

Torres Strait Island Regional Council

Statement of Financial Position

For the period July 2023 to June 2033

Model 1 - Same Service Level - Continuing Internal Tenancy Management - Confirmed sources of capital funding only.

Salary Increase 5.75% Yr 1, Salary Increase 3.0% Yr 2 - 10 , CPI Increase - 3.0% Yr 2-10.

One off increased payment in 24/25 for Indigenous Councils Funding Program.

| | Actuals 30 June 2023 \$'000 | Budget Review 30 June 2024 \$'000 | Forecast 30 June 2025 \$'000 | Forecast 30 June 2026 \$'000 |
|--------------------------------------|-----------------------------------|---|------------------------------------|------------------------------------|
| Current assets | | | | |
| Cash assets and cash equivalents | 36,254 | 26,438 | 21,946 | 20,382 |
| Inventories | 412 | 412 | 412 | 412 |
| Receivables | 5,075 | 555 | 574 | 594 |
| Prepayments | 362 | 362 | 362 | 362 |
| Other current assets | 5,921 | 5,921 | 5,921 | 5,921 |
| Total current assets | 48,024 | 33,688 | 29,215 | 27,671 |
| Non-current assets | | | | |
| Property, plant and equipment | 1,062,073 | 1,037,649 | 1,001,885 | 946,819 |
| Intangible assets | - | - | - | - |
| Capital works in progress | - | - | - | - |
| Other non-current assets | 12,414 | 12,414 | 12,414 | 12,414 |
| Total non-current assets | 1,074,487 | 1,050,063 | 1,014,300 | 959,233 |
| Total assets | 1,122,511 | 1,083,751 | 1,043,514 | 986,904 |
| Current liabilities | | | | |
| Overdraft | - | - | - | - |
| Trade and other payables | 2,673 | 2,344 | 1,228 | 1,265 |
| Borrowings | - | - | - | - |
| Other current liabilities | 21,986 | 11,029 | 11,029 | 11,029 |
| Provisions | - | - | - | - |
| Total current liabilities | 24,659 | 13,373 | 12,258 | 12,294 |
| Non-current liabilities | | | | |
| Loans | - | - | - | - |
| Other non-current liabilities | 621 | 621 | 621 | 621 |
| Provisions | 8,144 | 11,928 | 11,928 | 11,928 |
| Total non-current liabilities | 8,765 | 12,549 | 12,549 | 12,549 |
| Total liabilities | 33,424 | 25,922 | 24,807 | 24,843 |
| Net community assets | 1,089,087 | 1,057,828 | 1,018,708 | 962,061 |
| Community equity | | | | |
| Asset revaluation reserve | 735,386 | 735,386 | 738,487 | 738,487 |
| Retained surplus (deficiency) | 353,701 | 322,442 | 280,220 | 223,573 |
| Total community equity | 1,089,087 | 1,057,828 | 1,018,708 | 962,061 |

Torres Strait Island Regional Council

Statement of Cashflow

For the period July 2023 to June 2033

Model 1 - Same Service Level - Continuing Internal Tenancy Management - Confirmed sources of capital funding only.

Salary Increase 5.75% Yr 1, Salary Increase 3.0% Yr 2 - 10 , CPI Increase - 3.0% Yr 2-10

One off increased payment in 24/25 for Indigenous Councils Funding Program.

