



# Long Term Financial Forecast

## **2024-2025 to 2033-2034**

**Scenic Rim Regional Council  
Long Term Financial Forecast**

STATEMENT OF COMPREHENSIVE INCOME	Revised Budget	Budget	Projected Years									
	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000	2031-2032 \$'000	2032-2033 \$'000	2033-2034 \$'000	
<b>Income</b>												
<b>Revenue</b>												
<b>Recurrent Revenue</b>												
Gross Rates and Utility Charges	69,705	73,706	77,234	80,837	84,632	88,563	92,675	96,975	100,490	104,132	107,906	
Discounts and Pensioner Remissions	-2,024	-2,117	-2,207	-2,300	-2,398	-2,500	-2,606	-2,716	-2,815	-2,917	-3,022	
Fees & Charges	7,910	8,116	8,460	8,819	9,193	9,582	9,989	10,412	10,790	11,181	11,586	
Interest Received	3,849	3,853	3,350	3,374	3,399	3,425	3,451	3,479	3,504	3,529	3,556	
Sales of Contract and Recoverable Works	6,041	6,079	6,278	6,483	6,695	6,913	7,139	7,373	7,591	7,816	8,047	
Share of Profit from Associate	2,510	2,721	2,845	3,052	3,052	3,052	3,052	3,052	3,052	3,052	3,052	
Other Revenue	4,998	5,157	5,654	5,922	6,108	6,302	6,504	6,714	6,899	7,090	7,288	
Operating Grants, Subsidies, Contributions and Donations	14,218	6,328	6,454	6,583	6,715	6,849	6,986	7,126	7,269	7,414	7,562	
<b>Total Recurrent Revenue</b>	<b>107,206</b>	<b>103,843</b>	<b>108,068</b>	<b>112,769</b>	<b>117,395</b>	<b>122,187</b>	<b>127,191</b>	<b>132,415</b>	<b>136,779</b>	<b>141,297</b>	<b>145,975</b>	
<b>Capital Revenue</b>												
Capital Grants, Subsidies, Contributions and Donations	88,105	7,044	3,333	6,795	4,361	6,739	9,942	7,145	8,143	10,761	9,135	
Contributions from Developers	8,100	2,535	2,586	2,637	2,690	2,744	2,799	2,855	2,912	2,970	3,030	
<b>Total Capital Revenue</b>	<b>96,205</b>	<b>9,579</b>	<b>5,919</b>	<b>9,432</b>	<b>7,051</b>	<b>9,483</b>	<b>12,741</b>	<b>10,000</b>	<b>11,055</b>	<b>13,731</b>	<b>12,165</b>	
