

Prospective Financial Statements

Whakataunga Tahua Torohū

Cautionary note

The information in the prospective financial statements is uncertain and its preparation requires the exercise of judgement. Actual financial results achieved are likely to vary from the information presented and the variations may be material. Events and circumstances may not occur as expected and may or may not have been predicted or the Council may subsequently take actions that differ from the proposed course of action on which the prospective financial statements are based.

Assumptions underlying prospective financial information

The financial information contained within these policies and statements is prospective information and has been prepared in compliance with PBE FRS 42: Prospective Financial Information. The purpose for which it has been prepared is to enable the public to participate in the decision-making processes as to the services to be provided by Western Bay of Plenty District Council over the financial years from 2021/22 to 2030/31 and to provide a broad accountability mechanism of the Council to the community. Refer to the Strategic Assumptions section in Informing our Planning from page 39 for details of underlying assumptions.



Western Bay of Plenty District Council

Prospective statement of financial position

For the years ended 30 June	Annual Plan \$'000					Forecast \$'000					
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Current assets											
Cash and cash equivalents	4,124	26,634	39,176	41,810	37,274	30,419	44,008	24,464	18,562	20,287	20,295
Receivables	21,897	13,426	16,371	18,577	15,759	16,231	16,623	17,318	18,555	18,888	18,200
Prepayments and accrued income	724	940	1,008	1,038	1,108	1,160	1,196	1,242	1,279	1,320	1,350
Non current assets held for sale	3,495	1,214	1,250	1,289	1,331	1,372	1,412	1,456	1,501	1,545	1,590
Other financial assets	-	-	-	-	-	-	-	-	-	-	-
Total current assets	30,240	42,213	57,804	62,713	55,472	49,182	63,238	44,479	39,897	42,040	41,434
Non-current assets											
Investment in CCOs and other similar entities	3,353	3,181	4,131	5,031	5,746	6,183	6,495	6,808	7,170	7,595	8,113
Other financial assets	11,210	11,519	11,519	11,519	11,519	11,519	286	286	286	286	286
Investment in associates	212	212	212	212	212	212	212	212	212	212	212
Property, plant & equipment	1,504,734	1,631,599	1,703,163	1,843,142	1,916,411	1,984,021	2,113,532	2,197,337	2,261,069	2,416,175	2,476,144
Intangible assets	2,306	6,540	8,013	9,114	9,414	9,731	9,930	10,091	10,176	10,204	10,142
Forestry assets	8,539	11,287	11,626	11,975	12,346	12,716	13,072	13,465	13,869	14,271	14,670
Total non-current assets	1,530,354	1,664,339	1,738,664	1,880,993	1,955,648	2,024,383	2,143,529	2,228,198	2,292,783	2,448,744	2,509,568
Total assets	1,560,594	1,706,552	1,796,468	1,943,706	2,011,120	2,073,565	2,206,768	2,272,677	2,332,679	2,490,784	2,551,002
Current liabilities											
Creditors and other payables	16,245	23,589	32,664	37,265	29,737	29,387	26,309	34,152	30,135	31,945	30,342
Borrowings	20,000	10,000	15,000	15,000	15,000	10,000	25,000	-	-	-	-
Employee entitlements	2,575	3,573	3,699	3,835	3,997	4,157	4,343	4,538	4,741	4,947	5,156
Provisions	313	696	696	696	696	696	696	696	696	696	696
Total current liabilities	39,133	37,858	52,059	56,796	49,430	44,240	56,348	39,385	35,572	37,588	36,194
Non-current liabilities											
Borrowings	90,000	93,400	126,400	162,400	191,000	213,473	210,973	248,473	258,973	272,973	290,673
Provisions	492	313	313	313	313	313	313	313	313	313	313
Derivative financial instruments	8,368	12,632	12,632	12,632	12,632	12,632	12,632	12,632	12,632	12,632	12,632
Total non-current liabilities	98,860	106,345	139,345	175,345	203,945	226,418	223,918	261,418	271,918	285,918	303,618
Total liabilities	137,993	144,203	191,404	232,140	253,374	270,657	280,266	300,803	307,489	323,506	339,812
Net assets	1,422,600	1,562,349	1,605,065	1,711,566	1,757,746	1,802,908	1,926,502	1,971,875	2,025,190	2,167,279	2,211,190
Equity											
Accumulated funds	890,574	954,642	974,592	995,970	1,017,691	1,037,124	1,054,576	1,072,654	1,096,599	1,117,749	1,126,451
Other reserves	532,026	607,707	630,473	715,596	740,055	765,784	871,926	899,220	928,591	1,049,530	1,084,739
Total equity	1,422,600	1,562,349	1,605,065	1,711,566	1,757,746	1,802,908	1,926,502	1,971,875	2,025,190	2,167,279	2,211,190