| | Actuals 30 June 2023 \$'000 | Budget Review 30 June 2024 \$'000 | Forecast 30 June 2025 \$'000 | Forecast 30 June 2026 \$'000 |
|--|-----------------------------------|---|------------------------------------|------------------------------------|
| Cash flows from operating activities: | | | | |
| Receipts from customers | 24,246 | 28,893 | 28,874 | 31,165 |
| Receipt from rental income | 4,764 | 4,811 | 4,955 | 5,104 |
| Payment to suppliers and employees | (67,045) | (79,458) | (70,576) | (71,528) |
| | (38,034) | (45,754) | (36,747) | (35,259) |
| Interest received | 627 | 634 | 600 | 560 |
| Non-capital grants and contributions | 38,038 | 41,379 | 31,823 | 32,923 |
| Finance costs | - | - | - | - |
| Net cash inflow (outflow) from operating activities | 632 | (3,741) | (4,324) | (1,777) |
| Cash flows from investing activities: | | | | |
| Payments for property, plant and equipment | (28,948) | (38,646) | (20,738) | (3,704) |
| Payments for intangible assets | - | - | - | - |
| Proceeds from sale of property, plant and equipment | - | - | - | - |
| Subsidies, donations and contributions for new capital expenditure | 30,922 | 33,242 | 21,262 | 4,631 |
| Other | 1,034 | - | - | - |
| Net cash inflow (outflow) from investing activities | 3,008 | (5,404) | 524 | 926 |
| Cash flows from financing activities | | | | |
| Repayment of borrowings | - | - | - | - |
| Other | (653) | (672) | (692) | (713) |
| Net cash inflow (outflow) from financing activities | (653) | (672) | (692) | (713) |
| Net increase (decrease) in cash held | 2,987 | (9,816) | (4,492) | (1,564) |
| Cash at beginning of reporting period | 33,268 | 36,255 | 26,438 | 21,946 |
| | - | - | - | - |
| Cash at end of reporting period * | 36,255 | 26,438 | 21,946 | 20,383 |
| Current QTC recommended working capital (4 months) | 22,436 | 26,600 | 23,384 | 24,093 |
| Variance ** | 13,819 | (162) | (1,438) | (3,710) |

* 2023 Cash Balance is based on Actuals as at 30 June 2023.

** Constrained Cash included in figure

Torres Strait Island Regional Council

Statement of Income and Expenditure

For the period July 2023 to June 2033

Model 1 - Same Service Level - Continuing Internal Tenancy Management - Confirmed sources of capital funding only.

Salary Increase 5.75% Yr 1, Salary Increase 3.0% Yr 2 - 10 , CPI Increase - 3.0% Yr 2-10.

One off increased payment in 24/25 for Indigenous Councils Funding Program.

| | Actuals 30 June 2023 \$'000 | Budget Review 30 June 2024 \$'000 | Forecast 30 June 2025 \$'000 | Forecast 30 June 2026 \$'000 |
|---|-----------------------------------|---|------------------------------------|------------------------------------|
| Revenue | | | | |
| Recurrent revenue: | | | | |
| Net rates and utility charges | 1,832 | 1,891 | 1,986 | 2,085 |
| Fees and charges | 4,654 | 4,877 | 4,996 | 5,144 |
| Sales - contract and recoverable works | 11,002 | 18,000 | 18,713 | 20,146 |
| Sales - other | 3,191 | 2,975 | 3,065 | 3,157 |
| Grants, subsidies, contributions and donations | 37,291 | 41,379 | 31,823 | 32,923 |
| Interest received | 662 | 634 | 600 | 560 |
| Rental income | 4,764 | 4,811 | 4,955 | 5,104 |
| Other recurrent income | 2,538 | 216 | 134 | 653 |
| Total recurrent revenue | 65,934 | 74,784 | 66,271 | 69,772 |
| Capital revenue: | | | | |
| Government subsidies and grants | 27,001 | 36,828 | 21,262 | 4,631 |
| Capital contribution | - | - | - | - |
| Developer contributions | - | - | - | - |
| Total capital revenue | 27,001 | 36,828 | 21,262 | 4,631 |
| Total income | 92,935 | 111,612 | 87,534 | 74,402 |
| Expenses | | | | |
| Recurrent expenses: | | | | |
| Employee benefits | 26,971 | 31,003 | 32,022 | 32,982 |
| Materials and services | 39,847 | 48,079 | 37,406 | 38,565 |
| Depreciation and amortisation | 54,080 | 59,570 | 59,603 | 58,771 |
| Finance costs | 489 | 719 | 725 | 731 |
| Total recurrent expenses | 121,387 | 139,371 | 129,755 | 131,049 |
| Capital expenses: | | | | |
| Other capital expenses | 15,455 | 3,500 | - | - |
| Total capital expenses | 15,455 | 3,500 | - | - |
| Total expenses | 136,842 | 142,871 | 129,755 | 131,049 |
| Net operating surplus/(deficit) exc capital and depreciation | (1,373) | (5,017) | (3,881) | (2,506) |
| Net operating surplus/(deficit) inc depreciation | (55,453) | (64,587) | (63,484) | (61,277) |
| Net result attributable to Council | (43,907) | (31,259) | (42,222) | (56,647) |

Torres Strait Island Regional Council

Statement of Changes in Equity

For the period July 2023 to June 2033

Model 1 - Same Service Level - Continuing Internal Tenancy Management - Confirmed sources of capital funding only.

