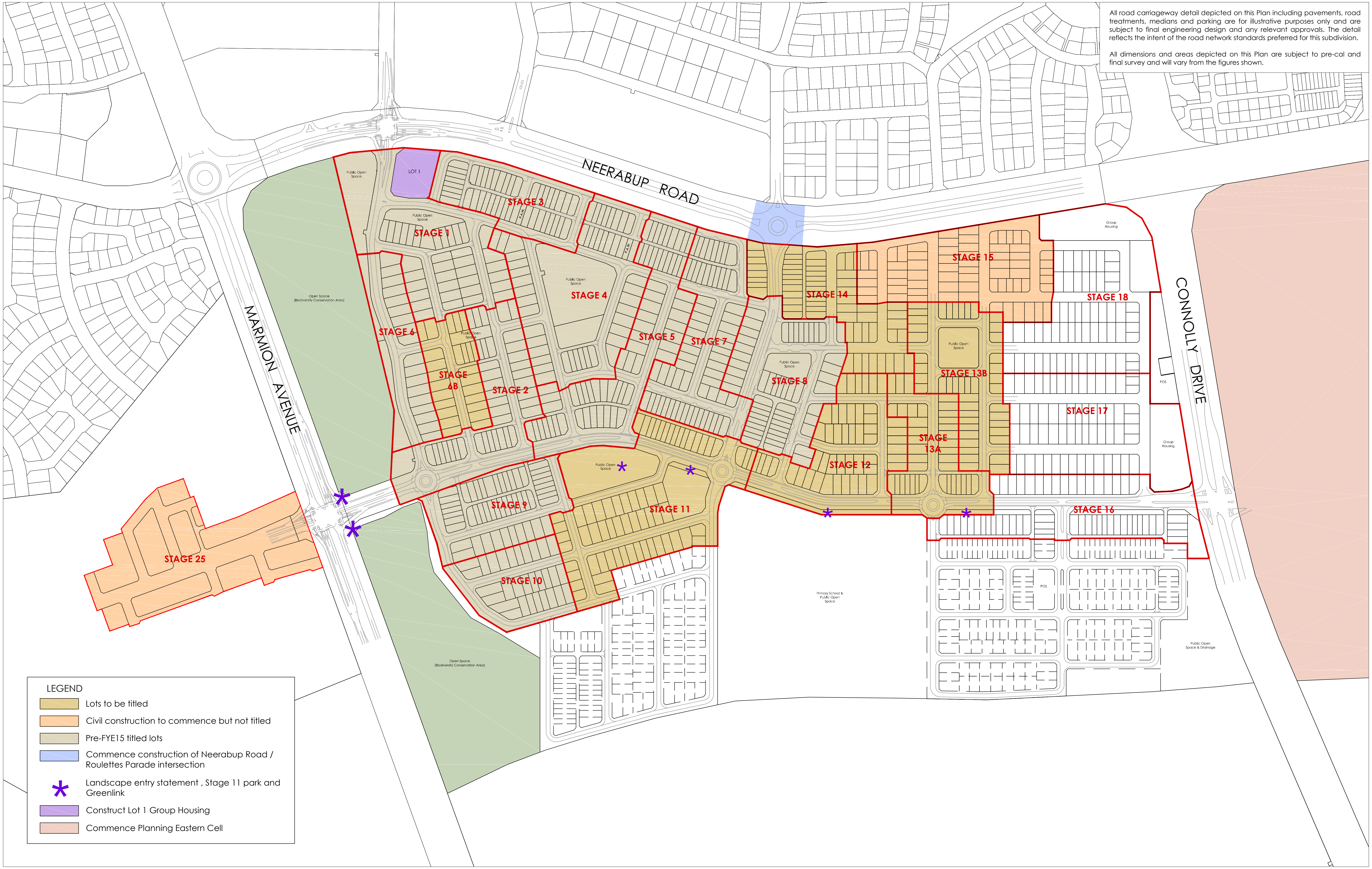
Appendix 9.1



All road carriageway detail depicted on this Plan including pavements, road treatments, medians and parking are for illustrative purposes only and are subject to final engineering design and any relevant approvals. The detail reflects the intent of the road network standards preferred for this subdivision.

All dimensions and areas depicted on this Plan are subject to pre-cal and final survey and will vary from the figures shown.

CLE TOWN PLANNING + DESIGN

CATALINA FYE 2015 OPERATIONS

Catalina Estate, Tamala Park
City of Wanneroo

TAMALA PARK Regional Council

Satterley

plan no: 2228-278B-01
scale: 1:5,000 @ A3
date: 12.06.2014

T:(+618) 9382 1233 F:(+618) 9382 1127
E: admin@cleplan.com.au
www.cleplan.com.au
L2-36 ROWLAND STREET SUBIACO WA 6008
PO BOX 796 SUBIACO WA 6904

