

Forecast Financial Statements

Prospective Statement of Comprehensive Financial Performance

Annual Plan 2008/09 \$000		Forecast 2009/10 \$000	Forecast 2010/11 \$000	Forecast 2011/12 \$000	Forecast 2012/13 \$000	Forecast 2013/14 \$000	Forecast 2014/15 \$000	Forecast 2015/16 \$000	Forecast 2016/17 \$000	Forecast 2017/18 \$000	Forecast 2018/19 \$000
	INCOME										
204,841	Revenue from rates and levies	213,992	226,571	236,632	241,675	246,875	255,237	261,824	268,239	278,641	286,953
122,048	Revenue from operating activities	128,742	158,894	168,934	164,372	163,055	169,503	159,811	146,714	150,182	213,401
10,907	Revenue from investment property leases	10,377	9,900	9,822	9,822	9,822	9,822	9,822	9,822	9,822	9,822
5,673	Finance income	5,448	5,461	5,475	5,491	5,509	5,529	5,552	5,577	5,606	5,639
4,515	Other revenues and gains	7,630	9,437	11,973	13,081	13,483	13,543	13,681	13,700	13,719	13,830
347,984	TOTAL INCOME	366,189	410,263	432,836	434,441	438,744	453,634	450,690	444,052	457,970	529,645
	EXPENSE										
22,656	Finance expense	21,891	23,641	23,934	24,102	23,779	23,610	23,031	22,581	23,181	24,150
235,832	Expenditure on operating activities	245,454	257,032	264,678	269,207	276,559	282,979	291,280	300,353	307,526	318,113
69,577	Depreciation and amortisation	74,716	77,235	85,057	90,429	91,786	97,497	101,927	102,996	110,379	112,364
328,065	TOTAL EXPENSE	342,061	357,908	373,669	383,738	392,124	404,086	416,238	425,930	441,086	454,627
19,919	Total operating surplus/(deficit)	24,128	52,355	59,167	50,703	46,620	49,548	34,452	18,122	16,884	75,018
-	Income tax expense	-	-	-	-	-	-	-	-	-	-
19,919	NET SURPLUS/(DEFICIT) FOR THE YEAR	24,128	52,355	59,167	50,703	46,620	49,548	34,452	18,122	16,884	75,018
	OTHER COMPREHENSIVE INCOME										
-	Revaluations – net gain	-	160,442	56,846	-	198,662	75,861	-	239,872	84,711	-
-	TOTAL OTHER COMPREHENSIVE INCOME	-	160,442	56,846	-	198,662	75,861	-	239,872	84,711	-
19,919	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	24,128	212,797	116,013	50,703	245,282	125,409	34,452	257,994	101,595	75,018

Note that in accordance with NZ IAS 1 Presentation of Financial Statements, Total Comprehensive Income includes the Net Surplus plus the effect of Other Comprehensive Income items (ie the forecast revaluation of our Property, Plant and Equipment)

Prospective Statement of Financial Position

Annual Plan 2008/09 \$000		Forecast 2009/10 \$000	Forecast 2010/11 \$000	Forecast 2011/12 \$000	Forecast 2012/13 \$000	Forecast 2013/14 \$000	Forecast 2014/15 \$000	Forecast 2015/16 \$000	Forecast 2016/17 \$000	Forecast 2017/18 \$000	Forecast 2018/19 \$000
	ASSETS										
	Current assets										
1,883	Cash and cash equivalents	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307
-	Derivative financial instruments	173	173	173	173	173	173	173	173	173	173
32,529	Trade and other receivables	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600
1,005	Inventories	960	960	960	960	960	960	960	960	960	960
35,417	Total current assets	37,040	37,040	37,040	37,040	37,040	37,040	37,040	37,040	37,040	37,040
	Non-current assets										
5,468	Derivative financial instruments	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382
15,611	Other financial assets	3,524	3,616	3,722	3,844	3,984	4,144	4,327	4,535	4,772	5,042
8,815	Intangibles	14,148	14,879	16,318	16,082	18,686	18,518	14,855	12,226	14,297	15,478
215,282	Investment properties	220,368	212,118	212,118	203,743	199,043	190,843	185,143	185,143	185,143	185,143
5,924,407	Property, plant & equipment	6,007,237	6,259,820	6,375,083	6,427,984	6,681,406	6,813,910	6,846,672	7,107,348	7,224,861	7,311,830
6,509	Investment in subsidiaries	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509
19,558	Investment in associates	19,558	19,558	19,558	19,558	19,558	19,558	19,558	19,558	19,558	19,558
6,195,650	Total non-current assets	6,273,726	6,518,882	6,635,690	6,680,102	6,931,568	7,055,864	7,079,446	7,337,701	7,457,522	7,545,942
6,231,067	TOTAL ASSETS	6,310,766	6,555,922	6,672,730	6,717,142	6,968,608	7,092,904	7,116,486	7,374,741	7,494,562	7,582,982

Prospective Statement of Financial Position continued...