Salary Increase 5.75% Yr 1, Salary Increase 3.0% Yr 2 - 10 , CPI Increase - 3.0% Yr 2-10.

One off increased payment in 24/25 for Indigenous Councils Funding Program.

| | Total \$'000 | Retained surplus \$'000 | Asset revaluation reserve \$'000 | Other reserves \$'000 |
|---|------------------|----------------------------|--|--------------------------|
| Balance at 30 Jun 2023 Actuals | 1,089,087 | 353,701 | 735,386 | - |
| Net result for the period | (31,259) | (31,259) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | - | - | - | - |
| Balance at 30 Jun 2024 Budget Review | 1,057,828 | 322,442 | 735,386 | - |
| Net result for the period | (42,222) | (42,222) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | 3,101 | - | - | 3,101 |
| Balance at 30 Jun 2025 Forecast | 1,018,708 | 280,220 | 735,386 | 3,101 |
| Net result for the period | (56,647) | (56,647) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | - | - | - | - |
| Balance at 30 Jun 2026 Forecast | 962,061 | 223,573 | 735,386 | 3,101 |

Torres Strait Island Regional Council

Statement of Financial Position

For the period July 2023 to June 2033

Model 1 - Same Service Level - Continuing Internal Tenancy Management - Confirmed sources of capital funding only.
Salary Increase 5.75% Yr 1, Salary Increase 3.0% Yr 2 - 10 , CPI Increase - 3.0% Yr 2-10. One off increased payment in 24/25 for Indigenous Councils Funding Program.

