

MACKAY REGIONAL COUNCIL  
**STATEMENT OF INCOME AND EXPENSES**

For the year ending 30 June 2024 (including next two financial years)

	Budget 2023/24 \$000	Forward Estimate	
		2024/25 \$000	2025/26 \$000
<b>Operating revenue</b>			
Rates and charges	263,002	277,037	290,563
Discounts	(19,906)	(20,822)	(21,686)
Remissions	(2,539)	(2,656)	(2,766)
Net Rates and charges	240,557	253,559	266,111
Fees and charges	19,806	20,598	21,319
Rental income	1,497	1,557	1,611
Sales - contracts and recoverable works	8,230	8,559	8,859
Grants and subsidies	9,839	8,653	8,956
Interest earned	6,676	7,835	6,981
Other operating revenue	5,537	5,759	5,961
<b>Total operating revenue</b>	<b>\$ 292,142</b>	<b>\$ 306,520</b>	<b>\$ 319,798</b>
<b>Operating expenses</b>			
Employee costs	99,822	104,200	108,267
Materials and services	103,100	108,052	115,135
Finance costs	3,230	3,402	3,873
Depreciation	85,439	86,927	88,423
<b>Total operating expenses</b>	<b>291,591</b>	<b>\$ 302,581</b>	<b>\$ 315,698</b>
<b>Operating result</b>	<b>\$ 551</b>	<b>\$ 3,939</b>	<b>\$ 4,100</b>
<b>Capital revenue</b>			
Grants and subsidies	23,910	30,675	31,128
Contributions from developers	3,500	4,000	4,500
Donated assets	4,000	4,000	4,000
Other capital income	-	-	-
<b>Total capital revenue</b>	<b>31,410</b>	<b>\$ 38,675</b>	<b>\$ 39,628</b>
<b>Capital expenses</b>			
Loss on disposal or sale of assets	740	768	799
Revaluation decrement and loss on impairment	-	-	-
Other capital expenses	2,000	3,500	3,500
<b>Total capital expenses</b>	<b>2,740</b>	<b>\$ 4,268</b>	<b>\$ 4,299</b>
<b>Net result</b>	<b>\$ 29,221</b>	<b>\$ 38,346</b>	<b>\$ 39,429</b>

MACKAY REGIONAL COUNCIL – STATEMENT OF FINANCIAL POSITION  
For the year ending 30 June 2024 (including next two financial years)

	Budget 2023/24 \$000	Forward Estimate	
		2024/25 \$000	2025/26 \$000
<b>Current assets</b>			
Cash, cash equivalents and investments	142,190	142,893	145,224
Trade and other receivables	21,059	22,094	23,140
Contract Assets	3,500	3,500	3,500
Other assets	3,216	3,216	3,216
Inventories	2,988	2,988	2,988
Non-current assets held for sale	79	79	79
<b>Total current assets</b>	<b>\$ 173,032</b>	<b>\$ 174,770</b>	<b>\$ 178,147</b>
<b>Non-Current Assets</b>			
Investments	5,277	5,277	5,277
Trade and other receivables	-	-	-
Property, plant and equipment	3,730,542	3,775,921	3,826,970
Intangible assets	3,927	3,962	3,948
Right of use assets	1,143	1,062	982
<b>Total non-current assets</b>	<b>\$ 3,740,889</b>	<b>\$ 3,786,222</b>	<b>\$ 3,837,177</b>
<b>Total assets</b>	<b>\$ 3,913,921</b>	<b>\$ 3,960,992</b>	<b>\$ 4,015,324</b>
<b>Current liabilities</b>			
Contract liabilities	3,500	3,500	3,500
Lease liabilities	66	66	66
Trade and other payables	8,488	8,918	9,502
Employee entitlements	14,135	14,224	14,302
Borrowings	11,644	8,849	7,247
Provisions	49,858	49,722	49,026
Other liabilities	19,572	19,572	19,572
<b>Total current liabilities</b>	<b>\$ 107,263</b>	<b>\$ 104,851</b>	<b>\$ 103,215</b>
<b>Non-current liabilities</b>			
Lease liabilities	1,241	1,224	1,207
Employee entitlements	1,699	1,699	1,699
Borrowings	48,406	59,560	76,116
Provisions	13,268	13,268	13,268
Other liabilities	11,691	11,691	11,691
<b>Total non-current liabilities</b>	<b>\$ 76,305</b>	<b>\$ 87,442</b>	<b>\$ 103,981</b>
<b>Total liabilities</b>	<b>\$ 183,568</b>	<b>\$ 192,293</b>	<b>\$ 207,196</b>
<b>Net community assets</b>	<b>\$ 3,730,353</b>	<b>\$ 3,768,699</b>	<b>\$ 3,808,128</b>
<b>Community equity</b>			
Retained surplus	2,340,937	2,379,283	2,418,713
Asset revaluation reserve	1,389,416	1,389,416	1,389,415
<b>Total community assets</b>	<b>\$ 3,730,353</b>	<b>\$ 3,768,699</b>	<b>\$ 3,808,128</b>