Landscape Works	FYE 2017 Budget	Detail Design	CoW / Statutory Approvals	Construction Start	Construction End	Comments
Biodiversity Conservation Area (South) Verges	$ 94,000.00	Complete	Revised Federal Approval May 15 Council Approval Apr 15	Aug-16	Sep-16	Complete
Biodiversity Conservation Area (South)	$ 331,325.00	Complete	Revised Federal Approval May 15 Council Approval Apr 15	Nov-16	Dec-16	Quotation to be sought in November 2016 for path construction to commencement in November 2016
Biodiversity Conservation Area (North)	$ 116,147.00	Complete	Revised Federal Approval May 15 Council Approval Feb 15	May-16	Dec-16	Paths complete, weed and rubbish removal to commence November 2016
Stage 9 Landscaping	$ 95,700.00	Complete	Council Approval is not required for Lot Verges	Oct-16	Nov-16	Quotations received in October. Contract to be awarded in October
Stage 11 Landscaping	$ 95,180.00	Complete	Council Approval is not required for Lot Verges	Oct-16	Dec-16	Quotations received in October. Contract to be awarded in October
Aviator Boulevard Entry Statement	$ 116,667.00	Complete	Approval anticipated Oct -16	Oct-16	Dec-16	Quotations received in October. Contract to be awarded in October
Stage 14B Landscaping	$ 268,000.00	Complete	Council Approval Aug 16	Mar-17	May-17	Approvals received, landscape construction pending completion of Neerabup Road road works.
Marmion Ave Eastern Verge	$ 236,025.00	Complete	Approval anticipated Oct - 16	Oct-16	Nov-16	Quotations Received October. Appointment of contractor and start date pending CoW approval.
Catalina Central Street Tree Improvements	$ 500,000.00	Complete	Approval anticipated Nov -16	Nov-16	Feb-17	Quotations received in October. Appointment of contractor and start date pending CoW approval.
Stage 12 Landscaping	$ 999,950.00	Complete	Council Approval - Apr -15	Oct-16	Dec-17	Quotations recieved in October. Contract to be awarded October. GreenLink on hold pending resolution of school site and grouped housing site.
Stage 13 Landscaping	$ 395,764.00	Complete	Council Approval Mar - 15	Dec-16	Apr-17	Subject to selection of Landscape Contractor in December 2016
Western Cell - Long Beach Promenade Entry Statemen	$ 300,000.00	Complete	Approval anticipated Dec-16	Dec-16	Apr-17	Works to be undertaken as part of the first phase of Catalina Beach
Western Cell - Long Beach Promenade GreenLink	$ 225,000.00	Complete	Approval anticipated Dec-16	Dec-16	Apr-17	Works to be undertaken as part of the first phase of Catalina Beach
Marmion Ave Verge West	$ 409,500.00	Oct-16	Approval anticipated Dec-16	Feb-17	Apr-17	Works deferred until completion of waste water pressure main
Western Cell Public Open Space	$ 1,642,000.00	Oct-16	Approval anticipated Dec-16	Dec-16	Apr-17	Works to be undertaken as part of the first phase of Catalina Beach
Western Cell - Long Beach Promenade Medians	$ 37,217.00	Complete	Approval anticipated Dec-16	Dec-16	Apr-17	Works to be undertaken as part of the first phase of Catalina Beach
Western Cell - Medium Density Lot Verges	$ 4,140.00	Complete	Approval anticipated Dec-16	Dec-16	Apr-17	Works to be undertaken as part of the first phase of Catalina Beach
Western Cell - Rio Marina Median and Roundabout	$ 37,500.00	Complete	Approval anticipated Dec-16	Dec-16	Apr-16	Works to be undertaken as part of the first phase of Catalina Beach
Stage 6 McAllister Boulevard Verge	$ 148,560.00	Complete	Approval anticipated Feb 17	Mar-17	May-17	Installation of Stairs to BCA North, interpretive signage and park furniture
Stage 15 Landscaping	$ 315,000.00	Complete	Approval anticipated Nov - 16	Feb-17	May-17	Works to commence after receiving approval and completion of Neerabup Road works.
Marmion Ave Median	$ 103,500.00	Mar-17	Anticipated Approval Apr -17	Jul-17	Nov-17	Works to be undertaken after Waste Water Scoping Report and Design complete to minimise impact associated with the installation of sub-surface infrastructure.
TOTAL BUDGET	**$ 6,471,175.00**					

Appendix 9.2

TAMALA PARK REGIONAL COUNCIL

MONTHLY STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2016 TO 31 JULY 2016