Western Bay of Plenty District Council

Prospective statement of comprehensive revenue and expense 2021-2031

For the years ended 30 June	Annual Plan \$'000					Forecast \$'000					
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Revenue from non-exchange transactions											
Fees and charges	6,737	7,641	7,935	8,151	8,281	8,545	8,768	8,987	9,089	9,302	9,517
Rates	75,174	83,374	87,645	91,980	96,267	100,254	105,475	109,794	114,569	118,080	121,234
Fines	228	211	219	228	236	244	254	262	268	273	279
Vested assets	2,240	2,240	2,313	2,387	2,459	2,534	2,602	2,673	2,745	2,816	2,884
Financial contributions	10,098	11,221	14,035	14,127	14,597	14,978	15,310	15,664	14,912	15,101	15,267
Subsidies and grants	11,745	16,982	18,524	21,227	24,609	23,606	21,471	22,544	29,555	28,435	18,179
Other revenue	450	400	412	424	435	447	458	469	481	492	503
Fair value movement in derivative financial instruments	-	-	-	-	-	-	-	-	-	-	-
Gains	-	489	464	479	506	510	493	538	553	554	553
Total revenue from non-exchange transactions	106,671	122,559	131,546	139,002	147,390	151,118	154,831	160,931	172,172	175,053	168,416
Revenue from exchange transactions											
Finance income	413	263	270	278	286	293	301	308	316	323	330
Dividends	-	-	-	-	-	-	-	-	-	-	-
Rental income	773	746	766	787	759	779	798	817	836	856	874
Other exchange revenue	1,078	1,773	1,644	1,283	1,296	1,811	1,536	1,876	1,934	1,986	2,039
Total revenue from exchange transactions	2,264	2,781	2,681	2,349	2,340	2,884	2,634	3,000	3,086	3,165	3,243
Total revenue	108,935	125,340	134,227	141,351	149,730	154,002	157,465	163,932	175,258	178,219	171,660
Expenditure											
Other expenses	41,970	52,881	56,386	58,156	62,014	64,862	66,788	69,329	71,409	73,696	75,353
Personnel costs	22,860	26,369	27,292	28,300	29,494	30,674	32,049	33,483	34,981	36,501	38,049
Depreciation	22,599	23,560	24,857	26,445	28,451	30,199	31,695	33,270	34,740	36,308	38,140
Amortisation	426	347	287	238	200	168	143	123	106	93	82
Impairment expense	-	-	-	-	-	-	-	-	-	-	-
Finance costs	4,146	3,675	4,651	6,057	7,285	8,160	8,729	9,204	9,717	9,883	10,600
Total operating expenditure	92,001	106,832	113,472	119,197	127,443	134,063	139,404	145,409	150,953	156,481	162,224
Share of associate's surplus / (deficit)	-	-	-	-	-	-	-	-	-	-	-
Operating surplus / (deficit)	16,933	18,508	20,755	22,154	22,287	19,938	18,061	18,522	24,305	21,738	9,436
Gain / (Loss) on property, plant & equipment revaluations	33,580	30,284	21,961	84,347	23,893	25,224	105,533	26,850	29,011	120,351	34,475
Reversal of impairment	-	-	-	-	-	-	-	-	-	-	-
Other assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive revenue and expenses	33,580	30,284	21,961	84,347	23,893	25,224	105,533	26,850	29,011	120,351	34,475
Total comprehensive revenue and expense / (deficit) for the year attributable to Council	50,513	48,792	42,716	106,501	46,180	45,162	123,594	45,373	53,316	142,089	43,911