| | Actuals 30 June 2023 \$'000 | Budget Review 30 June 2024 \$'000 | Forecast 30 June 2025 \$'000 | Forecast 30 June 2026 \$'000 | Forecast 30 June 2027 \$'000 | Forecast 30 June 2028 \$'000 | Forecast 30 June 2029 \$'000 | Forecast 30 June 2030 \$'000 | Forecast 30 June 2031 \$'000 | Forecast 30 June 2032 \$'000 | Forecast 30 June 2033 \$'000 |
|----------------------------------|-----------------------------------|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Current assets | | | | | | | | | | | |
| Cash assets and cash equivalents | 36,254 | 26,438 | 21,946 | 20,382 | 18,160 | 16,217 | 14,431 | 12,541 | 10,647 | 9,104 | 7,638 |
| Inventories | 412 | 412 | 412 | 412 | 412 | 412 | 412 | 412 | 412 | 412 | 412 |
| Receivables | 5,075 | 555 | 574 | 594 | 615 | 636 | 660 | 684 | 708 | 732 | 760 |
| Prepayments | 362 | 362 | 362 | 362 | 362 | 362 | 362 | 362 | 362 | 362 | 362 |
| Other current assets | 5,921 | 5,921 | 5,921 | 5,921 | 5,921 | 5,921 | 5,921 | 5,921 | 5,921 | 5,921 | 5,921 |
| Total current assets | 48,024 | 33,688 | 29,215 | 27,671 | 25,470 | 23,547 | 21,786 | 19,920 | 18,050 | 16,530 | 15,093 |
| Non-current assets | | | | | | | | | | | |
| Property, plant and equipment | 1,062,073 | 1,037,649 | 1,001,885 | 946,819 | 895,412 | 846,843 | 801,699 | 764,803 | 726,710 | 691,379 | 659,055 |
| Intangible assets | - | - | - | - | - | - | - | - | - | - | - |
| Capital works in progress | - | - | - | - | - | - | - | - | - | - | - |
| Other non-current assets | 12,414 | 12,414 | 12,414 | 12,414 | 12,414 | 12,414 | 12,414 | 12,414 | 12,414 | 12,414 | 12,414 |
| Total non-current assets | 1,074,487 | 1,050,063 | 1,014,300 | 959,233 | 907,826 | 859,257 | 814,114 | 777,218 | 739,124 | 703,793 | 671,469 |
| Total assets | 1,122,511 | 1,083,751 | 1,043,514 | 986,904 | 933,296 | 882,804 | 835,900 | 797,137 | 757,174 | 720,323 | 686,562 |
| Current liabilities | | | | | | | | | | | |
| Overdraft | - | - | - | - | - | - | - | - | - | - | - |
| Trade and other payables | 2,673 | 2,344 | 1,228 | 1,265 | 1,303 | 1,338 | 1,382 | 1,424 | 1,467 | 1,506 | 1,556 |
| Borrowings | - | - | - | - | - | - | - | - | - | - | - |
| Other current liabilities | 21,986 | 11,029 | 11,029 | 11,029 | 11,029 | 11,029 | 11,029 | 11,029 | 11,029 | 11,029 | 11,029 |
| Provisions | - | - | - | - | - | - | - | - | - | - | - |
| Total current liabilities | 24,659 | 13,373 | 12,258 | 12,294 | 12,332 | 12,368 | 12,412 | 12,453 | 12,496 | 12,536 | 12,585 |
| Non-current liabilities | | | | | | | | | | | |
| Loans | - | - | - | - | - | - | - | - | - | - | - |
| Other non-current liabilities | 621 | 621 | 621 | 621 | 621 | 621 | 621 | 621 | 621 | 621 | 621 |
| Provisions | 8,144 | 11,928 | 11,928 | 11,928 | 11,928 | 11,928 | 11,928 | 11,928 | 11,928 | 11,928 | 11,928 |
| Total non-current liabilities | 8,765 | 12,549 | 12,549 | 12,549 | 12,549 | 12,549 | 12,549 | 12,549 | 12,549 | 12,549 | 12,549 |
| Total liabilities | 33,424 | 25,922 | 24,807 | 24,843 | 24,881 | 24,917 | 24,961 | 25,002 | 25,045 | 25,085 | 25,134 |
| Net community assets | 1,089,087 | 1,057,828 | 1,018,708 | 962,061 | 908,415 | 857,887 | 810,939 | 772,135 | 732,129 | 695,239 | 661,428 |
| Community equity | | | | | | | | | | | |
| Asset revaluation reserve | 735,386 | 735,386 | 738,487 | 738,487 | 738,487 | 738,487 | 738,487 | 742,816 | 742,816 | 742,816 | 742,816 |
| Retained surplus (deficiency) | 353,701 | 322,442 | 280,220 | 223,573 | 169,928 | 119,400 | 72,452 | 29,320 - | 10,686 - | 47,577 - | 81,388 |
| Total community equity | 1,089,087 | 1,057,828 | 1,018,708 | 962,061 | 908,415 | 857,887 | 810,939 | 772,135 | 732,129 | 695,239 | 661,428 |

Torres Strait Island Regional Council

Statement of Cashflow

For the period July 2023 to June 2033

Model 1 - Same Service Level - Continuing Internal Tenancy Management - Confirmed sources of capital funding only.
Salary Increase 5.75% Yr 1, Salary Increase 3.0% Yr 2 - 10 , CPI Increase - 3.0% Yr 2-10. One off increased payment in 24/25 for Indigenous Councils Funding Program.