TABLE OF CONTENTS

TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2016 TO 31 JULY 2016

	Operating	NOTE	31 July 2016 Actual $	31 July 2016 Y-T-D Budget $	2016/17 Adopted Budget $	Variances Budget to Actual Y-T-D %
	Revenues	1,2				
	Interest Earnings		109,415	95,917	959,170	14.07%
	Other Revenue		0	0	1,985	0.00%
			109,415	95,917	961,155	14.07%
	Expenses	1,2				
	Employee Costs		(37,049)	(52,662)	(752,311)	(29.65%)
	Materials and Contracts Other		(592)	(33,748)	(492,112)	(98.25%)
	Depreciation		0	(1,472)	(21,024)	(100.00%)
	Utilities		0	(1,260)	(18,000)	(100.00%)
	Insurance		(6,663)	(17,756)	(17,756)	(62.47%)
	Other Expenditure		0	(700)	(177,517)	(100.00%)
			(44,304)	(107,598)	(1,478,720)	(58.82%)
	Adjustments for Non-Cash (Revenue) and Expenditure					
	Depreciation on Assets		0	1,472	21,024	(100.00%)
	Capital Revenue and (Expenditure)					
	Plant and Equipment	3	0	0	(90,016)	0.00%
	Proceeds on disposal		0	0	42,727	0.00%
	LESS MEMBERS EQUITY					
	Payment for Rates Equivalent		0	0	0	0.00%
	Development of Land for Resale					
	Income Sale of Lots - Subdivision		1,771,943	3,695,577	26,283,529	(52.05%)
	Income Sale of Apartments		0	1,000,000	4,794,250	0.00%
	Development Costs		(702,156)	(3,161,211)	(32,546,354)	(77.79%)
	Contribution Refund		0	0	(327,714)	0.00%
	Profit Distributions		0	0	(11,000,000)	0.00%
	Contribution Returned		0	0	0	0.00%
	Change in Contributed Equity	6	1,069,787	1,534,366	(12,796,289)	(30.28%)
ADD	Net Current Assets July 1 B/Fwd	7	47,345,853	47,345,853	47,345,853	0.00%
	Net Current Assets Year to Date	7	48,480,751	47,870,010	34,005,734	

This statement is to be read in conjunction with the accompanying notes.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2016 TO 31 JULY 2016

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

(a) Basis of Accounting

This statement is a special purpose financial report, prepared in accordance with applicable Australian Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

The Council does not hold any monies in trust.

(c) Rounding Off Figures

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and Other Receivables

Trade Receiveables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibilty of trade receiveables is viewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is object evidence that they will not be collectible.

(h) Inventories

General

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(i) Fixed Assets

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Municipality includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

Effective from 1 July 2012, the Local Government (Financial Management) regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The regulations allow for the phasing in of fair value in relation to fixed assets over three years as follows:

Plant and Equipment by June 30 2013
Plant and Equipment, Land and Buildings and Infrastructure by 30 June 2014, and
All Assets by 30 June 2015.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Computer Equipment	4 years
Printers, Photocopiers and Scanners	5 years
Furniture and Equipment	4 to 10 years
Floor coverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

(k) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2014.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

(l) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the municipality has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

(ii) Annual Leave and Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(n) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

(o) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(p) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2016 TO 31 JULY 2016

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

a) To undertake, in accordance with the objectives, the rezoning, subdivision, development marketing and sale of land comprising the developable portion of Lot 118 Mindarie (now Lot 9504); and
b) To carry out and do all other acts and things which are reasonably necessary for the bringing into effect of the matters referred to in paragraph a).

The objectives of the Regional Council are:

1. To develop and improve the value of the land;
2. To maximise, and with prudent risk parameters, the financial return to the Participants;
3. To balance economic, social and environmental issues; and
4. To produce a quality development demonstrating the best urban design and development practice.

3. ACQUISITION OF ASSETS

The following assets are budgeted to be acquired during the year:	31 July 2016 Actual $	Adopted 2015/16 Budget $
By Program		
Other Property and Services		
General Office fitout	0	3,000
Office Equipment	0	22,000
Motor Vehicle	0	65,016
	0	**90,016**
By Class		
Land and Buildings	0	3,000
Furniture and Equipment	0	22,000
Plant and Equipment	0	65,016
	0	**90,016**

4. DISPOSALS OF ASSETS

The following asset is budgeted to be disposed during the year :

Plant and Equipment		
Cost	0	49,260
Accumulated Depreciation	0	(8,135)
Profit/(Loss)	0	1,602
Proceeds	**0**	**42,727**

5. INFORMATION ON BORROWINGS

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2016-17 financial year.

6. CONTRIBUTED EQUITY

	31 July 2016 Actual $	30 June 2016 Actual $
Town of Victoria Park	4,196,289	4,101,714
City of Perth	4,196,289	4,101,714
Town of Cambridge	4,196,289	4,101,714
City of Joondalup	8,392,578	8,203,428
City of Wanneroo	8,392,578	8,203,428
Town of Vincent	4,196,289	4,101,714
City of Stirling	16,785,156	16,406,857
TOTAL	50,355,467	49,220,569
Total Movement in equity	1,134,898	

Movement in Contributed Equity Represented by:

	Development Expenses 31 July 2016 $	Land Sales 31 July 2016 $	Return of Contribution 31 July 2016 $	Rates Equivalent 31 July 2016 $
Town of Victoria Park	(58,513)	147,662	0	0
City of Perth	(58,513)	147,662	0	0
Town of Cambridge	(58,513)	147,662	0	0
City of Joondalup	(117,026)	295,324	0	0
City of Wanneroo	(117,026)	295,324	0	0
Town of Vincent	(58,513)	147,662	0	0
City of Stirling	(234,052)	590,647	0	0
	(702,156)	1,771,943	0	0

Members Contributed Equity Movements	1,069,787
TPRC Net Result	65,111
Total Movement in equity	1,134,898

7. NET CURRENT ASSETS

Composition of Estimated Net Current Asset Position	31 July 2016 Actual $	Brought Forward 1-Jul $
CURRENT ASSETS		
Cash - Unrestricted	48,280,117	47,135,952
Receivables	380,627	392,957
Settlement Bonds	2,100	11,550
	48,662,844	47,540,459
LESS: CURRENT LIABILITIES		
Payables and Provisions	(182,093)	(194,606)
NET CURRENT ASSET POSITION	48,480,751	47,345,853
NET CURRENT ASSET POSITION	48,480,751	47,345,853

8. RATING INFORMATION

The Regional Council does not levy rates on property.