Western Bay of Plenty District Council

Prospective statement of changes in net assets/equity 2021-2031

For the years ended 30 June	Annual Plan \$'000		Forecast \$'000								
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Equity balance at 30 June											
Equity balance at 1 July	1,372,670	1,513,557	1,562,349	1,605,065	1,711,566	1,757,746	1,802,908	1,926,502	1,971,875	2,025,190	2,167,279
Comprehensive income for year	49,930	48,792	42,716	106,501	46,180	45,162	123,594	45,373	53,316	142,089	43,911
Equity balance at 30 June	1,422,600	1,562,349	1,605,065	1,711,566	1,757,746	1,802,908	1,926,502	1,971,875	2,025,190	2,167,279	2,211,190
Components of equity											
Retained earnings at 1 July	873,057	936,747	954,642	974,592	995,970	1,017,691	1,037,124	1,054,576	1,072,654	1,096,599	1,117,749
Net surplus/(deficit)	17,516	17,895	19,950	21,378	21,721	19,433	17,452	18,078	23,945	21,150	8,702
Retained earnings 30 June	890,574	954,642	974,592	995,970	1,017,691	1,037,124	1,054,576	1,072,654	1,096,599	1,117,749	1,126,451
Revaluation reserves at 1 July	470,670	547,669	577,953	599,914	684,261	708,154	733,377	838,911	865,761	894,772	1,015,122
Revaluation gains	32,217	30,284	21,961	84,347	23,893	25,224	105,533	26,850	29,011	120,351	34,475
Revaluation Reserves 30 June	502,886	577,953	599,914	684,261	708,154	733,377	838,911	865,761	894,772	1,015,122	1,049,598
Council created Reserves at 1 July	29,723	29,141	29,754	30,559	31,335	31,901	32,406	33,015	33,459	33,819	34,407
Transfers to / (from) Reserves	(583)	613	805	776	566	505	609	444	360	588	734
Council created Reserves 30 June	29,140	29,754	30,559	31,335	31,901	32,406	33,015	33,459	33,819	34,407	35,141
Components of equity	1,422,600	1,562,349	1,605,065	1,711,566	1,757,746	1,802,908	1,926,502	1,971,875	2,025,190	2,167,279	2,211,190

Forecast depreciation and amortisation by activity 2021-2031

For the years ended 30 June	Forecast \$'000									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Representation	6	8	12	16	20	24	28	32	36	40
Communities	635	671	680	703	770	812	840	943	950	959
Recreation and Open Space	1,929	2,028	2,164	2,542	2,937	3,341	3,441	3,470	3,495	3,553
Regulatory Services	69	77	56	71	80	56	71	80	56	71
Stormwater	1,589	1,613	1,659	1,706	1,754	1,808	1,829	1,837	1,848	1,922
Transportation	10,623	11,350	12,183	13,249	14,133	14,954	15,862	16,762	17,621	18,500
Water Supply	4,090	4,263	4,435	4,595	4,758	4,910	5,098	5,284	5,443	5,488
Wastewater	3,711	3,818	4,090	4,357	4,419	4,449	4,508	4,625	5,140	5,648
Solid Waste	41	44	76	82	78	76	82	78	76	82
Support Services	1,215	1,273	1,330	1,332	1,420	1,409	1,634	1,736	1,737	1,959
	23,907	25,144	26,684	28,651	30,368	31,838	33,392	34,846	36,401	38,222

Western Bay of Plenty District Council
Prospective statement of cash flows 2021-2031

For the years ended 30 June	Annual Plan \$'000					Forecast \$'000					
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Cashflow operating activities											
Cash was provided from:											
Rates revenue	75,088	82,623	86,467	91,097	97,394	100,065	105,318	109,516	114,074	117,947	121,509
Interest received	413	263	270	278	286	293	301	308	316	323	330
Other revenue	21,010	27,090	28,459	31,447	38,097	35,978	33,954	35,499	42,410	42,146	32,815
Financial contributions	10,098	11,221	14,035	14,127	14,597	14,978	15,310	15,664	14,912	15,101	15,267
Cash was provided from:	106,609	121,196	129,231	136,950	150,373	151,314	154,883	160,988	171,712	175,517	169,921
Cash was applied to:											
Payments to suppliers and employees	(64,640)	(76,439)	(79,821)	(84,304)	(94,284)	(95,487)	(99,960)	(99,565)	(107,883)	(109,356)	(113,925)
Interest paid	(4,146)	(3,675)	(4,651)	(6,057)	(7,285)	(8,160)	(8,729)	(9,204)	(9,717)	(9,883)	(10,600)
Cash was applied to:	(68,786)	(80,114)	(84,472)	(90,361)	(101,569)	(103,647)	(108,689)	(108,769)	(117,600)	(119,240)	(124,525)
Net cashflow from operating activities	37,822	41,082	44,759	46,588	48,804	47,668	46,194	52,218	54,112	56,277	45,397
Cashflow investment activities											
Cash was provided from:											
Proceeds from sale of property, plant & equipment	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of investments	-	-	-	-	-	-	11,233	-	-	-	-
Cash was provided from:	-	-	-	-	-	-	11,233	-	-	-	-
Cash was applied to:											
Purchase of property, plant & equipment	(37,613)	(47,296)	(68,582)	(79,055)	(81,225)	(71,559)	(56,025)	(83,951)	(70,150)	(68,128)	(62,570)
Purchase of investments	-	(335)	(950)	(900)	(715)	(437)	(313)	(313)	(363)	(425)	(518)
Cash was applied to:	(37,613)	(47,631)	(70,217)	(79,955)	(81,940)	(71,995)	(56,338)	(84,263)	(70,513)	(68,553)	(63,088)
Net cashflow from investment activities	(37,613)	(47,631)	(70,217)	(79,955)	(81,940)	(71,995)	(45,105)	(84,263)	(70,513)	(68,553)	(63,088)
Cashflow finance activities											
Cash was provided from:											
Proceeds from borrowings	-	23,400	53,000	51,000	43,600	27,473	37,500	12,500	10,500	14,000	17,700
Cash was provided from:	-	23,400	53,000	51,000	43,600	27,473	37,500	12,500	10,500	14,000	17,700
Cash was applied to:											
Repayment of borrowings	-	(10,000)	(15,000)	(15,000)	(15,000)	(10,000)	(25,000)	-	-	-	-
Cash was applied to:	-	(10,000)	(15,000)	(15,000)	(15,000)	(10,000)	(25,000)	-	-	-	-
Net cashflow from finance activities	-	13,400	38,000	36,000	28,600	17,473	12,500	12,500	10,500	14,000	17,700
Cash balance											
Cash balance											
Net increase/(decrease) in cash held	209	6,852	12,541	2,634	(4,535)	(6,855)	13,589	(19,545)	(5,901)	1,725	8
Total cash resources at beginning of the year	3,915	19,782	26,634	39,175	41,809	37,274	30,419	44,008	24,463	18,562	20,287
Cash balance	4,124	26,634	39,175	41,809	37,274	30,419	44,008	24,463	18,562	20,287	20,295
Cash balance	4,124	26,634	39,175	41,809	37,274	30,419	44,008	24,463	18,562	20,287	20,295