| | Actuals 30 June 2023 \$'000 | Budget Review 30 June 2024 \$'000 | Forecast 30 June 2025 \$'000 | Forecast 30 June 2026 \$'000 | Forecast 30 June 2027 \$'000 | Forecast 30 June 2028 \$'000 | Forecast 30 June 2029 \$'000 | Forecast 30 June 2030 \$'000 | Forecast 30 June 2031 \$'000 | Forecast 30 June 2032 \$'000 | Forecast 30 June 2033 \$'000 |
|--|-----------------------------------|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Cash flows from operating activities: | | | | | | | | | | | |
| Receipts from customers | 24,246 | 28,893 | 28,874 | 31,165 | 31,883 | 33,293 | 34,763 | 36,306 | 37,918 | 39,607 | 41,368 |
| Receipt from rental income | 4,764 | 4,811 | 4,955 | 5,104 | 5,257 | 5,415 | 5,577 | 5,744 | 5,917 | 6,094 | 6,277 |
| Payment to suppliers and employees | (67,045) | (79,458) | (70,576) | (71,528) | (74,030) | (76,323) | (78,834) | (81,598) | (84,451) | (87,106) | (90,148) |
| | (38,034) | (45,754) | (36,747) | (35,259) | (36,891) | (37,615) | (38,494) | (39,548) | (40,616) | (41,405) | (42,502) |
| Interest received | 627 | 634 | 600 | 560 | 520 | 480 | 440 | 280 | 200 | 160 | 120 |
| Non-capital grants and contributions | 38,038 | 41,379 | 31,823 | 32,923 | 33,910 | 34,928 | 35,975 | 37,055 | 38,166 | 39,311 | 40,491 |
| Finance costs | - | - | - | - | - | - | - | - | - | - | - |
| Net cash inflow (outflow) from operating activities | 632 | (3,741) | (4,324) | (1,777) | (2,460) | (2,207) | (2,079) | (2,214) | (2,249) | (1,933) | (1,892) |
| Cash flows from investing activities: | | | | | | | | | | | |
| Payments for property, plant and equipment | (28,948) | (38,646) | (20,738) | (3,704) | (3,890) | (4,084) | (4,288) | (4,503) | (4,728) | (4,964) | (5,212) |
| Payments for intangible assets | - | - | - | - | - | - | - | - | - | - | - |
| Proceeds from sale of property, plant and equipment | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies, donations and contributions for new capital expenditure | 30,922 | 33,242 | 21,262 | 4,631 | 4,862 | 5,105 | 5,360 | 5,628 | 5,910 | 6,205 | 6,516 |
| Other | 1,034 | - | - | - | - | - | - | - | - | - | - |
| Net cash inflow (outflow) from investing activities | 3,008 | (5,404) | 524 | 926 | 972 | 1,021 | 1,072 | 1,126 | 1,182 | 1,241 | 1,303 |
| Cash flows from financing activities: | | | | | | | | | | | |
| Repayment of borrowings | - | - | - | - | - | - | - | - | - | - | - |
| Repayments made on leases | (653) | (672) | (692) | (713) | (734) | (756) | (779) | (802) | (827) | (851) | (877) |
| Net cash inflow (outflow) from financing activities | (653) | (672) | (692) | (713) | (734) | (756) | (779) | (802) | (827) | (851) | (877) |
| Net increase (decrease) in cash held | 2,987 | (9,816) | (4,492) | (1,564) | (2,222) | (1,943) | (1,786) | (1,890) | (1,894) | (1,544) | (1,466) |
| Cash at beginning of reporting period | 33,268 | 36,255 | 26,438 | 21,946 | 20,383 | 18,160 | 16,218 | 14,432 | 12,542 | 10,648 | 9,104 |
| Cash at end of reporting period * | 36,255 | 26,438 | 21,946 | 20,383 | 18,160 | 16,218 | 14,432 | 12,542 | 10,648 | 9,104 | 7,638 |
| Current QTC recommended working capital (4 months) | 22,436 | 26,600 | 23,384 | 24,093 | 24,934 | 25,705 | 26,552 | 27,481 | 28,440 | 29,332 | 30,358 |
| Variance ** | 13,819 | (162) | (1,438) | (3,710) | (6,774) | (9,487) | (12,120) | (14,939) | (17,792) | (20,228) | (22,720) |

* 2023 Cash Balance is based on Actuals as at 30 June 2023.
** Constrained Cash included in figure

Torres Strait Island Regional Council

Statement of Income and Expenditure

For the period July 2023 to June 2033

Model 1 - Same Service Level - Continuing Internal Tenancy Management - Confirmed sources of capital funding only.
Salary Increase 5.75% Yr 1, Salary Increase 3.0% Yr 2 - 10 , CPI Increase - 3.0% Yr 2-10. One off increased payment in 24/25 for Indigenous Councils Funding Program.