9. TRUST FUNDS

The Regional Council does not hold any funds in trust on behalf of third parties.

TAMALA PARK REGIONAL COUNCIL

MONTHLY STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2016 TO 31 AUGUST 2016

TABLE OF CONTENTS

TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2016 TO 31 AUGUST 2016

		NOTE	31 August 2016 Actual $	31 August 2016 Y-T-D Budget $	2016/17 Adopted Budget $	Variances Budget to Actual Y-T-D %
	Operating					
	Revenues	1,2				
	Interest Earnings		222,650	191,834	959,170	16.06%
	Other Revenue		0	0	1,985	0.00%
			222,650	191,834	961,155	16.06%
	Expenses	1,2				
	Employee Costs		(76,965)	(112,847)	(752,311)	(31.80%)
	Materials and Contracts Other		(32,420)	(72,317)	(492,112)	(55.17%)
	Depreciation		0	(3,154)	(21,024)	(100.00%)
	Utilities		0	(2,700)	(18,000)	(100.00%)
	Insurance		(6,663)	(17,756)	(17,756)	(62.47%)
	Other Expenditure		(38,511)	(1,400)	(177,517)	2650.79%
			(154,559)	(210,174)	(1,478,720)	(26.46%)
	Adjustments for Non-Cash (Revenue) and Expenditure					
	Depreciation on Assets		0	3,154	21,024	(100.00%)
	Capital Revenue and (Expenditure)					
	Plant and Equipment	3	(66,266)	0	(90,016)	0.00%
	Proceeds on disposal		42,727	0	42,727	0.00%
	LESS MEMBERS EQUITY					
	Payment for Rates Equivalent		0	0	0	0.00%
	Development of Land for Resale					
	Income Sale of Lots - Subdivision		3,892,288	6,131,545	26,283,529	(36.52%)
	Income Sale of Apartments		0	1,000,000	4,794,250	0.00%
	Development Costs		(2,061,239)	(6,472,833)	(32,546,354)	(68.16%)
	Contribution Refund		0	0	(327,714)	0.00%
	Profit Distributions		0	0	(11,000,000)	0.00%
	Contribution Returned		0	0	0	0.00%
	Change in Contributed Equity	6	1,831,049	658,712	(12,796,289)	177.97%
ADD	Net Current Assets July 1 B/Fwd	7	47,345,853	47,345,853	47,345,853	0.00%
	Net Current Assets Year to Date	7	49,221,454	46,989,379	34,005,734	

This statement is to be read in conjunction with the accompanying notes.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2016 TO 31 AUGUST 2016

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

(a) Basis of Accounting

This statement is a special purpose financial report, prepared in accordance with applicable Australian Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

The Council does not hold any monies in trust.

(c) Rounding Off Figures

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and Other Receivables

Trade Receiveables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibilty of trade receiveables is viewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is object evidence that they will not be collectible.

(h) Inventories

General

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(i) Fixed Assets

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Municipality includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

Effective from 1 July 2012, the Local Government (Financial Management) regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The regulations allow for the phasing in of fair value in relation to fixed assets over three years as follows:
Plant and Equipment by June 30 2013
Plant and Equipment, Land and Buildings and Infrastructure by 30 June 2014, and
All Assets by 30 June 2015.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Computer Equipment	4 years
Printers, Photocopiers and Scanners	5 years
Furniture and Equipment	4 to 10 years
Floor coverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

(k) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2014.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

(l) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the municipality has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

(ii) Annual Leave and Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(n) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

(o) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(p) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2016 TO 31 AUGUST 2016

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

a) To undertake, in accordance with the objectives, the rezoning, subdivision, development marketing and sale of land comprising the developable portion of Lot 118 Mindarie (now Lot 9504); and
b) To carry out and do all other acts and things which are reasonably necessary for the bringing into effect of the matters referred to in paragraph a).

The objectives of the Regional Council are:

1. To develop and improve the value of the land;
2. To maximise, and with prudent risk parameters, the financial return to the Participants;
3. To balance economic, social and environmental issues; and
4. To produce a quality development demonstrating the best urban design and development practice.

3. ACQUISITION OF ASSETS

The following assets are budgeted to be acquired during the year:	**31 August 2016 Actual $**	**Adopted 2015/16 Budget $**
By Program		
Other Property and Services		
General Office fitout	0	3,000
Office Equipment	1,250	22,000
Motor Vehicle	65,016	65,016
	66,266	**90,016**
By Class		
Land and Buildings	0	3,000
Furniture and Equipment	1250	22,000
Plant and Equipment	65,016	65,016
	66,266	**90,016**

4. DISPOSALS OF ASSETS

The following asset is budgeted to be disposed during the year :

Plant and Equipment		
Cost	49,260	49,260
Accumulated Depreciation	(6,533)	(8,135)
Profit/(Loss)	0	1,602
Proceeds	**42,727**	**42,727**

5. INFORMATION ON BORROWINGS

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2016-17 financial year.

