

Revision to NCPA Business Case for Future Investment – Revised Financial Model

May 2016

Summary Financial Model

Nuriootpa Centennial Park P&L Forecast - Base - Including Impact of Capital Expenditure - Applying AVERAGE occupancy for new cabins

Note: Only Depreciation & Loan Interest expenses shown separately below - all other expenditure grouped into Total Expenditure line

Assumptions:

1. Opening Cash Balance: 2015/16 opening cash balance reflects actual, 2016/17 onwards is an estimate.
2. Capital Expenditure: Figures for 2016/17 are as per revised Asset Management Plan with additional projects included in the draft Council business plan. From 2019 onwards, an estimate has been used.
3. Current: loan balance \$650k. Loan interest is charged at 4.25% (current debenture rate). Loan repayments are on \$650k balance, paid off over 10 yrs starting from 2018/19 (this however is not the current conditions and will required NCPA to approach Council to delay payments of principle for a further two years).

Description	Actual 14-15	Forecast 15-16	Budget 16-17	Estimate 17-18	Estimate 18-19	Estimate 19-20	Estimate 20-21	Estimate 21-22	Estimate 22-23	Estimate 23-24	Estimate 24-25	Estimate 25-26	Estimate 26-27
LTFP Year				1	2	3	4	5	6	7	8	9	10
CONSOLIDATED													
Total Revenue	(1,444,925)	(1,295,651)	(1,609,860)	(1,696,449)	(1,737,972)	(1,780,530)	(1,824,150)	(1,868,858)	(1,914,682)	(1,961,649)	(2,009,788)	(2,059,128)	(2,109,700)
Loan Interest - LGFA New Loan	-	32,130	53,550	53,550	53,550	44,200	33,575	20,825	8,713	-	-	-	-
Loan Interest - Council	-	27,625	27,625	27,625	27,625	24,863	22,100	19,338	16,575	13,813	11,050	8,288	5,525
Depreciation Expense - Bldgs	224,663	230,600	269,504	276,241	283,147	290,226	297,482	304,919	312,542	320,355	328,364	336,573	344,988
Depreciation Expense - Infrastructure	60,357	60,357	51,521	52,809	54,129	55,483	56,870	58,292	59,749	61,243	62,774	64,343	65,951
Depreciation Expense - Equipment	17,854	17,855	19,670	20,161	20,666	21,182	21,712	22,255	22,811	23,381	23,966	24,565	25,179
Total Expenditure	1,448,894	1,649,463	1,802,178	1,798,698	1,836,027	1,862,070	1,887,684	1,912,039	1,937,915	1,968,095	2,007,913	2,048,677	2,090,408
Consolidated Net (Surplus) / Deficit	3,969	353,812	192,318	102,248	98,055	81,540	63,535	43,181	23,233	6,446	(1,875)	(10,451)	(19,291)
Barossa Valley Tourist Park													
Total Revenue	(1,342,610)	(1,255,546)	(1,540,660)	(1,667,249)	(1,708,772)	(1,751,330)	(1,794,950)	(1,839,658)	(1,885,482)	(1,932,449)	(1,980,588)	(2,029,928)	(2,080,500)
Loan Interest - LGFA Loan	-	32,130	53,550	53,550	53,550	44,200	33,575	20,825	8,713	-	-	-	-
Loan Interest - Council Loan	-	27,625	27,625	27,625	27,625	24,863	22,100	19,338	16,575	13,813	11,050	8,288	5,525
Depreciation Expense - Bldgs	141,315	148,456	180,591	185,106	189,733	194,477	199,339	204,322	209,430	214,666	220,033	225,533	231,172
Depreciation Expense - Infrastructure	26,229	26,229	16,540	16,954	17,377	17,812	18,257	18,713	19,181	19,661	20,152	20,656	21,173
Depreciation Expense - Equipment	16,265	16,265	18,040	18,491	18,953	19,427	19,913	20,411	20,921	21,444	21,980	22,529	23,093
Total Expenditure	1,086,316	1,259,261	1,359,883	1,387,395	1,415,510	1,432,130	1,448,106	1,462,602	1,478,394	1,498,261	1,527,530	1,557,503	1,588,196
Net Barossa Valley Tourist Park	(256,295)	3,715	(180,777)	(279,855)	(293,262)	(319,200)	(346,844)	(377,057)	(407,088)	(434,188)	(453,059)	(472,426)	(492,303)
Coulthard Reserve													
Total Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense - Bldgs	64	3,740	756	775	794	814	835	855	877	899	921	944	968
Depreciation Expense - Infrastructure	6,207	6,207	6,362	6,521	6,684	6,851	7,023	7,198	7,378	7,563	7,752	7,945	8,144
Total Expenditure	62,164	65,560	55,965	57,154	58,368	59,608	60,876	62,170	63,493	64,844	66,224	67,635	69,075
Net Coulthard Reserve	62,164	65,560	55,965	57,154	58,368	59,608	60,876	62,170	63,493	64,844	66,224	67,635	69,075
Nuriootpa Sport & Recreation Park													
Total Revenue	(89,424)	(30,105)	(57,200)	(17,200)	(17,200)	(17,200)	(17,200)	(17,200)	(17,200)	(17,200)	(17,200)	(17,200)	(17,200)
Depreciation Expense - Bldgs	83,283	78,404	88,157	90,361	92,620	94,935	97,308	99,741	102,235	104,791	107,410	110,096	112,848
Depreciation Expense - Infrastructure	27,921	27,921	28,619	29,335	30,068	30,820	31,590	32,380	33,189	34,019	34,870	35,741	36,635
Depreciation Expense - Equipment	1,590	1,590	1,630	1,670	1,712	1,755	1,799	1,844	1,890	1,937	1,986	2,035	2,086
Total Expenditure	290,160	311,951	365,314	332,698	340,253	347,982	355,890	363,982	372,260	380,730	389,396	398,263	407,335
Net - Nuriootpa Sport & Rec Park	200,736	281,846	308,114	315,498	323,053	330,782	338,690	346,782	355,060	363,530	372,196	381,063	390,135