<b>Total Revenue</b>	<b>203,411</b>	<b>113,422</b>	<b>113,987</b>	<b>122,201</b>	<b>124,446</b>	<b>131,670</b>	<b>139,932</b>	<b>142,415</b>	<b>147,834</b>	<b>155,028</b>	<b>158,140</b>	
<b>Total Income</b>	<b>203,411</b>	<b>113,422</b>	<b>113,987</b>	<b>122,201</b>	<b>124,446</b>	<b>131,670</b>	<b>139,932</b>	<b>142,415</b>	<b>147,834</b>	<b>155,028</b>	<b>158,140</b>	
<b>Expenses</b>												
<b>Recurrent Expenses</b>												
Employee Expenses	44,565	48,110	49,863	51,623	53,445	55,332	57,285	59,307	61,038	62,819	64,652	
Employee Expenses Allocated to Capital	-5,946	-7,267	-7,523	-7,789	-8,064	-8,349	-8,643	-8,948	-9,210	-9,478	-9,755	
Net Operating Employee Expenses	38,619	40,843	42,339	43,834	45,381	46,983	48,642	50,359	51,828	53,341	54,897	
Materials & Services	48,455	40,054	40,824	42,563	44,399	46,278	48,235	50,275	51,742	53,252	54,806	
Finance Costs	1,356	1,230	1,130	1,076	1,019	966	917	867	816	764	713	
Depreciation Expense	20,161	21,305	21,838	22,384	22,943	23,517	24,105	24,707	25,325	25,958	26,607	
<b>Total Recurrent Expenses</b>	<b>108,591</b>	<b>103,432</b>	<b>106,131</b>	<b>109,856</b>	<b>113,743</b>	<b>117,743</b>	<b>121,899</b>	<b>126,208</b>	<b>129,711</b>	<b>133,314</b>	<b>137,022</b>	
<b>Total Expenses</b>	<b>108,591</b>	<b>103,432</b>	<b>106,131</b>	<b>109,856</b>	<b>113,743</b>	<b>117,743</b>	<b>121,899</b>	<b>126,208</b>	<b>129,711</b>	<b>133,314</b>	<b>137,022</b>	
<b>Net Result</b>	<b>94,820</b>	<b>9,990</b>	<b>7,855</b>	<b>12,345</b>	<b>10,703</b>	<b>13,927</b>	<b>18,033</b>	<b>16,207</b>	<b>18,123</b>	<b>21,714</b>	<b>21,117</b>	
Operating Revenue (Recurrent Revenue)	107,206	103,843	108,068	112,769	117,395	122,187	127,191	132,415	136,779	141,297	145,975	
Operating Expenses (Recurrent Expenses)	108,591	103,432	106,131	109,856	113,743	117,743	121,899	126,208	129,711	133,314	137,022	
<b>Operating Result (Recurrent Result)</b>	<b>-1,385</b>	<b>411</b>	<b>1,936</b>	<b>2,913</b>	<b>3,652</b>	<b>4,444</b>	<b>5,292</b>	<b>6,207</b>	<b>7,068</b>	<b>7,983</b>	<b>8,952</b>	

