

## 2025 Current Sustainability Statement

Type	Measure	Target (Tier 2)	2025	5-Year Average	Council Narrative
Financial Capacity	Council-Controlled Revenue*	N/A	89.7%	88.8%	With a result close to 90% Council has the financial flexibility to absorb any financial shocks associated with the reduction of external funding.
	Population Growth*	N/A	1.1%	1.3%	Council is committed to growing our region, the next 10 years will see over \$1.7b invested in capital infrastructure to continue to promote sustainable population growth.
Operating Performance	Operating Surplus Ratio	Greater than 0%	0.1%	-0.1%	Council is expecting to see this ratio meet target expectations throughout the forecast 10 Year period, Council is committed to adopting a minor operating surplus to ensure financial sustainability without applying increased financial pressure to ratepayers through significant increases in rates above CPI.
	Operating Cash Ratio	Greater than 0%	33.3%	31.6%	
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 2 months	4.9	N/A	Council aims to maintain a high unrestricted cash expense cover result in the early years of the Long Term Financial Forecast in order to fund planned expenditure in infrastructure investment.
Asset Management	Asset Sustainability Ratio	Greater than 60%	73.3%	65.5%	Council's investment in infrastructure assets is well above the target minimum of 60%, this continues throughout the life of the 10-year forecast period.
	Asset Consumption Ratio	Greater than 60%	59.7%	62.4%	Council's 5-year average is above the target minimum as per the Financial Management Sustainability Guideline.
	Asset Renewal Funding Ratio*	N/A	N/A	N/A	Information not currently available to calculate ratio.
Debt Servicing Capacity	Leverage Ratio**	0 to 4 times	0.5	0.7	Council's capacity to undertake borrowings to fund capital growth is high. This capacity will reduce over the life of the LTFF reflective of additional borrowings undertaken.

\* The **Council-Controlled Revenue**, **Population Growth** and **Asset Renewal Funding Ratio** measures are reported for contextual purposes only and are not audited by the QAO.

\*\*The **Leverage Ratio** is not required to be reported if a council has not held any QTC or other debt within the last five financial years.

**MACKAY REGIONAL COUNCIL**  
**STATEMENT OF CASH FLOW**  
For the year ending 30 June 2025  
(including next two financial years)

	Budget 2024/25 \$000	Forward Estimate	
		2025/26 \$000	2026/27 \$000
<b>Cash flows from operating activities:</b>			
Receipts from customers	294,788	310,373	323,327
Payments to suppliers and employees	(216,635)	(227,813)	(241,579)
	\$ 78,153	\$ 82,560	\$ 81,748
Interest received	6,338	6,387	4,863
Non capital grants and contributions	10,491	10,860	11,188
Borrowing Costs	(1,878)	(2,164)	(1,759)
<b>Net cash inflow (outflow) from operating activities</b>	<b>\$ 93,104</b>	<b>\$ 97,643</b>	<b>\$ 96,040</b>
<b>Cash flow from investing activities:</b>			
Payments for property, plant and equipment	(127,895)	(137,994)	(157,807)
Payments for intangible assets	-	-	-
Net movement in loans and advances	-	-	-
Proceeds from sale of property plant and equipment	1,965	2,574	2,574
Grants, subsidies, contributions and donations	19,267	24,556	28,086
Other investing activities	(5,580)	(2,000)	(2,000)
<b>Net cash inflow (outflow) from investing activities</b>	<b>\$ (112,243)</b>	<b>\$ (112,864)</b>	<b>\$ (129,147)</b>
<b>Cash flow from financing activities:</b>			
Proceeds from borrowings	20,000	-	20,000
Repayment of borrowings	(11,008)	(8,252)	(5,858)
Principal lease repayments	(71)	(73)	(79)
<b>Net cash inflow (outflow) from financing activities</b>	<b>\$ 8,921</b>	<b>\$ (8,325)</b>	<b>\$ 14,063</b>
<b>Net increase (decrease) in cash held</b>	<b>\$ (10,218)</b>	<b>\$ (23,546)</b>	<b>\$ (19,044)</b>
Cash at beginning of reporting period	104,185	93,967	70,421
<b>Cash at end of reporting period</b>	<b>\$ 93,967</b>	<b>\$ 70,421</b>	<b>\$ 51,377</b>

**MACKAY REGIONAL COUNCIL**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the year 30 June 2025**  
**(including next two financial years)**

	Budget 2024/25 \$000	Foreward Estimate	
		2025/26 \$000	2026/27 \$000
<b>Retained Surplus</b>			
Opening balance	2,331,878	2,352,982	2,379,691
Adjustment to opening balance	-	-	-
Net result for the period	21,104	26,708	31,099
<b>Closing balance</b>	<b>\$ 2,352,982</b>	<b>\$ 2,379,691</b>	<b>\$ 2,410,789</b>
<b>Asset Revaluation Reserve</b>			
Opening balance	1,611,090	1,611,091	1,734,293
Adjustment to opening balance	-	-	-
Asset revaluation adjustments	1	123,202	117,508
<b>Closing balance</b>	<b>\$ 1,611,091</b>	<b>\$ 1,734,293</b>	<b>\$ 1,851,801</b>
<b>Total</b>			
Opening balance	3,942,968	3,964,073	4,113,984
Adjustment to opening balance	-	-	-
Net result for the period	21,104	26,708	31,099
Asset revaluation adjustments	1	123,202	117,508
Transfers to/(from) capital and reserves	-	-	-
<b>TOTAL COMMUNITY EQUITY</b>	<b>\$ 3,964,073</b>	<b>\$ 4,113,984</b>	<b>\$ 4,262,590</b>