Description	Actual 14-15	Forecast 15-16	Budget 16-17	Estimate 17-18	Estimate 18-19	Estimate 19-20	Estimate 20-21	Estimate 21-22	Estimate 22-23	Estimate 23-24	Estimate 24-25	Estimate 25-26	Estimate 26-27
LTFP Year				1	2	3	4	5	6	7	8	9	10
Sports Centre													
Total Revenue	(12,891)	(10,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)
Total Expenditure	10,255	12,691	21,016	21,451	21,896	22,349	22,813	23,285	23,768	24,261	24,764	25,277	25,802
Net - Nuriootpa Sport & Rec Park	(2,636)	2,691	9,016	9,451	9,896	10,349	10,813	11,285	11,768	12,261	12,764	13,277	13,802
Net - Consolidated NCPA (Surplus) / Deficit	3,969	353,812	192,318	102,248	98,055	81,540	63,535	43,181	23,233	6,446	(1,875)	(10,451)	(19,291)
Add: Depreciation Expense (non-cash)	302,874	308,812	340,695	349,212	357,942	366,891	376,063	385,465	395,101	404,979	415,103	425,481	436,118
Net Cashflow from Operations	298,905	(45,000)	148,377	246,964	259,887	285,351	312,529	342,284	371,868	398,533	416,978	435,932	455,409
Opening Cash balance	157,375	227,470	184,614	78,591	75,555	165,442	145,793	123,321	80,605	52,474	66,506	89,885	77,917
Loan Repayment - Principal - Council Loan	0	0	0	0	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Loan Repayment - Principal - LGFA Loan	0	0	0	0	0	220,000	250,000	300,000	285,000	205,000	0	0	0
Capital Expenditure	228,810	1,257,856	364,400	250,000	105,000	20,000	20,000	20,000	50,000	114,500	328,600	382,900	392,500
Loan Funding Approved/Required	0	1,260,000	0	0	0	0	0	0	0	0	0	0	0
Capital Contributions - Council	0	0	110,000	0	0	0	0	0	0	0	0	0	0
Closing Cash Balance	227,470	184,614	78,591	75,555	165,442	145,793	123,321	80,605	52,474	66,506	89,885	77,917	75,826
Closing Loan balance - Council	650,000	650,000	650,000	650,000	585,000	520,000	455,000	390,000	325,000	260,000	195,000	130,000	65,000
Closing Loan balance - LGFA	0	1,260,000	1,260,000	1,260,000	1,260,000	1,040,000	790,000	490,000	205,000	0	0	0	0
Closing Loan balance - Total Loans	650,000	1,910,000	1,910,000	1,910,000	1,845,000	1,560,000	1,245,000	880,000	530,000	260,000	195,000	130,000	65,000