6. CONTRIBUTED EQUITY

	31 August 2016 Actual $	30 June 2016 Actual $
Town of Victoria Park	4,259,976	4,101,714
City of Perth	4,259,976	4,101,714
Town of Cambridge	4,259,976	4,101,714
City of Joondalup	8,519,951	8,203,428
City of Wanneroo	8,519,951	8,203,428
Town of Vincent	4,259,976	4,101,714
City of Stirling	17,039,904	16,406,857
TOTAL	51,119,709	49,220,569
Total Movement in equity	1,899,140	

Movement in Contributed Equity Represented by:

	Development Expenses 31 August 2016 $	Land Sales 31 August 2016 $	Return of Contribution 31 August 2016 $	Rates Equivalent 31 August 2016 $
Town of Victoria Park	(171,770)	324,357	0	0
City of Perth	(171,770)	324,357	0	0
Town of Cambridge	(171,770)	324,357	0	0
City of Joondalup	(343,540)	648,715	0	0
City of Wanneroo	(343,540)	648,715	0	0
Town of Vincent	(171,770)	324,357	0	0
City of Stirling	(687,079)	1,297,430	0	0
	(2,061,239)	3,892,288	0	0

Members Contributed Equity Movements	1,831,049
TPRC Net Result	68,091
Total Movement in equity	1,899,140

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2016 TO 31 AUGUST 2016

7. NET CURRENT ASSETS

Composition of Estimated Net Current Asset Position	31 August 2016 Actual $	Brought Forward 1-Jul $
CURRENT ASSETS		
Cash - Unrestricted	49,120,630	47,135,952
Receivables	406,689	392,957
Settlement Bonds	3,600	11,550
	49,530,919	47,540,459
LESS: CURRENT LIABILITIES		
Payables and Provisions	(309,465)	(194,606)
NET CURRENT ASSET POSITION	49,221,454	47,345,853
NET CURRENT ASSET POSITION	49,221,454	47,345,853

8. RATING INFORMATION

The Regional Council does not levy rates on property.

9. TRUST FUNDS

The Regional Council does not hold any funds in trust on behalf of third parties.

Appendix 9.3

Tamala Park Regional Council
Summary Payment List
July 2016

	Date	Num	Name	Description	Amount
Jul 16					
	07/07/2016		Employee costs	Wages for period 23/06/16 - 06/07/16	-10,791.70
	07/07/2016		Action Couriers	Courier charges for period 15/06/16 - 26/06/16	-33.40
	07/07/2016		Ahlawadi, S.K. & K.	Solar Panel Rebate (Lot 761)	-2,000.00
	07/07/2016		Ben Trager Homes	Display Home Rebate (Lot 113)	-36,000.00
	07/07/2016		Broadway Homes	Display Home Rebate (Lot 111)	-31,200.00
	07/07/2016		celebration homes	Display Home Rebate (Lot 176)	-36,700.00
	07/07/2016		City of Stirling	GST May 2016	-8,223.45
	07/07/2016		Content Living	Display home rebate (Lot 180)	-36,700.00
	07/07/2016		Cossill & Webley	Stage 14B revised power design	-935.00
	07/07/2016		Delron Cleaning	Inv 1012397 & 1012853	-990.00
	07/07/2016		Douglas Partners	Topsoil Geotech Assessment	-7,040.00
	07/07/2016		Houseandland.com.au	Subscription (June 2016)	-935.00
	07/07/2016		hyd20 Hydrology	Catalina Beach UWMP (Claim 5)	-1,613.70
	07/07/2016		Kati, Gergely	Solar Panel Rebate (Lot 699)	-2,000.00
	07/07/2016		Kitching, Lucy & Fenandez, Daniel	Solar Panel Rebate (Lot 302)	-2,000.00
	07/07/2016		Kyocera Mita	Printing costs for period 31/05/16 - 07/06/16	-33.69
	07/07/2016		LD Total	Inv 75312, 75796, 75797, 75924, 76167, 76166, 76224 & 76383	-151,190.48
	07/07/2016		Marketforce	Inv 7787 - 7791	-1,324.70
	07/07/2016		Moore Stephens	Accounting service fee (May 2016)	-2,035.00
	07/07/2016		Neverfail	Water bottles x 2	-26.40
	07/07/2016		Pepper Lane Developments	Display home rebate (Lot 179)	-35,200.00
	07/07/2016		Realestate.com.au	Inv 63391 & 93076	-6,368.95
	07/07/2016		Simsai Construction Group	Display home rebate (Lot 159)	-21,600.00
	07/07/2016		Thomson, Craig	Solar Panel Rebate (Lot 743)	-2,000.00
	07/07/2016		Treacy Fencing	Inv 648182, 649195, 649233 - 649235	-10,455.50
	07/07/2016	ET-4137	Alinta Energy	Sales Office gas charges for period 11/03/15 - 13/06/16	-125.40
	07/07/2016	ET-4138	Synergy	Lot 8008 power charges for period 02/04/16 - 01/06/16	-685.65