MACKAY REGIONAL COUNCIL – STATEMENT OF CASH FLOW  
For the year ending 30 June 2024 (including next two financial years)

	Budget 2023/24 \$000	Forward Estimate	
		2024/25 \$000	2025/26 \$000
<b>Cash flows from operating activities:</b>			
Receipts from customers	275,075	288,910	302,837
Adjustment	(204,004)	(213,821)	(225,406)
Payments to suppliers and employees	\$ 71,071	\$ 75,089	\$ 77,431
Interest received	6,676	7,835	6,981
Non capital grants and contributions	9,824	8,739	8,934
Borrowing Costs	(2,787)	(2,949)	(3,403)
<b>Net cash inflow (outflow) from operating activities</b>	<b>\$ 84,784</b>	<b>\$ 88,714</b>	<b>\$ 89,943</b>
<b>Cash flow from investing activities:</b>			
Payments for property, plant and equipment	(123,863)	(131,431)	(138,751)
Payments for intangible assets	-	-	-
Net movement in loans and advances	-	-	-
Proceeds from sale of property plant and equipment	2,090	2,403	2,574
Grants, subsidies, contributions and donations	27,410	34,675	35,628
Other investing activities	(2,000)	(2,000)	(2,000)
<b>Net cash inflow (outflow) from investing activities</b>	<b>\$ (96,363)</b>	<b>\$ (96,353)</b>	<b>\$ (102,549)</b>
<b>Cash flow from financing activities:</b>			
Proceeds from borrowings	21,200	20,000	23,800
Repayment of borrowings	(14,045)	(11,641)	(8,846)
Principal lease repayments	(17)	(17)	(17)
<b>Net cash inflow (outflow) from financing activities</b>	<b>\$ 7,138</b>	<b>\$ 8,342</b>	<b>\$ 14,937</b>
<b>Net increase (decrease) in cash held</b>	<b>\$ (4,441)</b>	<b>\$ 703</b>	<b>\$ 2,331</b>
Cash at beginning of reporting period	146,631	142,190	142,893
<b>Cash at end of reporting period</b>	<b>\$ 142,190</b>	<b>\$ 142,893</b>	<b>\$ 145,224</b>

MACKAY REGIONAL COUNCIL – STATEMENT OF CHANGES IN EQUITY  
For the year ending 30 June 2024 (including next two financial years)

	Budget 2023/24 \$000	Forward Estimate	
		2024/25 \$000	2025/26 \$000
<b>Retained Surplus</b>			
Opening balance	2,311,716	2,340,937	2,379,283
Net result for the period	29,221	38,346	39,430
Transfers to/(from) capital and reserves	-	-	-
<b>Closing balance</b>	<b>\$ 2,340,937</b>	<b>\$ 2,379,283</b>	<b>\$ 2,418,713</b>
<b>Asset Revaluation Reserve</b>			
Opening balance	1,389,416	1,389,416	1,389,416
Asset revaluation adjustments	-	-	(1)
<b>Closing balance</b>	<b>\$ 1,389,416</b>	<b>\$ 1,389,416</b>	<b>\$ 1,389,415</b>
<b>Total</b>			
Opening balance	3,701,132	3,730,353	3,768,699
Net result for the period	29,221	38,346	39,430
Asset revaluation adjustments	-	-	(1)
Transfers to/(from) capital and reserves	-	-	-
<b>TOTAL COMMUNITY EQUITY</b>	<b>\$ 3,730,353</b>	<b>\$ 3,768,699</b>	<b>\$ 3,808,128</b>