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STATEMENT OF FINANCIAL POSITION

	Revised Budget	Budget	Projected Years								
	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000	2031-2032 \$'000	2032-2033 \$'000	2033-2034 \$'000
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash & Cash Equivalents	32,324	28,908	30,428	27,400	25,511	27,434	28,436	30,147	29,803	29,819	32,227
Trade & Other Receivables	8,100	8,100	8,100	8,100	8,100	8,100	8,100	8,100	8,100	8,100	8,100
Inventories	900	900	900	900	900	900	900	900	900	900	900
Other Assets	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>Total Current Assets</b>	<b>42,324</b>	<b>38,908</b>	<b>40,428</b>	<b>37,400</b>	<b>35,511</b>	<b>37,434</b>	<b>38,436</b>	<b>40,147</b>	<b>39,803</b>	<b>39,819</b>	<b>42,227</b>
<b>Non-Current Assets</b>											
Trade & Other Receivables	14,676	14,676	14,676	14,676	14,676	14,676	14,676	14,676	14,676	14,676	14,676
Property, Plant & Equipment	1,179,462	1,209,116	1,233,795	1,267,940	1,301,295	1,334,933	1,374,217	1,411,698	1,453,844	1,500,006	1,544,471
Investment in Associate	40,055	41,734	43,537	45,547	47,557	49,567	51,577	53,587	55,597	57,607	59,617
<b>Total Non-Current Assets</b>	<b>1,234,193</b>	<b>1,265,526</b>	<b>1,292,008</b>	<b>1,328,163</b>	<b>1,363,528</b>	<b>1,399,176</b>	<b>1,440,470</b>	<b>1,479,961</b>	<b>1,524,117</b>	<b>1,572,289</b>	<b>1,618,764</b>
<b>TOTAL ASSETS</b>	<b>1,276,517</b>	<b>1,304,434</b>	<b>1,332,436</b>	<b>1,365,563</b>	<b>1,399,039</b>	<b>1,436,610</b>	<b>1,478,906</b>	<b>1,520,108</b>	<b>1,563,920</b>	<b>1,612,108</b>	<b>1,660,991</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Trade & Other Payables	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Borrowings	3,976	2,465	2,524	2,585	2,381	2,435	2,489	2,545	2,603	2,235	2,289
Provisions	10,400	10,400	10,400	10,400	10,400	10,400	10,400	10,400	10,400	10,400	10,400
Other liabilities	1,683	1,570	1,371	0	0	0	0	0	0	0	0
<b>Total Current Liabilities</b>	<b>23,059</b>	<b>21,435</b>	<b>21,295</b>	<b>19,985</b>	<b>19,781</b>	<b>19,835</b>	<b>19,889</b>	<b>19,945</b>	<b>20,003</b>	<b>19,635</b>	<b>19,689</b>
<b>Non-Current Liabilities</b>											
Borrowings	39,320	36,847	34,323	31,739	29,357	26,921	24,432	21,887	19,283	17,049	14,761
Provisions	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219
Other liabilities	2,878	1,371	0	0	0	0	0	0	0	0	0
<b>Total Non-Current Liabilities</b>	<b>46,417</b>	<b>42,437</b>	<b>38,542</b>	<b>35,958</b>	<b>33,576</b>	<b>31,140</b>	<b>28,651</b>	<b>26,106</b>	<b>23,502</b>	<b>21,268</b>	<b>18,980</b>
<b>TOTAL LIABILITIES</b>	<b>69,476</b>	<b>63,872</b>	<b>59,837</b>	<b>55,943</b>	<b>53,357</b>	<b>50,975</b>	<b>48,540</b>	<b>46,051</b>	<b>43,505</b>	<b>40,903</b>	<b>38,669</b>
<b>Net Assets</b>	<b>1,207,041</b>	<b>1,240,562</b>	<b>1,272,599</b>	<b>1,309,620</b>	<b>1,345,682</b>	<b>1,385,635</b>	<b>1,430,366</b>	<b>1,474,057</b>	<b>1,520,415</b>	<b>1,571,205</b>	<b>1,622,322</b>
<b>EQUITY</b>											
Asset Revaluation Surplus	377,799	401,330	425,512	450,188	475,547	501,573	528,271	555,755	583,990	613,066	643,066
Accumulated Surplus	829,242	839,232	847,087	859,432	870,135	884,062	902,095	918,302	936,425	958,139	979,256
<b>Total Equity</b>	<b>1,207,041</b>	<b>1,240,562</b>	<b>1,272,599</b>	<b>1,309,620</b>	<b>1,345,682</b>	<b>1,385,635</b>	<b>1,430,366</b>	<b>1,474,057</b>	<b>1,520,415</b>	<b>1,571,205</b>	<b>1,622,322</b>