Tamala Park Regional Council
Summary Payment List
July 2016

Date	Num	Name	Description	Amount
07/07/2016	ET-4139	Australian Super	Superannuation for period 23/06/16 - 06/07/16	-584.66
07/07/2016	ET-4140	National Australia Bank	Superannuation for period 23/06/16 - 06/07/16	-1,346.15
07/07/2016	CH-200497	Water Corporation	Bond for Catalina Beach waste water pumping station DCWSA	-100,000.00
07/07/2016	CON-61	City of Perth - Supplier	GST April & May 2016	-6,087.12
12/07/2016	ET-4141	Westpac Bank	Payment of credit card charges (CEO & EA) - July 2016	-1,963.57
18/07/2016	CH-200498	City of Wanneroo - Supplier	Signange Development Application	-320.00
21/07/2016		Employee costs	Wages for period 07/07/16 - 20/07/16	-10,791.70
21/07/2016	ET-4142	Australian Super	Superannuation for period 07/07/16 - 20/07/16	-584.66
21/07/2016	ET-4143	National Australia Bank	Superannuation for period 07/07/16 - 20/07/16	-1,346.15
21/07/2016		Action Couriers	Courier charges for period 01/07/16 - 10/07/16	-33.40
21/07/2016		Bankwest	Preparation of Audit Certificate for FYE 2016	-60.00
21/07/2016		City of Stirling	Monthly IT charges for period April - June 2016	-1,485.00
21/07/2016		Cossill & Webley	Inv 17287 - 17293	-64,171.33
21/07/2016		Dominic Carbone & Associates	Consultancy fees (June 2016)	-1,254.00
21/07/2016		Emerge Associates	Invoices x 7	-64,699.80
21/07/2016		Houseandland.com.au	Subscription (July 2016)	-935.00
21/07/2016		LD Total	Invoices x 12	-101,572.92
21/07/2016		LGIS Insurance Broking	Invoices x 5	-4,363.70
21/07/2016		LGIS Liability	Liability insurance for period 30/06/16 - 30/06/17 (Instalment 1)	-1,457.28
21/07/2016		LGIS Property	Property insurance for period 30/06/16 - 30/06/17 (Instalment 1)	-2,462.77
21/07/2016		LGIS Workcare	Workers compensation insurance for period 30/06/16 - 30/06/17 (Instalment 1)	-6,050.00
21/07/2016		Main Roads WA	Neerabup Road underpass (May 2016)	-100,255.56
21/07/2016		McMullen Nolan Group	Stage 18A basic items (June 2016)	-3,157.00
21/07/2016		Nangia, Someet & Sonia	Solar Panel Rebate (Lot 715)	-2,000.00
21/07/2016		New Great Cleaning Service	Cleaning of TPRC offices (June 2016)	-143.00

Tamala Park Regional Council
Summary Payment List
July 2016

	Date	Num	Name	Description	Amount
	21/07/2016		Officeworks	Office supplies	-146.13
	21/07/2016		Signs & Lines	Sign strategy document	-543.84
	21/07/2016		Treacy Fencing	Fencing (Lot 459)	-6,025.80
	21/07/2016	ET-4144	Telstra	Mobile phones (CEO & PC) - charges to 13 July 2016	-232.88
	21/07/2016	ET-4145	Australian Taxation Office	BAS April - June 2016	-12,413.00
	21/07/2016	CH-200499	City of Wanneroo - Supplier	VOID: Amendment for Development Approval (Public Art) - TRANSACTION CANCELLED	0.00
	25/07/2016	CH-200500	City of Wanneroo - Supplier	Stage 17A Street Lighting Tariff	-789.55
	27/07/2016	CH-200501	City of Wanneroo - Supplier	Application for Development Approval (Public Art)	-227.20
Jul 16					**-905,711.19**

Tamala Park Regional Council

Summary Payment List

August 2016

	Date	Num	Name	Description	Amount
Aug 16					
	01/08/2016	ET-4161	Westpac Bank	Bank charges Maxi AC - August 2016	-5.00
	01/08/2016		Westpac Bank	Bank charges Settlement AC - August 2016	-5.00
	02/08/2016	ET-4155	B Bhabra Investment Trust	Lot 173 (14th instalment over a 5 year period)	-2,887.50
	02/08/2016	ET-4156	Steel Test Pty Ltd	Lot 169 (14th instalment over a 5 year period)	-2,887.50
	03/08/2016	ET-4157	Paxman, James & Melissa	Lot 168 (14th instalment over a 5 year period)	-3,281.25
	04/08/2016		Employee costs	Wages for period 21/07/16 - 03/08/16	-10,791.70
	04/08/2016	ET-4146	Australian Super	Superannuation for period 21/07/16 - 03/08/16	-584.66
	04/08/2016	ET-4147	National Australia Bank	Superannuation for period 21/07/16 - 03/08/16	-1,346.15
	04/08/2016	ET-4148	Arias, T	Parking reimbursements	-18.30
	04/08/2016		Arnall, Jessica & Jason	Solar Panel Rebate (Lot 126)	-2,000.00
	04/08/2016		Burgess Rawson	Inv 14999, 43024, 43050, 43095, 43188 & 43565	-1,375.00
	04/08/2016		Butler Settineri	Further fee for 2016 audit	-3,784.35
	04/08/2016		Carat Australia Media Services	Stage 18A online advertising (April 2016)	-742.50
	04/08/2016		Cossill & Webley	Stage 18A Civil Works (June 2016)	-67,504.25
	04/08/2016		Emerge Associates	Inv 14826 & 14939	-6,629.70
	04/08/2016		Houseandland.com.au	Subscription (August 2016)	-935.00
	04/08/2016		hyd20 Hydrology	Catalina Beach UWMP (Claim 6)	-511.50
	04/08/2016		J Spill Carpentry	Overhead cupboards in admin office	-1,375.00
	04/08/2016		Kyocera Mita	Printing costs for period 30/06/16 - 07/07/16	-45.61
	04/08/2016		LD Total	Inv 76174 & 76306	-106,902.04
	04/08/2016		Macmichael, Christopher & Samantha	Solar Panel Rebate (Lot 665)	-2,000.00
	04/08/2016		Main Roads WA	Inv 8006223 & 8006041	-526,190.68
	04/08/2016		McLeods Barristers & Solicitors	Legal services (Neerabup Road Duplication Agreement)	-7,893.17
	04/08/2016		New Choice Homes	Inv 140110 & 140110b	-31,600.00
	04/08/2016		Pimenta, Lara & Du Plooy, Robert	Solar Panel Rebate (Lot 540)	-2,000.00
	04/08/2016		R J Vincent & Co	Inv 5535, 5536 & 5555	-119,741.69