Western Bay of Plenty District Council

Reconciliation of Summary Funding Impact Statement to Prospective Statement of Comprehensive Revenue and Expense

For the years ended 30 June	Annual Plan \$'000					Forecast \$'000					
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Revenue											
Prospective Statement of Comprehensive Revenue Expenditure											
Total Operating Revenue	108,935	125,340	134,227	141,351	149,730	154,002	157,465	163,932	175,258	178,219	171,660
Total Revenue	108,935	125,340	134,227	141,351	149,730	154,002	157,465	163,932	175,258	178,219	171,660
Summary Funding Impact Statement											
Sources of operating funding											
Total sources of operating funding	96,597	105,394	110,341	114,632	124,660	130,635	136,340	143,880	147,441	149,870	153,776
Sources of operating funding	96,597	105,394	110,341	114,632	124,660	130,635	136,340	143,880	147,441	149,870	153,776
Add sources of capital funding											
Development and financial contributions	10,098	11,221	14,035	14,127	14,597	14,978	15,310	15,664	14,912	15,101	15,267
Gain disposal of assets	-	(388)	(401)	(413)	(426)	(412)	(423)	(435)	(447)	(458)	(469)
Subsidies and grants for capital expenditure	-	6,874	7,939	10,619	8,441	6,267	3,636	2,149	10,607	10,890	202
Vested assets	2,240	2,240	2,313	2,387	2,459	2,534	2,602	2,673	2,745	2,816	2,884
Add sources of capital funding	12,338	19,947	23,886	26,720	25,071	23,367	21,125	20,051	27,818	28,349	17,884
Total Revenue	108,935	125,341	134,227	141,351	149,731	154,002	157,465	163,931	175,258	178,219	171,660
Expenditure											
Prospective Statement of Comprehensive Revenue Expenditure											
Total Operating Expenditure	92,001	106,832	113,472	119,197	127,443	134,063	139,404	145,409	150,953	156,481	162,224
Total Expenditure	92,001	106,832	113,472	119,197	127,443	134,063	139,404	145,409	150,953	156,481	162,224
Summary Funding Impact Statement											
Application of operating fund											
Total application of operating funding	68,977	82,925	88,329	92,513	98,793	103,696	107,566	112,017	116,107	120,080	124,002
Application of operating fund	68,977	82,925	88,329	92,513	98,793	103,696	107,566	112,017	116,107	120,080	124,002
Add application of capital funding											
Depreciation and amortisation expense	23,025	23,907	25,144	26,684	28,651	30,368	31,838	33,392	34,846	36,401	38,222
Increase/(decrease) in provisions	-	-	-	-	-	-	-	-	-	-	-
Loss on changes in fair value of investment property and evaluation of financial assets	-	-	-	-	-	-	-	-	-	-	-
Loss on disposal of asset	-	-	-	-	-	-	-	-	-	-	-
Add application of capital funding	23,025	23,907	25,144	26,684	28,651	30,368	31,838	33,392	34,846	36,401	38,222
Total Expenditure	92,001	106,832	113,472	119,197	127,443	134,063	139,404	145,409	150,953	156,481	162,224