

## Annual Plan 2017-2018

### Financial prudence benchmarks and indicators

What is the purpose of this statement?

The purpose of this statement is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its long term plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

<b>Benchmark</b>	<b>Limit</b>	<b>Planned</b>	<b>Met</b>
Rates affordability benchmark			
• Rates (income) affordability	\$17.58m	\$17.58m	Yes
• Rates (increases) affordability	6%	6%	Yes
Debt affordability benchmark			
• Net borrowing as percentage of equity	10%	8.13%	Yes
• Net borrowing as percentage of income	100%	77.10%	Yes
• Net interest as percentage of income	6.25%	4.02%	Yes
• Net interest as percentage of rates income	12.5%	10.16%	Yes
Balanced budget benchmark	100%	105.14%	Yes
Essential services benchmark	>100%	209.98%	Yes
Debt servicing benchmark	10%	4.02%	Yes