**MACKAY REGIONAL COUNCIL**  
**STATEMENT OF FINANCIAL POSITION**  
**For the year ending 30 June 2025**  
**(including next two financial years)**

	2024/25 \$000	Foreward Estimate	
		2025/26 \$000	2026/27 \$000
<b>Current assets</b>			
Cash, cash equivalents and investments	93,967	70,421	51,377
Trade and other receivables	22,686	23,848	24,817
Contract Assets	3,500	3,500	3,500
Other assets	4,506	4,506	4,506
Inventories	3,136	3,136	3,136
Non-current assets held for sale	-	-	-
<b>Total current assets</b>	<b>\$ 127,795</b>	<b>\$ 105,411</b>	<b>\$ 87,336</b>
<b>Non-Current Assets</b>			
Investments	5,580	5,580	5,580
Trade and other receivables	-	-	-
Property, plant and equipment	3,990,763	4,152,888	4,325,835
Intangible assets	4,074	4,043	4,011
Right of use assets	1,063	982	902
<b>Total non-current assets</b>	<b>\$ 4,001,480</b>	<b>\$ 4,163,493</b>	<b>\$ 4,336,328</b>
<b>Total assets</b>	<b>\$ 4,129,275</b>	<b>\$ 4,268,904</b>	<b>\$ 4,423,664</b>
<b>Current liabilities</b>			
Contract liabilities	3,500	3,500	3,500
Lease liabilities	73	79	78
Trade and other payables	8,909	9,398	9,625
Employee entitlements	2,026	2,139	2,235
Borrowings	8,252	5,860	6,845
Provisions	2,560	8,233	10,953
Other liabilities	18,021	20,779	20,779
<b>Total current liabilities</b>	<b>\$ 43,341</b>	<b>\$ 49,988</b>	<b>\$ 54,015</b>
<b>Non-current liabilities</b>			
Lease liabilities	1,137	1,058	980
Employee entitlements	1,601	1,601	1,601
Borrowings	39,590	33,730	46,887
Provisions	76,502	68,270	57,317
Other liabilities	3,031	273	273
<b>Total non-current liabilities</b>	<b>\$ 121,861</b>	<b>\$ 104,932</b>	<b>\$ 107,058</b>
<b>Total liabilities</b>	<b>\$ 165,202</b>	<b>\$ 154,920</b>	<b>\$ 161,073</b>
<b>Net community assets</b>	<b>\$ 3,964,073</b>	<b>\$ 4,113,984</b>	<b>\$ 4,262,591</b>
<b>Community equity</b>			
Retained surplus	2,352,982	2,379,691	2,410,789
Asset revaluation reserve	1,611,091	1,734,293	1,851,802
<b>Total community assets</b>	<b>\$ 3,964,073</b>	<b>\$ 4,113,984</b>	<b>\$ 4,262,591</b>

**MACKAY REGIONAL COUNCIL**  
**STATEMENT OF INCOME AND EXPENSES**  
For the year ending 30 June 2025  
(including next two financial years)

	2024/25 \$000	Foreward Estimate	
		2025/26 \$000	2026/27 \$000
<b>Operating revenue</b>			
Rates and charges	274,129	289,033	301,309
Discounts	(12,439)	(13,117)	(13,700)
Remissions	(2,688)	(2,777)	(2,860)
Net Rates and charges	259,002	273,139	284,749
Fees and charges	21,840	22,560	23,237
Rental income	1,561	1,613	1,661
Sales - contracts and recoverable works	7,576	7,826	8,061
Grants and subsidies	10,538	10,886	11,212
Interest earned	6,338	6,387	4,863
Other operating revenue	6,168	6,371	6,562
<b>Total operating revenue</b>	<b>\$ 313,023</b>	<b>\$ 328,782</b>	<b>\$ 340,345</b>
<b>Operating expenses</b>			
Employee costs	105,650	111,508	116,565
Materials and services	103,251	109,058	111,656
Finance costs	7,003	7,453	7,207
Depreciation	96,817	100,123	103,401
<b>Total operating expenses</b>	<b>312,721</b>	<b>\$ 328,142</b>	<b>\$ 338,829</b>
<b>Operating result</b>	<b>\$ 302</b>	<b>\$ 640</b>	<b>\$ 1,516</b>
<b>Capital revenue</b>			
Grants and subsidies	14,766	19,056	22,086
Contributions from developers	4,500	5,500	6,000
Donated assets	4,000	4,000	4,000
Other capital income	-	-	-
<b>Total capital revenue</b>	<b>23,266</b>	<b>\$ 28,556</b>	<b>\$ 32,086</b>
<b>Capital expenses</b>			
Loss on disposal or sale of assets	464	488	503
Revaluation decrement and loss on impairment	-	-	-
Other capital expenses	2,000	2,000	2,000
<b>Total capital expenses</b>	<b>2,464</b>	<b>\$ 2,488</b>	<b>\$ 2,503</b>
<b>Net result</b>	<b>\$ 21,104</b>	<b>\$ 26,708</b>	<b>\$ 31,099</b>
<b>Other comprehensive income</b>			
Increase or (decrease) in asset revaluation surplus	-	123,204	117,507
<b>Total comprehensive income for the year</b>	<b>\$ 21,104</b>	<b>\$ 149,912</b>	<b>\$ 148,606</b>