,350	4,319	4,640
<b>Total Recognised Income for the years ending 30 June</b>	<b>2,971</b>	<b>3,520</b>	<b>2,975</b>	<b>3,027</b>	<b>4,263</b>	<b>4,057</b>	<b>3,988</b>	<b>4,263</b>	<b>4,350</b>	<b>4,319</b>	<b>4,640</b>
<b>Total Comprehensive Revenue and Expense for the year</b>	<b>7,262</b>	<b>3,520</b>	<b>17,970</b>	<b>12,863</b>	<b>4,263</b>	<b>23,026</b>	<b>12,063</b>	<b>4,263</b>	<b>24,437</b>	<b>15,467</b>	<b>4,640</b>
<b>Balance at 30 June</b>	<b>338,393</b>	<b>342,959</b>	<b>360,929</b>	<b>373,792</b>	<b>378,055</b>	<b>401,081</b>	<b>413,144</b>	<b>417,407</b>	<b>441,844</b>	<b>457,311</b>	<b>461,951</b>

## Prospective Statement of Financial Position as at 30 June

\$000's	Adjusted EAP 20/21	10YP Y1 21/22	10YP Y2 22/23	10YP Y3 23/24	10YP Y4 24/25	10YP Y5 25/26	10YP Y6 26/27	10YP Y7 27/28	10YP Y8 28/29	10YP Y9 29/30	10YP Y10 30/31
<b>Equity</b>											
Accumulated funds	224,958	226,104	229,044	231,723	234,569	237,324	240,207	242,872	245,687	248,355	250,964
Council created reserves	16,845	20,046	20,082	20,429	21,846	23,148	24,253	25,851	27,386	29,037	31,068
Available for sale reserves	11,439	8,829	8,829	8,829	8,829	8,829	8,829	8,829	8,829	8,829	8,829
Hedging reserves	(2,343)	(2,763)	(2,763)	(2,763)	(2,763)	(2,763)	(2,763)	(2,763)	(2,763)	(2,763)	(2,763)
Revaluation reserve	87,494	90,743	105,737	115,574	115,574	134,543	142,618	142,618	162,705	173,853	173,853
<b>Total Equity</b>	<b>338,393</b>	<b>342,959</b>	<b>360,929</b>	<b>373,792</b>	<b>378,055</b>	<b>401,081</b>	<b>413,144</b>	<b>417,407</b>	<b>441,844</b>	<b>457,311</b>	<b>461,951</b>
<b>Current Assets</b>											
Cash and cash equivalents	570	4,243	4,243	4,243	4,243	4,243	4,243	4,243	4,243	4,243	4,243
Other financial assets	3	87	87	87	87	87	87	87	87	87	87
Inventory	93	75	77	79	81	83	86	88	90	93	95
Receivables under exchange transactions	157	279	287	295	302	310	318	326	335	344	353
Receivables under non exchange transactions	5,041	3,983	4,099	4,203	4,308	4,420	4,532	4,648	4,776	4,907	5,035
<b>Total Current Assets</b>	<b>5,864</b>	<b>8,667</b>	<b>8,793</b>	<b>8,907</b>	<b>9,021</b>	<b>9,143</b>	<b>9,266</b>	<b>9,392</b>	<b>9,531</b>	<b>9,674</b>	<b>9,813</b>
<b>Current Liabilities</b>											
Payables and deferred revenue under exchange transactions	3,178	2,907	2,989	3,068	3,145	3,228	3,311	3,395	3,488	3,584	3,679
Payables and deferred revenue under non exchange Transactions	750	664	684	701	719	737	756	775	797	819	840
Current portion of borrowings	23,482	19,545	13,158	16,144	20,486	9,469	7,689	10,911	9,124	8,237	6,113
Provisions	3	3	3	3	3	3	4	4	4	4	4
Employee entitlements	623	816	840	861	882	905	928	952	978	1,005	1,031
Derivative financial instruments	677	895	895	895	895	895	895	895	895	895	895
<b>Total Current Liabilities</b>	<b>28,713</b>	<b>24,830</b>	<b>18,569</b>	<b>21,672</b>	<b>26,130</b>	<b>15,237</b>	<b>13,583</b>	<b>16,932</b>	<b>15,286</b>	<b>14,544</b>	<b>12,562</b>
<b>Net Working Capital</b>	<b>(22,849)</b>	<b>(16,163)</b>	<b>(9,776)</b>	<b>(12,765)</b>	<b>(17,109)</b>	<b>(6,094)</b>	<b>(4,317)</b>	<b>(7,540)</b>	<b>(5,755)</b>	<b>(4,870)</b>	<b>(2,749)</b>
<b>Non Current Assets</b>											
Property, plant and equipment	368,549	371,066	388,440	400,088	401,612	422,518	431,677	432,054	452,623	464,047	464,474
Intangible assets	1,152	375	600	818	916	1,036	1,178	1,303	1,404	1,580	1,689
Investment property	897	1,014	1,014	1,014	1,014	1,014	1,014	1,014	1,014	1,014	1,014