Annual Plan 2008/09 \$000		Forecast 2009/10 \$000	Forecast 2010/11 \$000	Forecast 2011/12 \$000	Forecast 2012/13 \$000	Forecast 2013/14 \$000	Forecast 2014/15 \$000	Forecast 2015/16 \$000	Forecast 2016/17 \$000	Forecast 2017/18 \$000	Forecast 2018/19 \$000
	LIABILITIES										
	Current liabilities										
54,833	Trade and other payables	58,185	58,185	58,185	58,185	58,185	58,185	58,185	58,185	58,185	58,185
96,733	Borrowings	108,235	108,235	108,235	108,235	108,235	108,235	108,235	108,235	108,235	108,235
6,528	Employee benefit liabilities	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358
4,811	Provision for other liabilities	2,981	2,981	2,981	2,981	2,981	2,981	2,981	2,981	2,981	2,981
162,905	Total current liabilities	176,759	176,759	176,759	176,759	176,759	176,759	176,759	176,759	176,759	176,759
	Non-current liabilities										
233,046	Borrowings	216,646	247,886	247,675	240,421	245,688	243,688	231,949	231,375	248,792	261,397
1,480	Employee benefit liabilities	1,610	1,610	1,610	1,610	1,610	1,610	1,610	1,610	1,610	1,610
15,926	Provisions for other liabilities	21,823	22,942	23,948	24,911	25,828	26,715	27,584	28,419	29,228	30,025
250,452	Total non-current liabilities	240,079	272,438	273,233	266,942	273,126	272,013	261,143	261,404	279,630	293,032
413,357	TOTAL LIABILITIES	416,838	449,197	449,992	443,701	449,885	448,772	437,902	438,163	456,389	469,791
	EQUITY										
4,748,049	Accumulated funds and retained earnings	4,794,070	4,846,425	4,905,592	4,956,295	5,002,915	5,052,463	5,086,915	5,105,037	5,121,921	5,196,939
1,042,203	Revaluation reserves	1,075,322	1,235,764	1,292,610	1,292,610	1,491,272	1,567,133	1,567,133	1,807,005	1,891,716	1,891,716
5,468	Hedging reserve	3,057	3,057	3,057	3,057	3,057	3,057	3,057	3,057	3,057	3,057
21,990	Restricted funds	21,479	21,479	21,479	21,479	21,479	21,479	21,479	21,479	21,479	21,479
5,817,710	TOTAL EQUITY	5,893,928	6,106,725	6,222,738	6,273,441	6,518,723	6,644,132	6,678,584	6,936,578	7,038,173	7,113,191
6,231,067	TOTAL EQUITY AND LIABILITIES	6,310,766	6,555,922	6,672,730	6,717,142	6,968,608	7,092,904	7,116,486	7,374,741	7,494,562	7,582,982