MACKAY REGIONAL COUNCIL – KEY FINANCIAL SUSTAINABILITY METRICS  
 For the year ending 30 June 2024 (including next two financial years)

	Target	Budget 2023/24 \$	Forward Estimate	
			2024/25 \$	2025/26 \$
<b>Operating surplus ratio</b> <i>Operating result (excluding capital items) as a percentage of operating revenue</i>	0% - 10%	0.2%	1.3%	1.3%
<b>Current ratio</b> <i>Current assets / current liabilities</i>	Between 1 and 4	1.6	1.7	1.7
<b>Debt service cover ratio</b> <i>EBITDA / (interest expense + principal loan repayment)</i>	>2 times	5.2	6.4	7.7
<b>Net financial liabilities ratio</b> <i>(Total liabilities - current assets) / total operating revenue (excluding capital items)</i>	< 60%	3.6%	5.7%	9.1%
<b>Asset sustainability ratio</b> <i>Capital expenditure on renewals / depreciation expense</i>	> 90%	67.9%	98.4%	98.3%
<b>Capital expenditure ratio</b> <i>Capital expenditure / depreciation</i>	> 1.1 times	1.5	1.6	1.6

MACKAY REGIONAL COUNCIL – CAPITAL WORKS PROGRAM  
For the year ending 30 June 2024 (including next two financial years)

	Budget 2023/24 \$000	Forward Estimate	
		2024/25 \$000	2025/26 \$000
<b>Buildings and Facilities</b>	<b>13,166</b>	<b>7,829</b>	<b>13,607</b>
Renewal	4,694	6,155	6,735
Upgrade	1,051	308	1,059
New	7,421	1,365	5,814
<b>Parks, Gardens, Coastal &amp; Foreshores, Waste</b>	<b>18,463</b>	<b>21,711</b>	<b>17,000</b>
Renewal	2,979	4,992	2,893
Upgrade	3,530	1,398	1,198
New	11,954	15,322	12,909
<b>Intangible</b>	<b>-</b>	<b>-</b>	<b>-</b>
Renewal	-	-	-
Upgrade	-	-	-
New	-	-	-
<b>Land</b>	<b>144</b>	<b>-</b>	<b>-</b>
Renewal	-	-	-
Upgrade	-	-	-
New	144	-	-
<b>Plant &amp; Equipment</b>	<b>11,235</b>	<b>13,353</b>	<b>13,641</b>
Renewal	10,897	13,269	13,558
Upgrade	36	84	-
New	302	-	83
<b>Roads, Drainage &amp; Network</b>	<b>62,468</b>	<b>55,390</b>	<b>49,401</b>
Renewal	26,595	38,827	32,966
Upgrade	12,759	5,928	7,088
New	23,113	10,636	9,347
<b>Sewerage</b>	<b>5,585</b>	<b>15,244</b>	<b>12,977</b>
Renewal	4,174	10,017	8,246
Upgrade	1,008	3,186	2,769
New	404	2,041	1,963
<b>Water</b>	<b>12,800</b>	<b>17,904</b>	<b>32,124</b>
Renewal	8,654	12,198	22,412
Upgrade	1,379	1,301	6,795
New	2,767	4,404	2,917
<b>Quarry and Landfill Remediaton</b>	<b>557</b>	<b>1,636</b>	<b>2,197</b>
Renewal	557	1,636	2,197
Upgrade	-	-	-
New	-	-	-
	<b>\$ 124,420</b>	<b>\$ 133,067</b>	<b>\$ 140,947</b>

MACKAY REGIONAL COUNCIL - WASTE SERVICES BUSINESS UNIT  
**STATEMENT OF INCOME AND EXPENSES**

For the year ending 30 June 2024 (including next two financial years)