\$000's	Adjusted EAP 20/21	10YP Y1 21/22	10YP Y2 22/23	10YP Y3 23/24	10YP Y4 24/25	10YP Y5 25/26	10YP Y6 26/27	10YP Y7 27/28	10YP Y8 28/29	10YP Y9 29/30	10YP Y10 30/31
Other financial assets	495	415	415	415	415	415	415	415	415	415	415
Investment in CCO and Civic Financial Services Ltd	11,455	8,845	8,845	8,845	8,845	8,845	8,845	8,845	8,845	8,845	8,845
<b>Total Non Current Assets</b>	<b>382,548</b>	<b>381,715</b>	<b>399,314</b>	<b>411,180</b>	<b>412,802</b>	<b>433,828</b>	<b>443,129</b>	<b>443,631</b>	<b>464,301</b>	<b>475,901</b>	<b>476,437</b>
<b>Non Current Liabilities</b>											
Borrowings	19,000	20,000	26,000	22,000	15,000	24,000	23,000	16,000	14,000	11,000	9,000
Provisions	461	547	563	577	592	607	622	638	656	674	691
Derivative financial instruments	1,845	2,046	2,046	2,046	2,046	2,046	2,046	2,046	2,046	2,046	2,046
<b>Total Non Current Liabilities</b>	<b>21,306</b>	<b>22,593</b>	<b>28,609</b>	<b>24,623</b>	<b>17,638</b>	<b>26,653</b>	<b>25,668</b>	<b>18,684</b>	<b>16,702</b>	<b>13,720</b>	<b>11,737</b>
<b>Net Assets</b>	<b>338,393</b>	<b>342,959</b>	<b>360,929</b>	<b>373,792</b>	<b>378,055</b>	<b>401,081</b>	<b>413,144</b>	<b>417,407</b>	<b>441,844</b>	<b>457,311</b>	<b>461,951</b>