Prospective Statement of Changes in Equity

Annual Plan 2008/09 \$000		Forecast 2009/10 \$000	Forecast 2010/11 \$000	Forecast 2011/12 \$000	Forecast 2012/13 \$000	Forecast 2013/14 \$000	Forecast 2014/15 \$000	Forecast 2015/16 \$000	Forecast 2016/17 \$000	Forecast 2017/18 \$000	Forecast 2018/19 \$000
	EQUITY – OPENING BALANCES										
4,727,246	Accumulated funds and retained earnings	4,769,942	4,794,070	4,846,425	4,905,592	4,956,295	5,002,915	5,052,463	5,086,915	5,105,037	5,121,921
1,042,203	Revaluation reserves	1,075,322	1,075,322	1,235,764	1,292,610	1,292,610	1,491,272	1,567,133	1,567,133	1,807,005	1,891,716
5,468	Hedging reserve	3,057	3,057	3,057	3,057	3,057	3,057	3,057	3,057	3,057	3,057
22,874	Restricted funds	21,479	21,479	21,479	21,479	21,479	21,479	21,479	21,479	21,479	21,479
5,797,791	TOTAL EQUITY – Opening balance	5,869,800	5,893,928	6,106,725	6,222,738	6,273,441	6,518,723	6,644,132	6,678,584	6,936,578	7,038,173
	CHANGES IN EQUITY										
	Retained earnings										
19,919	Net surplus for the year	24,128	52,355	59,167	50,703	46,620	49,548	34,452	18,122	16,884	75,018
(1,464)	Transfer to restricted funds	-	-	-	-	-	-	-	-	-	-
2,348	Transfer from restricted funds	-	-	-	-	-	-	-	-	-	-
	Revaluation reserves										
-	Share of other comprehensive income	-	160,442	56,846	-	198,662	75,861	-	239,872	84,711	-
	Restricted Funds										
(2,348)	Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-
1,464	Transfer from retained earnings	-	-	-	-	-	-	-	-	-	-
19,919	Total comprehensive income	24,128	212,797	116,013	50,703	245,282	125,409	34,452	257,994	101,595	75,018
	EQUITY – CLOSING BALANCES										
4,748,049	Accumulated funds and retained earnings	4,794,070	4,846,425	4,905,592	4,956,295	5,002,915	5,052,463	5,086,915	5,105,037	5,121,921	5,196,939
1,042,203	Revaluation reserves	1,075,322	1,235,764	1,292,610	1,292,610	1,491,272	1,567,133	1,567,133	1,807,005	1,891,716	1,891,716
5,468	Hedging reserve	3,057	3,057	3,057	3,057	3,057	3,057	3,057	3,057	3,057	3,057
21,990	Restricted funds	21,479	21,479	21,479	21,479	21,479	21,479	21,479	21,479	21,479	21,479
5,817,710	TOTAL EQUITY – Closing balance	5,893,928	6,106,725	6,222,738	6,273,441	6,518,723	6,644,132	6,678,584	6,936,578	7,038,173	7,113,191

Prospective Statement of Cash Flows

Annual Plan 2008/09 \$000		Forecast 2009/10 \$000	Forecast 2010/11 \$000	Forecast 2011/12 \$000	Forecast 2012/13 \$000	Forecast 2013/14 \$000	Forecast 2014/15 \$000	Forecast 2015/16 \$000	Forecast 2016/17 \$000	Forecast 2017/18 \$000	Forecast 2018/19 \$000
	CASH FLOWS FROM OPERATING ACTIVITIES										
204,841	Receipts from rates and levies – Council	213,992	226,571	236,632	241,675	246,875	255,237	261,824	268,239	278,641	286,953
100,614	Receipts from activities and other income	104,430	110,616	117,246	122,615	126,098	128,740	133,166	137,565	141,428	145,602
25,949	Receipts from Government grants and subsidies	32,042	57,815	63,761	54,938	50,540	54,406	40,426	22,949	22,573	81,729
10,907	Receipts from investment property lease rentals	10,377	9,900	9,822	9,822	9,822	9,822	9,822	9,822	9,822	9,822
(211,054)	Cash paid to suppliers and employees	(219,680)	(231,767)	(238,034)	(245,025)	(251,931)	(257,741)	(265,748)	(274,317)	(280,973)	(291,009)
(25,277)	Grants paid	(27,561)	(26,885)	(28,151)	(25,645)	(26,045)	(26,623)	(26,901)	(27,371)	(27,859)	(28,398)
105,980	Net cash flows from operating activities	113,600	146,250	161,276	158,380	155,359	163,841	152,589	136,887	143,632	204,699
	CASH FLOWS FROM INVESTING ACTIVITIES										
4,750	Dividends received	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250
100	Interest received	-	-	-	-	-	-	-	-	-	-
-	Loan repayments received	-	339	339	339	339	339	339	339	339	339
-	Proceeds from sale of investment properties	-	8,250	-	8,375	4,700	8,200	5,700	-	-	-
(5,000)	Loan advances made	(3,380)	-	-	-	-	-	-	-	-	-
(4,182)	Purchase of Intangibles	(5,027)	(4,858)	(6,725)	(5,525)	(9,239)	(6,609)	(3,413)	(3,434)	(7,628)	(6,902)
(135,271)	Purchase of property, plant and equipment	(134,719)	(163,949)	(137,001)	(136,426)	(138,814)	(146,298)	(126,564)	(116,722)	(136,638)	(192,638)
(139,603)	Net cash flows from investing activities	(137,876)	(154,968)	(138,137)	(127,987)	(137,764)	(139,118)	(118,688)	(114,567)	(138,677)	(193,951)
	CASH FLOWS FROM FINANCING ACTIVITIES										
56,279	Increase/(Decrease) in borrowings	44,881	31,240	(211)	(7,254)	5,267	(2,000)	(11,739)	(574)	17,417	12,605
(22,656)	Interest paid on borrowings	(20,605)	(22,522)	(22,928)	(23,139)	(22,862)	(22,723)	(22,162)	(21,746)	(22,372)	(23,353)
33,623	Net cash flows from financing activities	24,276	8,718	(23,139)	(30,393)	(17,595)	(24,723)	(33,901)	(22,320)	(4,955)	(10,748)
-	Net increase/(decrease) in cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
1,883	Cash and cash equivalents at beginning of year	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307
1,883	Cash and cash equivalents at end of year	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307