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STATEMENT OF CASH FLOWS

	Revised Budget	Budget	Projected Years								
	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000	2031-2032 \$'000	2032-2033 \$'000	2033-2034 \$'000
<b>Cash Flows from Operating Activities</b>											
Receipts from Customers	101,666	89,257	93,848	98,389	104,229	108,861	113,701	118,758	122,955	127,302	131,805
Payments to Suppliers and Employees	-100,065	-81,116	-83,387	-86,625	-90,014	-93,499	-97,120	-100,881	-103,823	-106,850	-109,965
	1,601	8,141	10,461	11,764	14,215	15,362	16,581	17,877	19,132	20,452	21,840
<b>Receipts:</b>											
Interest Received	3,849	3,853	3,350	3,374	3,399	3,425	3,451	3,479	3,504	3,529	3,556
Operating Grants, Subsidies, Contributions and Donations	14,218	6,328	6,454	6,583	6,715	6,849	6,986	7,126	7,269	7,414	7,562
<b>Payments:</b>											
Interest Expense	-1,136	-1,010	-906	-847	-786	-728	-674	-620	-564	-506	-450
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>18,532</b>	<b>17,312</b>	<b>19,359</b>	<b>20,874</b>	<b>23,543</b>	<b>24,908</b>	<b>26,344</b>	<b>27,862</b>	<b>29,341</b>	<b>30,889</b>	<b>32,508</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts:</b>											
Proceeds from Sale of Property, Plant & Equipment	11,284	7,641	3,462	3,508	3,600	3,675	3,675	3,787	1,954	1,892	1,923
Dividend Received from Associate	1,250	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042
Capital Grants, Subsidies, Contributions and Donations	96,205	9,579	5,919	9,432	7,051	9,483	12,741	10,000	11,055	13,731	12,165
<b>Payments:</b>											
Payments for Property, Plant & Equipment	-145,206	-35,010	-25,797	-35,360	-34,540	-34,804	-40,365	-38,491	-41,191	-44,935	-42,995
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>-36,467</b>	<b>-16,748</b>	<b>-15,374</b>	<b>-21,378</b>	<b>-22,847</b>	<b>-20,604</b>	<b>-22,907</b>	<b>-23,662</b>	<b>-27,140</b>	<b>-28,270</b>	<b>-27,865</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts:</b>											
Proceeds from Borrowings	0	0	0	0	0	0	0	0	0	0	0
<b>Payments:</b>											
Repayment of Borrowings	-4,151	-3,980	-2,465	-2,524	-2,585	-2,381	-2,435	-2,489	-2,545	-2,603	-2,235
<b>Net Cash Flow inflow / (Outflow) from Financing Activities</b>	<b>-4,151</b>	<b>-3,980</b>	<b>-2,465</b>	<b>-2,524</b>	<b>-2,585</b>	<b>-2,381</b>	<b>-2,435</b>	<b>-2,489</b>	<b>-2,545</b>	<b>-2,603</b>	<b>-2,235</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>-22,086</b>	<b>-3,416</b>	<b>1,520</b>	<b>-3,028</b>	<b>-1,889</b>	<b>1,923</b>	<b>1,002</b>	<b>1,711</b>	<b>-344</b>	<b>16</b>	<b>2,408</b>
<b>plus: Cash &amp; Cash Equivalents - beginning of year</b>	<b>54,410</b>	<b>32,324</b>	<b>28,908</b>	<b>30,428</b>	<b>27,400</b>	<b>25,511</b>	<b>27,434</b>	<b>28,436</b>	<b>30,147</b>	<b>29,803</b>	<b>29,819</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>32,324</b>	<b>28,908</b>	<b>30,428</b>	<b>27,400</b>	<b>25,511</b>	<b>27,434</b>	<b>28,436</b>	<b>30,147</b>	<b>29,803</b>	<b>29,819</b>	<b>32,227</b>

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STATEMENT OF CHANGES IN EQUITY	Revised Budget	Budget	Projected Years								
	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000	2031-2032 \$'000	2032-2033 \$'000	2033-2034 \$'000
<b>Accumulated Surplus</b>											
Opening Balance	734,422	829,242	839,232	847,087	859,432	870,135	884,062	902,095	918,302	936,425	958,139
Net Operating Result for the Year	94,820	9,990	7,855	12,345	10,703	13,927	18,033	16,207	18,123	21,714	21,117
Closing Balance	829,242	839,232	847,087	859,432	870,135	884,062	902,095	918,302	936,425	958,139	979,256
<b>Asset Revaluation Surplus</b>											
Opening Balance	356,961	377,799	401,330	425,512	450,188	475,547	501,572	528,271	555,756	583,989	613,066
Asset Revaluation Adjustments	20,838	23,530	24,182	24,676	25,359	26,026	26,699	27,484	28,234	29,077	30,000
Closing Balance	377,799	401,330	425,512	450,188	475,547	501,573	528,271	555,755	583,990	613,066	643,066
<b>Total Equity</b>											
Opening Balance	1,091,383	1,207,041	1,240,562	1,272,599	1,309,620	1,345,682	1,385,634	1,430,366	1,474,058	1,520,414	1,571,205
Net Operating Result for the Year	94,820	9,990	7,855	12,345	10,703	13,927	18,033	16,207	18,123	21,714	21,117
Asset Revaluation Adjustments	20,838	23,530	24,182	24,676	25,359	26,026	26,699	27,484	28,234	29,077	30,000
Closing Balance	1,207,041	1,240,562	1,272,599	1,309,620	1,345,682	1,385,635	1,430,366	1,474,057	1,520,415	1,571,205	1,622,322