## Prospective Cash Flow Statement for the years ending 30 June

\$000's	Adjusted EAP 20/21	10YP Y1 21/22	10YP Y2 22/23	10YP Y3 23/24	10YP Y4 24/25	10YP Y5 25/26	10YP Y6 26/27	10YP Y7 27/28	10YP Y8 28/29	10YP Y9 29/30	10YP Y10 30/31
<b>Cashflows from Operating Activities</b>											
<b>Cash forecast to be provided from:</b>											
Rates revenue (including penalties)	20,922	20,689	21,118	22,053	23,016	23,411	23,943	24,399	24,917	25,587	25,849
Subsidies and grants	9,749	11,789	10,537	10,257	10,819	11,101	11,451	11,734	12,069	12,461	12,764
Property rentals	543	535	567	599	626	652	667	684	702	720	738
Petroleum tax	135	100	103	106	109	113	116	119	123	126	130
Interest revenue	15	9	9	9	9	9	9	9	9	9	9
Receipts from other revenue	3,274	3,344	3,775	4,104	4,337	4,458	4,578	4,712	4,870	5,024	5,169
	<b>34,638</b>	<b>36,466</b>	<b>36,109</b>	<b>37,128</b>	<b>38,916</b>	<b>39,744</b>	<b>40,764</b>	<b>41,657</b>	<b>42,690</b>	<b>43,927</b>	<b>44,659</b>
<b>Cash forecast to be applied to:</b>											
Payments to suppliers and employees	23,706	23,873	23,573	24,303	24,264	24,955	25,809	26,100	26,820	27,887	28,080
Elected members	427	471	442	411	432	476	442	465	513	478	503
Interest paid on borrowings	1,426	1,118	1,115	1,103	1,384	1,292	1,218	1,117	980	843	706
	<b>25,559</b>	<b>25,462</b>	<b>25,130</b>	<b>25,817</b>	<b>26,080</b>	<b>26,723</b>	<b>27,469</b>	<b>27,682</b>	<b>28,313</b>	<b>29,208</b>	<b>29,289</b>

\$000's	Adjusted EAP 20/21	10YP Y1 21/22	10YP Y2 22/23	10YP Y3 23/24	10YP Y4 24/25	10YP Y5 25/26	10YP Y6 26/27	10YP Y7 27/28	10YP Y8 28/29	10YP Y9 29/30	10YP Y10 30/31
<b>Net Cash Inflows from Operating Activities</b>	<b>9,079</b>	<b>11,004</b>	<b>10,979</b>	<b>11,311</b>	<b>12,836</b>	<b>13,021</b>	<b>13,295</b>	<b>13,975</b>	<b>14,377</b>	<b>14,719</b>	<b>15,370</b>
<b>Cashflows from Investing Activities</b>											
<b>Cash forecast to be provided from:</b>											
Repayment of advance to community groups	4	4	0	0	0	0	0	0	0	0	0
	<b>4</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash forecast to be applied to:</b>											
Purchase and development of property, plant and equipment	10,784	10,210	9,778	9,491	9,490	10,294	9,783	9,482	9,901	10,067	10,547
Purchase of intangible assets	432	729	814	807	687	709	731	715	689	765	699
	<b>11,216</b>	<b>10,939</b>	<b>10,592</b>	<b>10,298</b>	<b>10,177</b>	<b>11,003</b>	<b>10,514</b>	<b>10,197</b>	<b>10,590</b>	<b>10,832</b>	<b>11,246</b>
<b>Net Cash Outflow from Investing Activities</b>	<b>(11,212)</b>	<b>(10,935)</b>	<b>(10,592)</b>	<b>(10,298)</b>	<b>(10,177)</b>	<b>(11,003)</b>	<b>(10,514)</b>	<b>(10,197)</b>	<b>(10,590)</b>	<b>(10,832)</b>	<b>(11,246)</b>
<b>Cashflows from Financing Activities</b>											
<b>Cash forecast to be provided from:</b>											
Cash was provided from borrowings	27,133	24,931	29,613	21,987	23,341	27,982	16,219	9,222	13,213	11,113	9,876
	<b>27,133</b>	<b>24,931</b>	<b>29,613</b>	<b>21,987</b>	<b>23,341</b>	<b>27,982</b>	<b>16,219</b>	<b>9,222</b>	<b>13,213</b>	<b>11,113</b>	<b>9,876</b>
<b>Cash forecast to be applied to:</b>											
Repayment of borrowings	25,000	25,000	30,000	23,000	26,000	30,000	19,000	13,000	17,000	15,000	14,000
	<b>25,000</b>	<b>25,000</b>	<b>30,000</b>	<b>23,000</b>	<b>26,000</b>	<b>30,000</b>	<b>19,000</b>	<b>13,000</b>	<b>17,000</b>	<b>15,000</b>	<b>14,000</b>
<b>Net Cash Inflows/ (Outflows) from Financing Activities</b>	<b>2,133</b>	<b>(69)</b>	<b>(387)</b>	<b>(1,013)</b>	<b>(2,659)</b>	<b>(2,018)</b>	<b>(2,781)</b>	<b>(3,778)</b>	<b>(3,787)</b>	<b>(3,887)</b>	<b>(4,124)</b>
<b>Net increase/(decrease) in cash and 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>0</b>	<b>0</b>	<b>0</b>