Detailed Financial Model

Nuriootpa Centennial Park P&L Forecast - Base - Including Impact of Capital Expenditure - Applying AVERAGE occupancy for new cabins

Description	Annual Increase	Actual 14-15	Forecast 15-16	Org. Budget 16-17	Revised Budget 16-17	Estimate 17-18	Estimate 18-19	Estimate 19-20	Estimate 20-21	Estimate 21-22	Estimate 22-23	Estimate 23-24	Estimate 24-25	Estimate 25-26	Estimate 26-27
LTFP Year						1	2	3	4	5	6	7	8	9	10
CONSOLIDATED															
Revenue															
Lease Fees	2.0%	(19,030)	(20,000)	(20,000)	(20,400)	(20,808)	(21,224)	(21,649)	(22,082)	(22,523)	(22,974)	(23,433)	(23,902)	(24,380)	(24,867)
Recreation Park Fees	0.0%	(28,102)	(20,000)	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)
Sport Centre Fees	0.0%	(11,920)	(10,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)
Interest Earned (Banks)	0.0%	(2,886)	(1,300)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Caravan Park - Site Fees	2.5%	(466,290)	(406,165)	(500,000)	(500,000)	(512,500)	(525,313)	(538,445)	(551,906)	(565,704)	(579,847)	(594,343)	(609,201)	(624,431)	(640,042)
Caravan Park - Permanent Vans	2.5%	(83,981)	(72,100)	(72,000)	(72,000)	(73,800)	(75,645)	(77,536)	(79,475)	(81,461)	(83,498)	(85,585)	(87,725)	(89,918)	(92,166)
Caravan Park - Cabin Fees	2.5%	(723,295)	(701,898)	(1,136,424)	(894,810)	(1,005,410)	(1,030,545)	(1,056,309)	(1,082,717)	(1,109,785)	(1,137,529)	(1,165,968)	(1,195,117)	(1,224,995)	(1,255,619)
Caravan Park - Other Income	2.5%	(47,252)	(53,683)	(50,000)	(51,250)	(52,531)	(53,845)	(55,191)	(56,570)	(57,985)	(59,434)	(60,920)	(62,443)	(64,004)	(65,604)
Other Income - Misc.	0.0%	(846)	(400)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)
Non-Curr Assets Written Off - Bldgs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Workers Comp Scheme Rebate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Grant - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Contributions	-	(61,323)	(10,105)	-	(40,000)	-	-	-	-	-	-	-	-	-	-
Capital Contributions - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on Disposal - Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		(1,444,925)	(1,295,651)	(1,809,824)	(1,609,860)	(1,696,449)	(1,737,972)	(1,780,530)	(1,824,150)	(1,868,858)	(1,914,682)	(1,961,649)	(2,009,788)	(2,059,128)	(2,109,700)
Expenditure															
Wages (Committees staff)	2.5%	563,744	550,000	578,149	578,149	589,712	601,506	613,536	625,807	638,323	651,090	664,111	677,394	690,942	704,760
Wages (Committees staff superannuation)	2.5%	50,427	52,250	54,924	54,924	56,022	57,143	58,286	59,452	60,641	61,853	63,090	64,352	65,639	66,952