Tamala Park Regional Council
Summary Payment List
August 2016

Date	Num	Name	Description	Amount
04/08/2016		Rare Pty Ltd	Brand Development (June 2016)	-6,457.88
04/08/2016		Ventura Home Group	Landscaping Rebate (Lot 150)	-1,500.00
04/08/2016		WALGA	2016/17 Subscription Fees (Membership, Councils Connect & Employee Relations)	-6,333.80
04/08/2016		Whelans	Northern boundary survey	-6,039.00
04/08/2016	CON-62	Town of Cambridge - supplier	GST owing June 2016	-1,511.27
04/08/2016	CON-63	City of Perth - Supplier	GST owing June 2016	-1,511.27
04/08/2016	ET-4161	Australian Taxation Office	IAS July 2016	-13,952.00
08/08/2016	CH-200502	City of Wanneroo - Supplier	Subdivision clearance fee for Stage 14B (10 lots) & Stage 15 (2 lots)	-610.00
08/08/2016	CH-200503	McMullen Nolan Group	WAPC Form 1C fee for Stage 14B (10 lots) & Stage 15 (2 lots)	-649.00
08/08/2016	CH-200504	McMullen Nolan Group	Landgate lodgement fee for Stage 14B (10 lots) & Stage 15 (2 lots)	-1,198.00
09/08/2016	CON-64	City of Wanneroo - Supplier	GST June 2016	-3,022.53
12/08/2016	CON-65	City of Joondalup - Supplier	GST May & June 2016	-7,134.24
12/08/2016	ET-4160	Westpac Bank	Payment of credit card charges (CEO & EA) - August 2016	-1,236.87
16/08/2016	ET-4149	Audi Centre Perth	CEO motor vehicle purchase - Audi Q5 3.0L quattro (1GCG254)	-71,939.14
18/08/2016		Employee costs	Wages for period 04/08/16 - 17/08/16	-10,791.70
18/08/2016	ET-4150	Australian Super	Superannuation for period 04/08/16 - 17/08/16	-584.66
18/08/2016	ET-4151	National Australia Bank	Superannuation for period 04/08/16 - 17/08/16	-1,346.15
18/08/2016		Caddy, Karen	Elected member attendance fee 20 April 2016 - 19 July 2016	-2,587.92
18/08/2016		Carey, John	Elected member attendance fee 20 April 2016 - 19 July 2016	-2,587.92
18/08/2016		Carr, Louis	Elected member attendance fee 20 April 2016 - 19 July 2016	-2,587.92
18/08/2016		Chester, John	Elected member attendance fee 20 April 2016 - 19 July 2016	-2,587.92
18/08/2016		Guise, Dianne	Deputy Chairman allowance 20 April 2016 - 19 July 2016	-3,817.07
18/08/2016		Hayes, Keith	Elected member attendance fee 20 April 2016 - 19 July 2016	-2,587.92