\$000's	Adjusted EAP 20/21	10YP Y1 21/22	10YP Y2 22/23	10YP Y3 23/24	10YP Y4 24/25	10YP Y5 25/26	10YP Y6 26/27	10YP Y7 27/28	10YP Y8 28/29	10YP Y9 29/30	10YP Y10 30/31
Cash and cash equivalents at the beginning of the year	570	4,243	4,243	4,243	4,243	4,243	4,243	4,243	4,243	4,243	4,243
<b>Cash and cash equivalents at the end of the year</b>	<b>570</b>	<b>4,243</b>	<b>4,243</b>	<b>4,243</b>	<b>4,243</b>	<b>4,243</b>	<b>4,243</b>	<b>4,243</b>	<b>4,243</b>	<b>4,243</b>	<b>4,243</b>
<b>Cash at the end of the year represented by:</b>											
Cash at bank and in hand	570	4,243	4,243	4,243	4,243	4,243	4,243	4,243	4,243	4,243	4,243

### Prospective Statement of Public Debt for the years ending 30 June

\$000's	Adjusted EAP 20/21	10YP Y1 21/22	10YP Y2 22/23	10YP Y3 23/24	10YP Y4 24/25	10YP Y5 25/26	10YP Y6 26/27	10YP Y7 27/28	10YP Y8 28/29	10YP Y9 29/30	10YP Y10 30/31
<b>Opening Balance</b>	<b>40,349</b>	<b>39,614</b>	<b>39,545</b>	<b>39,158</b>	<b>38,145</b>	<b>35,486</b>	<b>33,468</b>	<b>30,689</b>	<b>26,911</b>	<b>23,124</b>	<b>19,237</b>
Loans raised	27,133	24,931	29,613	21,987	23,341	27,982	16,221	9,222	13,213	11,113	9,876
Loans repaid	(25,000)	(25,000)	(30,000)	(23,000)	(26,000)	(30,000)	(19,000)	(13,000)	(17,000)	(15,000)	(14,000)
<b>Closing Balance</b>	<b>42,482</b>	<b>39,545</b>	<b>39,158</b>	<b>38,145</b>	<b>35,486</b>	<b>33,468</b>	<b>30,689</b>	<b>26,911</b>	<b>23,124</b>	<b>19,237</b>	<b>15,113</b>

### Prospective Statement of Reserve Fund Movements for Council Created Reserves for the years ending 30 June

\$000's	Adjusted EAP 20/21	10YP Y1 21/22	10YP Y2 22/23	10YP Y3 23/24	10YP Y4 24/25	10YP Y5 25/26	10YP Y6 26/27	10YP Y7 27/28	10YP Y8 28/29	10YP Y9 29/30	10YP Y10 30/31
<b>Council Created Reserves</b>											
<b>Opening Balance</b>	<b>16,911</b>	<b>20,095</b>	<b>20,046</b>	<b>20,082</b>	<b>20,429</b>	<b>21,846</b>	<b>23,148</b>	<b>24,253</b>	<b>25,851</b>	<b>27,386</b>	<b>29,037</b>
Transfer to/(from) Reserves	(66)	(49)	36	347	1,417	1,302	1,105	1,598	1,536	1,651	2,031
<b>Closing Balance</b>	<b>16,845</b>	<b>20,046</b>	<b>20,082</b>	<b>20,429</b>	<b>21,846</b>	<b>23,148</b>	<b>24,253</b>	<b>25,851</b>	<b>27,386</b>	<b>29,037</b>	<b>31,068</b>