Wages (Increase in Leave Liabilities)	-	(24,990)	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Employee Exp	2.0%	-	-	3,000	3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585	3,657
Contractors - Pest Control Services	2.0%	1,029	1,500	1,500	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793	1,828
Contractors - Repairs and Maint	2.0%	128	7,000	105,000	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,869	117,166	119,509	121,899
Contractors - Other Services	2.0%	128,026	223,000	120,000	110,000	112,200	114,444	116,733	119,068	121,449	123,878	126,355	128,883	131,460	134,089
Direct Purchases - Assets <\$5000	0.0%	8,414	3,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Direct Purchases - Cleaning Supplies	2.5%	17,645	22,000	29,000	29,000	29,580	30,172	30,775	31,391	32,018	32,659	33,312	33,978	34,658	35,351
Direct Purchases - Vehicle/Machinery	2.5%	-	5,000	5,200	5,200	5,304	5,410	5,518	5,629	5,741	5,856	5,973	6,093	6,214	6,339
Direct Purchases - Stationery	2.5%	4,174	4,000	4,500	4,500	4,590	4,682	4,775	4,871	4,968	5,068	5,169	5,272	5,378	5,485
Direct Purchases - Cabin Supplies	2.5%	-	-	10,000	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190
Direct Purchases - Other	2.5%	54,381	49,000	56,400	56,400	57,528	58,679	59,852	61,049	62,270	63,516	64,786	66,082	67,403	68,751
Energy Costs - Electricity	2.5%	90,084	100,000	144,000	104,000	106,600	109,265	111,997	114,797	117,666	120,608	123,623	126,714	129,882	133,129
Energy Costs - Gas	2.5%	9,771	9,125	15,000	15,000	15,375	15,759	16,153	16,557	16,971	17,395	17,830	18,276	18,733	19,201
Energy Costs - Fuel & Lubricants	2.0%	5,941	5,000	8,000	8,000	8,160	8,323	8,490	8,659	8,833	9,009	9,189	9,373	9,561	9,752
Water - Service Rates	2.0%	66,309	72,091	75,000	75,000	76,500	78,030	79,591	81,182	82,806	84,462	86,151	87,874	89,632	91,425
Bank Charges	2.0%	9,961	10,200	10,500	10,500	10,710	10,924	11,143	11,366	11,593	11,825	12,061	12,302	12,548	12,799
Vehicle and Rego	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest - Council	N/a	-	27,625	27,625	27,625	27,625	27,625	24,863	22,100	19,338	16,575	13,813	11,050	8,288	5,525
Loan Interest - LGFA (funding option 2)	N/a	-	32,130	58,712	53,550	53,550	53,550	44,200	33,575	20,825	8,713	-	-	-	-
Depreciation Expense - Bldgs	2.5%	224,663	230,600	269,504	269,504	276,241	283,147	290,226	297,482	304,919	312,542	320,355	328,364	336,573	344,988
Depreciation Expense - Infrastructure	2.5%	60,357	60,357	51,521	51,521	52,809	54,129	55,483	56,870	58,292	59,749	61,243	62,774	64,343	65,951
Depreciation Expense - Equipment	2.5%	17,854	17,855	19,670	19,670	20,161	20,666	21,182	21,712	22,255	22,811	23,381	23,966	24,565	25,179