| | Actuals 30 June 2023 \$'000 | Budget Review 30 June 2024 \$'000 | Forecast 30 June 2025 \$'000 | Forecast 30 June 2026 \$'000 | Forecast 30 June 2027 \$'000 | Forecast 30 June 2028 \$'000 | Forecast 30 June 2028 \$'000 | Forecast 30 June 2030 \$'000 | Forecast 30 June 2031 \$'000 | Forecast 30 June 2032 \$'000 | Forecast 30 June 2033 \$'000 |
|--|-----------------------------------|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Revenue | | | | | | | | | | | |
| Recurrent revenue: | | | | | | | | | | | |
| Net rates and utility charges | 1,832 | 1,891 | 1,986 | 2,085 | 2,189 | 2,299 | 2,414 | 2,534 | 2,661 | 2,794 | 2,934 |
| Fees and charges | 4,654 | 4,877 | 4,996 | 5,144 | 5,297 | 5,454 | 5,616 | 5,783 | 5,955 | 6,132 | 6,314 |
| Sales - contract and recoverable works | 11,002 | 18,000 | 18,713 | 20,146 | 20,493 | 21,518 | 22,594 | 23,723 | 24,909 | 26,155 | 27,463 |
| Sales - other | 3,191 | 2,975 | 3,065 | 3,157 | 3,252 | 3,349 | 3,450 | 3,553 | 3,660 | 3,769 | 3,882 |
| Grants, subsidies, contributions and donations | 37,291 | 41,379 | 31,823 | 32,923 | 33,910 | 34,928 | 35,975 | 37,055 | 38,166 | 39,311 | 40,491 |
| Interest received | 662 | 634 | 600 | 560 | 520 | 480 | 440 | 280 | 200 | 160 | 120 |
| Rental income | 4,764 | 4,811 | 4,955 | 5,104 | 5,257 | 5,415 | 5,577 | 5,744 | 5,917 | 6,094 | 6,277 |
| Other recurrent income | 2,538 | 216 | 134 | 653 | 673 | 693 | 714 | 735 | 758 | 780 | 804 |
| Total recurrent revenue | 65,934 | 74,784 | 66,271 | 69,772 | 71,591 | 74,135 | 76,780 | 79,409 | 82,226 | 85,196 | 88,284 |
| Capital revenue: | | | | | | | | | | | |
| Government subsidies and grants | 27,001 | 36,828 | 21,262 | 4,631 | 4,862 | 5,105 | 5,360 | 5,628 | 5,910 | 6,205 | 6,516 |
| Capital contribution | - | - | - | - | - | - | - | - | - | - | - |
| Developer contributions | - | - | - | - | - | - | - | - | - | - | - |
| Total capital revenue | 27,001 | 36,828 | 21,262 | 4,631 | 4,862 | 5,105 | 5,360 | 5,628 | 5,910 | 6,205 | 6,516 |
| Total income | 92,935 | 111,612 | 87,534 | 74,402 | 76,453 | 79,241 | 82,140 | 85,037 | 88,136 | 91,401 | 94,800 |
| Expenses | | | | | | | | | | | |
| Recurrent expenses: | | | | | | | | | | | |
| Employee benefits | 26,971 | 31,003 | 32,022 | 32,982 | 33,972 | 34,991 | 36,041 | 37,122 | 38,235 | 39,382 | 40,564 |
| Materials and services | 39,847 | 48,079 | 37,406 | 38,565 | 40,095 | 41,381 | 42,867 | 44,565 | 46,322 | 47,845 | 49,734 |
| Depreciation and amortisation | 54,080 | 59,570 | 59,603 | 58,771 | 55,296 | 52,654 | 49,431 | 45,727 | 42,822 | 40,295 | 37,537 |
| Finance costs | 489 | 719 | 725 | 731 | 737 | 743 | 749 | 756 | 762 | 769 | 776 |
| Total recurrent expenses | 121,387 | 139,371 | 129,755 | 131,049 | 130,099 | 129,768 | 129,088 | 128,169 | 128,142 | 128,292 | 128,611 |
| Capital expenses: | | | | | | | | | | | |
| Other capital expenses | 15,455 | 3,500 | - | - | - | - | - | - | - | - | - |
| Total capital expenses | 15,455 | 3,500 | - | - | - | - | - | - | - | - | - |
| Total expenses | 136,842 | 142,871 | 129,755 | 131,049 | 130,099 | 129,768 | 129,088 | 128,169 | 128,142 | 128,292 | 128,611 |
| Net operating surplus/(deficit) exc capital and depreciation | (1,373) | (5,017) | (3,881) | (2,506) | (3,212) | (2,979) | (2,877) | (3,034) | (3,094) | (2,801) | (2,790) |
| Net operating surplus/(deficit) inc depreciation | (55,453) | (64,587) | (63,484) | (61,277) | (58,508) | (55,633) | (52,309) | (48,761) | (45,916) | (43,096) | (40,326) |
| Net result attributable to Council | (43,907) | (31,259) | (42,222) | (56,647) | (53,646) | (50,528) | (46,948) | (43,132) | (40,006) | (36,890) | (33,811) |

