

# 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
	<b>INCOME</b>										
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
<b>347,984</b>	<b>TOTAL INCOME</b>	<b>366,189</b>	<b>410,263</b>	<b>432,836</b>	<b>434,441</b>	<b>438,744</b>	<b>453,634</b>	<b>450,690</b>	<b>444,052</b>	<b>457,970</b>	<b>529,645</b>
	<b>EXPENSE</b>										
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
<b>328,065</b>	<b>TOTAL EXPENSE</b>	<b>342,061</b>	<b>357,908</b>	<b>373,669</b>	<b>383,738</b>	<b>392,124</b>	<b>404,086</b>	<b>416,238</b>	<b>425,930</b>	<b>441,086</b>	<b>454,627</b>
<b>19,919</b>	<b>Total operating surplus/(deficit)</b>	<b>24,128</b>	<b>52,355</b>	<b>59,167</b>	<b>50,703</b>	<b>46,620</b>	<b>49,548</b>	<b>34,452</b>	<b>18,122</b>	<b>16,884</b>	<b>75,018</b>
-	Income tax expense	-	-	-	-	-	-	-	-	-	-
<b>19,919</b>	<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>24,128</b>	<b>52,355</b>	<b>59,167</b>	<b>50,703</b>	<b>46,620</b>	<b>49,548</b>	<b>34,452</b>	<b>18,122</b>	<b>16,884</b>	<b>75,018</b>
	<b>OTHER COMPREHENSIVE INCOME</b>										
-	Revaluations – net gain	-	160,442	56,846	-	198,662	75,861	-	239,872	84,711	-
-	<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	-	<b>160,442</b>	<b>56,846</b>	-	<b>198,662</b>	<b>75,861</b>	-	<b>239,872</b>	<b>84,711</b>	-
<b>19,919</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>24,128</b>	<b>212,797</b>	<b>116,013</b>	<b>50,703</b>	<b>245,282</b>	<b>125,409</b>	<b>34,452</b>	<b>257,994</b>	<b>101,595</b>	<b>75,018</b>

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
	<b>ASSETS</b>										
	<b>Current assets</b>										
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
<b>35,417</b>	<b>Total current assets</b>	<b>37,040</b>	<b>37,040</b>	<b>37,040</b>	<b>37,040</b>	<b>37,040</b>	<b>37,040</b>	<b>37,040</b>	<b>37,040</b>	<b>37,040</b>	<b>37,040</b>
	<b>Non-current assets</b>										
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
<b>6,195,650</b>	<b>Total non-current assets</b>	<b>6,273,726</b>	<b>6,518,882</b>	<b>6,635,690</b>	<b>6,680,102</b>	<b>6,931,568</b>	<b>7,055,864</b>	<b>7,079,446</b>	<b>7,337,701</b>	<b>7,457,522</b>	<b>7,545,942</b>
<b>6,231,067</b>	<b>TOTAL ASSETS</b>	<b>6,310,766</b>	<b>6,555,922</b>	<b>6,672,730</b>	<b>6,717,142</b>	<b>6,968,608</b>	<b>7,092,904</b>	<b>7,116,486</b>	<b>7,374,741</b>	<b>7,494,562</b>	<b>7,582,982</b>

## 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
	<b>LIABILITIES</b>										
	<b>Current liabilities</b>										
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
<b>162,905</b>	<b>Total current liabilities</b>	<b>176,759</b>	<b>176,759</b>	<b>176,759</b>	<b>176,759</b>	<b>176,759</b>	<b>176,759</b>	<b>176,759</b>	<b>176,759</b>	<b>176,759</b>	<b>176,759</b>
	<b>Non-current liabilities</b>										
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
<b>250,452</b>	<b>Total non-current liabilities</b>	<b>240,079</b>	<b>272,438</b>	<b>273,233</b>	<b>266,942</b>	<b>273,126</b>	<b>272,013</b>	<b>261,143</b>	<b>261,404</b>	<b>279,630</b>	<b>293,032</b>
<b>413,357</b>	<b>TOTAL LIABILITIES</b>	<b>416,838</b>	<b>449,197</b>	<b>449,992</b>	<b>443,701</b>	<b>449,885</b>	<b>448,772</b>	<b>437,902</b>	<b>438,163</b>	<b>456,389</b>	<b>469,791</b>
	<b>EQUITY</b>										
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
<b>5,817,710</b>	<b>TOTAL EQUITY</b>	<b>5,893,928</b>	<b>6,106,725</b>	<b>6,222,738</b>	<b>6,273,441</b>	<b>6,518,723</b>	<b>6,644,132</b>	<b>6,678,584</b>	<b>6,936,578</b>	<b>7,038,173</b>	<b>7,113,191</b>
<b>6,231,067</b>	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,310,766</b>	<b>6,555,922</b>	<b>6,672,730</b>	<b>6,717,142</b>	<b>6,968,608</b>	<b>7,092,904</b>	<b>7,116,486</b>	<b>7,374,741</b>	<b>7,494,562</b>	<b>7,582,982</b>