Description	Annual Increase	Actual 14-15	Forecast 15-16	Org. Budget 16-17	Revised Budget 16-17	Estimate 17-18	Estimate 18-19	Estimate 19-20	Estimate 20-21	Estimate 21-22	Estimate 22-23	Estimate 23-24	Estimate 24-25	Estimate 25-26	Estimate 26-27
LTFP Year						1	2	3	4	5	6	7	8	9	10
Expenditure															
Insurance - Bldg & Contents	3.0%	23,056	23,215	25,236	25,236	25,993	26,773	27,576	28,403	29,255	30,133	31,037	31,968	32,927	33,915
Insurance - Workers Comp Premium	3.0%	21,718	29,400	29,901	29,901	30,798	31,722	32,674	33,654	34,663	35,703	36,774	37,878	39,014	40,184
Insurance - Public Liability Insurance	3.0%	10,554	10,797	11,505	11,505	11,850	12,206	12,572	12,949	13,337	13,738	14,150	14,574	15,011	15,462
Insurance - Vehicle Insurance	3.0%	5,477	3,400	3,502	3,502	3,607	3,715	3,827	3,942	4,060	4,182	4,307	4,436	4,569	4,706
Advertising	2.0%	49,141	29,700	21,000	31,000	31,620	32,252	32,897	33,555	34,227	34,911	35,609	36,321	37,048	37,789
Telephone	2.0%	15,473	11,000	15,000	15,000	15,300	15,606	15,918	16,236	16,561	16,892	17,230	17,575	17,926	18,285
Postage	2.0%	402	250	175	175	179	182	186	189	193	197	201	205	209	213
Emergency Services Levy	2.0%	3,372	3,845	4,225	4,225	4,310	4,396	4,484	4,573	4,665	4,758	4,853	4,950	5,049	5,150
Audit Expenses	2.0%	2,112	2,665	4,465	4,791	4,887	4,985	5,084	5,186	5,290	5,395	5,503	5,613	5,726	5,840
Sitting Fees		500	1,800	-	-	-	-	-	-	-	-	-	-	-	-
Donations - Sundry	-	-	100	-	-	-	-	-	-	-	-	-	-	-	-
Subscriptions/Memberships	2.0%	5,616	21,000	9,300	9,300	9,486	9,676	9,869	10,067	10,268	10,473	10,683	10,896	11,114	11,337
Other Misc. Expenses - Sundry	2.0%	12,612	18,891	15,500	13,500	13,770	14,045	14,326	14,613	14,905	15,203	15,507	15,817	16,134	16,456
Support Svces Alloc - Accounting Service	2.0%	4,918	5,438	2,000	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438
Legal Fees	0.0%	4,500	909	-	-	-	-	-	-	-	-	-	-	-	-
Oval Upgrade Work	0.0%	-	-	-	40,000	-	-	-	-	-	-	-	-	-	-
Commissions	2.0%	1,525	-	20,000	20,000	20,400	20,808	21,224	21,649	22,082	22,523	22,974	23,433	23,902	24,380
Total		1,448,894	1,644,143	1,814,014	1,802,178	1,798,698	1,836,027	1,862,070	1,887,684	1,912,039	1,937,915	1,968,095	2,007,913	2,048,677	2,090,408
Net (Surplus) / Deficit		3,969	348,492	4,190	192,318	102,248	98,055	81,540	63,535	43,181	23,233	6,446	(1,875)	(10,451)	(19,291)

Revised Capital Investment Program

	Capital Expenditure Estimates										
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
LTFP Year		1	2	3	4	5	6	7	8	9	10
New/Upgraded Assets											
Install 7 new family cabins - remaining from 15/16	254,400										
Toilet Block (Public)		250,000									
Oval Upgrade Work	14,000										
Soccer Oval Fencing	15,000										
Commuity Pavilion Upgrade	65,000										
Goal Post Replacement	16,000										
Replacement/Renewal of Existing Assets											
Road works and minor replacement/renewal			20,000	20,000	20,000	20,000	50,000				
Out years phasing of 90% of depreciation value to cover replace/renewal and upgrading or new assets								364,500	373,600	382,900	392,500
Adjustment to ensure positive cash position								-250,000	-45,000		
Roadways & kerbing		50,000	50,000								
Convert Barbeque Area to Camp Kitchen			35,000								
Estimated Capital Expenditure	364,400	250,000	105,000	20,000	20,000	20,000	50,000	114,500	328,600	382,900	392,500