Torres Strait Island Regional Council

Statement of Changes in Equity

For the period July 2023 to June 2033

Model 1 - Same Service Level - Continuing Internal Tenancy Management - Confirmed sources of capital funding only.

Salary Increase 5.75% Yr 1, Salary Increase 3.0% Yr 2 - 10 , CPI Increase - 3.0% Yr 2-10.

One off increased payment in 24/25 for Indigenous Councils Funding Program.

| | Total \$'000 | Retained surplus \$'000 | Asset revaluation reserve \$'000 | Other reserves \$'000 |
|---|------------------|----------------------------|--|--------------------------|
| Balance at 30 Jun 2023 Actuals | 1,089,087 | 353,701 | 735,386 | - |
| Net result for the period | (31,259) | (31,259) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | - | - | - | - |
| Balance at 30 Jun 2024 Budget Review | 1,057,828 | 322,442 | 735,386 | - |
| Net result for the period | (42,222) | (42,222) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | 3,101 | - | - | 3,101 |
| Balance at 30 Jun 2025 Forecast | 1,018,708 | 280,220 | 735,386 | 3,101 |
| Net result for the period | (56,647) | (56,647) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | - | - | - | - |
| Balance at 30 Jun 2026 Forecast | 962,061 | 223,573 | 735,386 | 3,101 |
| Net result for the period | (53,646) | (53,646) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | - | - | - | - |
| Balance at 30 Jun 2027 Forecast | 908,415 | 169,928 | 735,386 | 3,101 |
| Net result for the period | (50,528) | (50,528) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | - | - | - | - |
| Balance at 30 Jun 2028 Forecast | 857,887 | 119,400 | 735,386 | 3,101 |
| Net result for the period | (46,948) | (46,948) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | - | - | - | - |
| Balance at 30 Jun 2029 Forecast | 810,939 | 72,452 | 735,386 | 3,101 |
| Net result for the period | (43,132) | (43,132) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | 4,328 | - | - | 4,328 |
| Balance at 30 Jun 2030 Forecast | 772,135 | 29,320 | 735,386 | 7,429 |
| Net result for the period | (40,006) | (40,006) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | - | - | - | - |
| Balance at 30 Jun 2031 Forecast | 732,129 | (10,686) | 735,386 | 7,429 |
| Net result for the period | (36,890) | (36,890) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | - | - | - | - |
| Balance at 30 Jun 2032 Forecast | 695,239 | (47,577) | 735,386 | 7,429 |
| Net result for the period | (33,811) | (33,811) | - | - |
| Transfers to reserves | - | - | - | - |
| Transfers from reserves | - | - | - | - |
| Asset revaluation adjustment | - | - | - | - |
| Balance at 30 Jun 2033 Forecast | 661,428 | (81,388) | 735,386 | 7,429 |

Statement of Key Sustainability Ratios

For the period July 2023 to June 2033

Model 1 - Same Service Level - Continuing Internal Tenancy Management - Confirmed sources of capital funding only
Salary Increase 5.75% Yr 1, Salary Increase 3.0% Yr 2 - 10 , CPI Increase - 3.0% Yr 2-10. One off increased payment in 24/25 for Indigenous Councils Funding Program.

| | Actuals 30 June 2023 \$'000 | Budget Review 30 June 2024 \$'000 | Forecast 30 June 2025 \$'000 | Forecast 30 June 2026 \$'000 | Forecast 30 June 2027 \$'000 | Forecast 30 June 2028 \$'000 | Forecast 30 June 2029 \$'000 | Forecast 30 June 2030 \$'000 | Forecast 30 June 2031 \$'000 | Forecast 30 June 2032 \$'000 | Forecast 30 June 2033 \$'000 |
|--|-----------------------------------|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|--|-----------------------------------|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|