Prospective Segmental Analysis by Strategy

Annual Plan 2008/09 \$000		Forecast 2009/10 \$000	Forecast 2010/11 \$000	Forecast 2011/12 \$000	Forecast 2012/13 \$000	Forecast 2013/14 \$000	Forecast 2014/15 \$000	Forecast 2015/16 \$000	Forecast 2016/17 \$000	Forecast 2017/18 \$000	Forecast 2018/19 \$000
	NET SURPLUS/(DEFICIT) BY STRATEGY										
(12,783)	Governance	(14,213)	(15,225)	(15,078)	(15,632)	(16,508)	(16,336)	(16,858)	(17,849)	(17,698)	(18,480)
(106,710)	Environment	(112,623)	(115,242)	(118,084)	(120,776)	(123,152)	(128,462)	(130,961)	(134,167)	(141,113)	(144,945)
(16,744)	Economic Development	(18,628)	(19,391)	(20,933)	(18,955)	(18,790)	(19,216)	(20,079)	(20,011)	(20,324)	(21,271)
(12,693)	Cultural Wellbeing	(12,892)	(13,807)	(14,215)	(14,742)	(14,984)	(15,219)	(15,210)	(15,504)	(15,811)	(16,176)
(41,015)	Social and Recreation	(41,674)	(19,951)	(18,459)	(29,868)	(38,759)	(35,442)	(50,798)	(69,509)	(71,012)	(74,306)
(14,610)	Urban Development	(15,090)	(15,409)	(15,557)	(15,716)	(15,694)	(16,132)	(16,545)	(16,503)	(16,523)	(17,203)
(19,062)	Transport	(17,331)	(18,400)	(20,381)	(21,367)	(21,442)	(23,432)	(23,829)	(24,120)	(27,272)	(27,533)
(223,617)	Total by Strategy	(232,451)	(217,425)	(222,707)	(237,056)	(249,329)	(254,239)	(274,280)	(297,663)	(309,753)	(319,914)
	COUNCIL										
204,841	Rates	213,992	226,571	236,632	241,675	246,875	255,237	261,824	268,239	278,641	286,953
38,695	Other net revenues	42,587	43,209	45,242	46,084	49,074	48,550	46,908	47,546	47,996	107,979
243,536	Total Council	256,579	269,780	281,874	287,759	295,949	303,787	308,732	315,785	326,637	394,932
19,919	Net Surplus/(Deficit)	24,128	52,355	59,167	50,703	46,620	49,548	34,452	18,122	16,884	75,018
	CAPITAL EXPENDITURE BY STRATEGY										
-	Governance	-	107	-	-	114	-	-	122	-	-
30,400	Environment	29,690	28,207	27,353	31,776	35,695	42,155	33,479	32,879	46,867	52,453
2,539	Economic Development	1,138	582	273	684	564	1,085	665	510	990	287
3,010	Cultural Wellbeing	1,163	65	66	68	70	71	73	75	77	79
34,098	Social and Recreation	25,426	69,393	52,063	53,444	48,162	42,920	33,079	19,276	18,048	12,588
8,478	Urban Development	10,776	8,563	5,405	4,592	8,427	8,615	11,031	12,232	15,344	13,759
29,189	Transport	33,507	42,676	43,305	37,057	38,691	41,868	39,441	42,381	45,996	103,719
107,714	Total by Strategy	101,700	149,593	128,465	127,621	131,723	136,714	117,768	107,475	127,322	182,885

Prospective Segmental Analysis by Strategy continued...

Annual Plan		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
2008/09		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
9,964	Council	12,646	12,354	15,261	14,330	16,330	16,193	12,209	12,681	16,944	16,655
117,678	Total Annual Capital Expenditure Programme	114,346	161,947	143,726	141,951	148,053	152,907	129,977	120,156	144,266	199,540
21,775	Capital Expenditure Carried Forward from 2007/08	400	6,860	-	-	-	-	-	-	-	-
-	Capital Expenditure Carried Forward from 2008/09	25,000	-	-	-	-	-	-	-	-	-
139,453	Total Capital Expenditure	139,746	168,807	143,726	141,951	148,053	152,907	129,977	120,156	144,266	199,540