	Budget 2023/24 \$000	Forward Estimate	
		2024/25 \$000	2025/26 \$000
<b>Operating revenue</b>			
Rates and charges	24,572	25,703	26,770
Discounts	(1,376)	(1,439)	(1,499)
Remissions	(42)	(44)	(46)
Net Rates and charges	23,154	24,220	25,225
Fees and charges	8,074	8,397	8,691
Rental income	-	-	-
Sales - contracts and recoverable works	-	-	-
Grants and subsidies	-	-	-
Interest earned	2,596	2,667	2,335
Other operating revenue	500	520	538
<b>Total operating revenue</b>	<b>\$ 34,324</b>	<b>\$ 35,804</b>	<b>\$ 36,789</b>
<b>Operating expenses</b>			
Employee costs	1,543	1,612	1,675
Materials and services	21,304	22,697	24,280
Finance costs	475	407	212
Depreciation	2,133	2,144	2,209
<b>Total operating expenses</b>	<b>25,455</b>	<b>\$ 26,860</b>	<b>\$ 28,376</b>
<b>Operating result</b>	<b>\$ 8,869</b>	<b>\$ 8,944</b>	<b>\$ 8,413</b>
<b>Capital revenue</b>			
Grants and subsidies	-	290	-
Contributions from developers	-	-	-
Donated assets	-	-	-
Other capital income	-	-	-
<b>Total capital revenue</b>	<b>-</b>	<b>\$ 290</b>	<b>\$ -</b>
<b>Capital expenses</b>			
Loss on disposal or sale of assets	-	-	-
Revaluation decrement and loss on impairment	-	-	-
Other capital expenses	100	1,600	1,600
<b>Total capital expenses</b>	<b>100</b>	<b>\$ 1,600</b>	<b>\$ 1,600</b>
<b>Net result</b>	<b>\$ 8,769</b>	<b>\$ 7,634</b>	<b>\$ 6,813</b>
<b>Tax equivalents &amp; dividend</b>			
Tax equivalents	2,542	1,967	1,401
Dividend	651	651	651
<b>Net result after tax equivalents &amp; dividend</b>	<b>\$ 5,576</b>	<b>\$ 5,016</b>	<b>\$ 4,761</b>

MACKAY REGIONAL COUNCIL - WATER SERVICES BUSINESS UNIT  
**STATEMENT OF INCOME AND EXPENSES**  
For the year ending 30 June 2024 (including next two financial years)

	Budget 2023/24 \$000	Forward Estimate	
		2024/25 \$000	2025/26 \$000
<b>Operating revenue</b>			
Rates and charges	102,756	107,340	111,632
Discounts	(6,930)	(7,249)	(7,550)
Remissions	(236)	(247)	(257)
Net Rates and charges	95,590	99,844	103,825
Fees and charges	4,117	4,282	4,432
Rental income	244	253	262
Sales - contracts and recoverable works	1,597	1,661	1,719
Grants and subsidies	-	-	-
Interest earned	3,905	4,981	4,259
Other operating revenue	-	-	-
<b>Total operating revenue</b>	<b>\$ 105,453</b>	<b>\$ 111,021</b>	<b>\$ 114,497</b>
<b>Operating expenses</b>			
Employee costs	14,582	15,188	15,750
Materials and services	26,145	27,694	29,435
Finance costs	1,176	1,151	871
Depreciation	32,488	32,131	32,569
<b>Total operating expenses</b>	<b>74,391</b>	<b>\$ 76,164</b>	<b>\$ 78,625</b>
<b>Operating result</b>	<b>\$ 31,062</b>	<b>\$ 34,857</b>	<b>\$ 35,872</b>
<b>Capital revenue</b>			
Grants and subsidies	2,000	-	-
Contributions from developers	1,050	1,200	1,350
Donated assets	2,000	2,000	2,000
Other capital income	-	-	-
<b>Total capital revenue</b>	<b>5,050</b>	<b>\$ 3,200</b>	<b>\$ 3,350</b>
<b>Capital expenses</b>			
Loss on disposal or sale of assets	-	-	-
Revaluation decrement and loss on impairment	-	-	-
Other capital expenses	600	600	600
<b>Total capital expenses</b>	<b>600</b>	<b>\$ 600</b>	<b>\$ 600</b>
<b>Net result</b>	<b>\$ 35,512</b>	<b>\$ 37,457</b>	<b>\$ 38,622</b>
<b>Tax equivalents &amp; dividend</b>			
Tax equivalents	10,654	11,290	11,619
Dividend	18,917	22,069	25,222
<b>Net result after tax equivalents &amp; dividend</b>	<b>\$ 5,942</b>	<b>\$ 4,097</b>	<b>\$ 1,781</b>