1 Operating Surplus Ratio

| | | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| (Net Operating Surplus / Total Operating Revenue) (%) | (84)% | (86)% | (96)% | (88)% | (82)% | (75)% | (68)% | (61)% | (56)% | (51)% | (46)% |
| (Net Operating Surplus / (Total Operating Revenue - Depreciation Expense on Community Housing) (%) | (50)% | (53)% | (58)% | (53)% | (49)% | (46)% | (43)% | (40)% | (37)% | (34)% | (32)% |

Target is between 0% and 10% (on average over the long-term)
This is an indicator of the extent to which revenues raised cover operational expenses or are available for capital funding purposes.
The percentage indicates the percentage increase in Operating Revenue needed to break-even
A negative ratio result indicates that Council is expecting to not generate sufficient revenue to cover operating expenses (including depreciation) or fund from own sources capital items.
This ratio includes Depreciation Expense of \$54.1M for the 22/23 financial year and projected \$59.6M for the 23/24 financial year.
A secondary Operating Surplus Ratio has been calculated removing depreciation expenses on community housing. A improvement on average of 27% can be seen in Council's Operating Surplus Ratio with the removal of Community Housing depreciation which accounts for approximately \$22.6M in 23/24 and \$25.3M in 24/25

2 Net Financial Asset / Liability Ratio

| | | | | | | | | | | | |
|--|-------|-------|------|------|------|----|----|----|----|-----|-----|
| ((Total Liabilities - Current Assets) / Total Operating Revenue) | (22)% | (10)% | (7)% | (4)% | (1)% | 2% | 4% | 6% | 9% | 10% | 11% |
|--|-------|-------|------|------|------|----|----|----|----|-----|-----|

Target is <60% (on average over the long-term)
This is an indicator of the extent to which net financial liabilities can be serviced/repaid from operating revenues.
A negative indicator is favourable as it is below the target of 60%
The negative indicators show that Council has more current assets than liabilities as a percentage of Total Operating Revenue

3 Asset Sustainability Ratio

| | | | | | | | | | | | |
|--|-----|----|----|----|----|----|----|----|----|----|----|
| (Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense) | 33% | 8% | 3% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
|--|-----|----|----|----|----|----|----|----|----|----|----|

Target is >90% (on average over the long-term)
This is the extent to which assets are being replaced as they reach the end of their useful life.
Council is dependent on State and Federal funding for renewal of infrastructure assets. Timing of renewal programs do not always coincide with the annual allocation of depreciation.

Torres Strait Island Regional Council

Rates and Utility charges

For the period July 2023 to June 2026

Model 1 - Same Service Level - Continuing Internal Tenancy Management - Confirmed sources of capital funding only

Salary Increase 5.75% Yr 1, Salary Increase 3.0% Yr 2 - 10 , CPI Increase - 3.0% Yr 2-10

One off increased payment in 24/25 for Indigenous Councils Funding Program.

| | Original Budget 30 June 2023 \$'000 | Budget Review 30 June 2024 \$'000 | Forecast 30 June 2025 \$'000 | Forecast 30 June 2026 \$'000 |
|--|---|---|------------------------------------|------------------------------------|
| Rates and utility charges | | | | |
| General rates | - | - | - | - |
| Separate rates | - | - | - | - |
| Levies | 66 | 66 | 69 | 73 |
| Water | 483 | 488 | 513 | 538 |
| Sewerage | 1,095 | 1,095 | 1,150 | 1,207 |
| Waste management | 242 | 242 | 254 | 267 |
| Other rates and utilities revenue | - | | | |
| Total rates and utility charge revenue | 1,886 | 1,891 | 1,986 | 2,085 |

| | Original Budget 30 June 2023 \$'000 | Budget Review 30 June 2024 \$'000 | Variance \$'000 | Variance % |
|---|---|---|--------------------|---------------|
| Rates and utility charges - value of change | | | | |
| Gross rates and utility charges | 1,886 | 1,891 | 5 | 0% |