## 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
	<b>EQUITY – OPENING BALANCES</b>										
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
<b>5,797,791</b>	<b>TOTAL EQUITY – Opening balance</b>	<b>5,869,800</b>	<b>5,893,928</b>	<b>6,106,725</b>	<b>6,222,738</b>	<b>6,273,441</b>	<b>6,518,723</b>	<b>6,644,132</b>	<b>6,678,584</b>	<b>6,936,578</b>	<b>7,038,173</b>
	<b>CHANGES IN EQUITY</b>										
	<b>Retained earnings</b>										
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	-	-	-	-	-	-	-	-	-	-
	<b>Revaluation reserves</b>										
-	Share of other comprehensive income	-	160,442	56,846	-	198,662	75,861	-	239,872	84,711	-
	<b>Restricted Funds</b>										
(2,348)	Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-
1,464	Transfer from retained earnings	-	-	-	-	-	-	-	-	-	-
<b>19,919</b>	<b>Total comprehensive income</b>	<b>24,128</b>	<b>212,797</b>	<b>116,013</b>	<b>50,703</b>	<b>245,282</b>	<b>125,409</b>	<b>34,452</b>	<b>257,994</b>	<b>101,595</b>	<b>75,018</b>
	<b>EQUITY – CLOSING BALANCES</b>										
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
<b>5,817,710</b>	<b>TOTAL EQUITY – Closing balance</b>	<b>5,893,928</b>	<b>6,106,725</b>	<b>6,222,738</b>	<b>6,273,441</b>	<b>6,518,723</b>	<b>6,644,132</b>	<b>6,678,584</b>	<b>6,936,578</b>	<b>7,038,173</b>	<b>7,113,191</b>

# 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
	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
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)
<b>105,980</b>	<b>Net cash flows from operating activities</b>	<b>113,600</b>	<b>146,250</b>	<b>161,276</b>	<b>158,380</b>	<b>155,359</b>	<b>163,841</b>	<b>152,589</b>	<b>136,887</b>	<b>143,632</b>	<b>204,699</b>
	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
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)
<b>(139,603)</b>	<b>Net cash flows from investing activities</b>	<b>(137,876)</b>	<b>(154,968)</b>	<b>(138,137)</b>	<b>(127,987)</b>	<b>(137,764)</b>	<b>(139,118)</b>	<b>(118,688)</b>	<b>(114,567)</b>	<b>(138,677)</b>	<b>(193,951)</b>
	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
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)
<b>33,623</b>	<b>Net cash flows from financing activities</b>	<b>24,276</b>	<b>8,718</b>	<b>(23,139)</b>	<b>(30,393)</b>	<b>(17,595)</b>	<b>(24,723)</b>	<b>(33,901)</b>	<b>(22,320)</b>	<b>(4,955)</b>	<b>(10,748)</b>
-	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
<b>1,883</b>	<b>Cash and cash equivalents at end of year</b>	<b>2,307</b>	<b>2,307</b>	<b>2,307</b>	<b>2,307</b>	<b>2,307</b>	<b>2,307</b>	<b>2,307</b>	<b>2,307</b>	<b>2,307</b>	<b>2,307</b>

## 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
	<b>NET SURPLUS/(DEFICIT) BY STRATEGY</b>										
(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)
<b>(223,617)</b>	<b>Total by Strategy</b>	<b>(232,451)</b>	<b>(217,425)</b>	<b>(222,707)</b>	<b>(237,056)</b>	<b>(249,329)</b>	<b>(254,239)</b>	<b>(274,280)</b>	<b>(297,663)</b>	<b>(309,753)</b>	<b>(319,914)</b>
	<b>COUNCIL</b>										
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
<b>243,536</b>	<b>Total Council</b>	<b>256,579</b>	<b>269,780</b>	<b>281,874</b>	<b>287,759</b>	<b>295,949</b>	<b>303,787</b>	<b>308,732</b>	<b>315,785</b>	<b>326,637</b>	<b>394,932</b>
<b>19,919</b>	<b>Net Surplus/(Deficit)</b>	<b>24,128</b>	<b>52,355</b>	<b>59,167</b>	<b>50,703</b>	<b>46,620</b>	<b>49,548</b>	<b>34,452</b>	<b>18,122</b>	<b>16,884</b>	<b>75,018</b>
	<b>CAPITAL EXPENDITURE BY STRATEGY</b>										
-	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
<b>107,714</b>	<b>Total by Strategy</b>	<b>101,700</b>	<b>149,593</b>	<b>128,465</b>	<b>127,621</b>	<b>131,723</b>	<b>136,714</b>	<b>117,768</b>	<b>107,475</b>	<b>127,322</b>	<b>182,885</b>

## 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
<b>117,678</b>	<b>Total Annual Capital Expenditure Programme</b>	<b>114,346</b>	<b>161,947</b>	<b>143,726</b>	<b>141,951</b>	<b>148,053</b>	<b>152,907</b>	<b>129,977</b>	<b>120,156</b>	<b>144,266</b>	<b>199,540</b>
21,775	Capital Expenditure Carried Forward from 2007/08	400	6,860	-	-	-	-	-	-	-	-
-	Capital Expenditure Carried Forward from 2008/09	25,000	-	-	-	-	-	-	-	-	-
<b>139,453</b>	<b>Total Capital Expenditure</b>	<b>139,746</b>	<b>168,807</b>	<b>143,726</b>	<b>141,951</b>	<b>148,053</b>	<b>152,907</b>	<b>129,977</b>	<b>120,156</b>	<b>144,266</b>	<b>199,540</b>