**Scenic Rim Regional Council  
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**RELEVANT MEASURES OF FINANCIAL SUSTAINABILITY**

	Revised Budget 2023-2024	Budget 2024-2025	2025-2026	2026-2027	2027-2028	Projected Years					
						2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034
<b>Measures per Financial Management (Sustainability) Guideline 2023</b>											
<b>Contextual Ratios (Unaudited)</b>											
Council Controlled Revenue Ratio (Contextual only; no target) <i>((Net rates, levies and charges + fees and charges) / total operating revenue)</i>	70.5%	76.8%	77.3%	77.5%	77.9%	78.3%	78.7%	79.0%	79.3%	79.5%	79.8%
Population Growth Ratio (Contextual only; no target) <i>(Prior year estimated population / previous year estimated population)</i>	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
<b>Audited Ratios</b>											
Operating Surplus Ratio (Target > 0%) <i>(Operating result / total operating revenue)</i>	-1.3%	0.4%	1.8%	2.6%	3.1%	3.6%	4.2%	4.7%	5.2%	5.6%	6.1%
Operating Cash Ratio (Target > 0%) <i>((Operating result + depreciation and amortisation + finance costs - profit from equity accounted investment) / total operating revenue)</i>	16.4%	19.5%	20.4%	20.7%	20.9%	21.2%	21.4%	21.7%	22.0%	22.4%	22.8%
Unrestricted Cash Expense Cover Ratio (Target > 3 months) <i>((Total cash and cash equivalents + current investments + available on-going QTC working capital facility - externally restricted cash) / (total operating expenditure - depreciation and amortisation - finance costs))*12</i>	5.2	5.3	5.4	5.2	4.7	4.8	4.8	4.8	4.6	4.5	4.6
Asset Sustainability Ratio (Target > 80%) <i>(Capital expenditure on replacement of infrastructure assets (renewals) / Depreciation expenditure on infrastructure assets)</i>	456.4%	79.1%	68.3%	90.3%	67.2%	56.5%	88.5%	70.8%	73.6%	89.8%	74.8%
Asset Consumption Ratio (Target > 60%) <i>(Written down replacement cost of depreciable assets / Current replacement cost of depreciable infrastructure assets)</i>	74.0%	71.3%	70.7%	70.3%	69.9%	69.5%	69.2%	68.9%	68.6%	68.4%	68.2%
Leverage Ratio (Target 0 - 3 Times) <i>(Book value of debt / (total operating revenue - total operating expenditure + depreciation and amortisation))</i>	2.3	1.8	1.5	1.4	1.2	1.0	0.9	0.8	0.7	0.6	0.5
<b>Additional measures per SRRC Financial Sustainability Strategy</b>											
Cash Holdings Ratio (Target > 3) <i>(Cash / ((operating expenditure less depreciation expense)/12 months))</i>	4.4	4.2	4.3	3.8	3.4	3.5	3.5	3.6	3.4	3.3	3.5
Current Ratio (Target > 1.1) <i>(Current assets / current liabilities)</i>	1.8	1.8	1.9	1.9	1.8	1.9	1.9	2.0	2.0	2.0	2.1
Debt Service Cover Ratio (Target > 5) <i>((Operating result + interest expense + depreciation expense - profit from associate + dividend from associate) / (Interest expense + previous year current loans outstanding))</i>	3.6	4.2	6.8	7.2	7.5	8.6	9.0	9.5	10.0	10.4	12.7