Tamala Park Regional Council
Summary Payment List
August 2016

Date	Num	Name	Description	Amount
18/08/2016		Hollywood, Kerry	Elected member attendance fee 20 April 2016 - 19 July 2016	-2,587.92
18/08/2016		Italiano, Giovanni	Chairman allowance 20 April 2016 - 19 July 2016	-8,798.82
18/08/2016		Treby, Brett	Elected member attendance fee 20 April 2016 - 19 July 2016	-2,587.92
18/08/2016		Willox, Rod	Elected member attendance fee 20 April 2016 - 19 July 2016	-2,587.92
18/08/2016		Action Couriers	Courier charges for period 03/08/16 - 07/08/16	-42.69
18/08/2016		Burgess Rawson	GST Valuations (July 2016) - 7 lots	-385.00
18/08/2016		Chappell Lambert Everett	Agreed planning fee (May & June 2016)	-38,500.00
18/08/2016		City of Stirling	TPRC Offices rent x 3 months	-10,721.22
18/08/2016		City of Wanneroo - Supplier	2016/17 Rates	-34,265.40
18/08/2016		Cossill & Webley	Inv 17354 - 17361	-57,953.00
18/08/2016		Docushred	Security bin (July 2016)	-51.70
18/08/2016		Dominic Carbone & Associates	Consultancy fees (July 2016)	-3,036.00
18/08/2016		LD Total	Invoices x 11	-172,493.85
18/08/2016		Marketforce	Inv 8377 - 8380	-1,352.41
18/08/2016		Michael, David	Elected member attendance fee 20 April 2016 - 19 July 2016	-2,587.92
18/08/2016		Moore Stephens (formerly Haines Norton)	Accounting service fee (June 2016)	-2,513.50
18/08/2016		Neverfail	Water bottles x 5	-67.25
18/08/2016		New Great Cleaning Service	Cleaning of TPRC offices (July 2016)	-143.00
18/08/2016		R J Vincent & Co	Neerabup Road Sighter Wire	-1,160.90
18/08/2016		Treacy Fencing	Inv 649696 - 619699	-12,649.67
18/08/2016		Ventura Home Group	Display home rebate (Lot 150)	-26,200.00
18/08/2016		Winter, Edward	Solar Panel Rebate (Lot 719)	-2,000.00
18/08/2016		Delron Cleaning	Sales Office cleaning (July 2016)	-495.00
18/08/2016		Elliott, Ronald & Sarah	Solar Panel Rebate (Lot 884)	-2,000.00
18/08/2016		Hosken, Ryan & Joanne	Solar Panel Rebate (Lot 300)	-2,000.00
18/08/2016		Rare Pty Ltd	Inv 29242 & 29255	-3,562.42
18/08/2016		Root, Jonathan & Look, Michelle	Solar Panel Rebate (Lot 299)	-2,000.00
18/08/2016		Treacy Fencing	Supply of sample fencing	-1,100.00

Tamala Park Regional Council
Summary Payment List
August 2016

	Date	Num	Name	Description	Amount
	18/08/2016	CH-200505	Davidson, Janet	Elected member attendance fee 20 April 2016 - 19 July 2016	-2,587.92
	18/08/2016	CH-200506	Western Australian Planning Commission	Application for approval of survey strata subdivision - School site (4 lots)	-3,257.00
	18/08/2016	ET-4152	Synergy	Power charges for June & July 2016	-877.90
	18/08/2016	ET-4153	Water Corporation	Water charges - Sales Office & 4/1 Elsbury	-582.92
	29/08/2016	ET-4154	Yang, Shan-Hao & Xiuying Chen	Lot 172 (14th instalment over a 5 year period)	-2,887.50
	30/08/2016	CON-67	City of Wanneroo - Supplier	GST owing June 2016	-3,009.70
	30/08/2016	CON-66	Town of Cambridge - supplier	GST July 2016	-1,505.15
Aug 16					**-1,464,163.33**

Tamala Park Regional Council

Cheque Detail

July 2016 - August 2016

Type	Num	Date	Name	Description	Amount
Bill Pmt -Cheque	CH-200497	7/07/2016	Water Corporation	Bond for Catalina Beach waste water pumping station DCWSA	- 100,000.00
Bill Pmt -Cheque	CH-200498	18/07/2016	City of Wanneroo	Signage Development Application	- 320.00
Bill Pmt -Cheque	CH-200499	21/07/2016	City of Wanneroo	VOID: Amendment for Development Approval (Public Art) - TRANSACTION CANCELLED	-
Bill Pmt -Cheque	CH-200500	25/07/2016	City of Wanneroo	Stage 17A Street Lighting Tariff	- 789.55
Bill Pmt -Cheque	CH-200501	27/07/2016	City of Wanneroo	Application for Development Approval (Public Art)	- 227.20
Bill Pmt -Cheque	CH-200502	8/08/2016	City of Wanneroo	Subdivision clearance fee for Stage 14B (10 lots) & Stage 15 (2 lots)	- 610.00
Bill Pmt -Cheque	CH-200503	8/08/2016	McMullen Nolan Group	WAPC Form 1C fee for Stage 14B (10 lots) & Stage 15 (2 lots)	- 649.00
Bill Pmt -Cheque	CH-200504	8/08/2016	McMullen Nolan Group	Landgate lodgement fee for Stage 14B (10 lots) & Stage 15 (2 lots)	- 1,198.00
Bill Pmt -Cheque	CH-200505	18/08/2016	Davidson, Janet	Elected member attendance fee 20 April 2016 - 19 July 2016	- 2,587.92
Bill Pmt -Cheque	CH-200506	18/08/2016	Western Australian Planning Commission	Application for approval of survey strata subdivision - School site (4 lots)	- 3,257.00
Total					**- 109,638.67**

Appendix 9.4

Satterley

22 September 2016

Mr Tony Arias
Chief Executive Officer
Tamala Park Regional Council
PO Box 655
INNALOO WA 6918

Dear Tony

Catalina Financial Report for August 2016

Please find attached the Catalina Financial Report for August 2016. This report has been prepared on a cash basis and compares actual income and expenditure to the June 2016 approved budget for the period 1 August 2016 to 31 August 2016. Please note the June 2016 budget includes actuals to 31 March 2016, therefore variances against budget for the period April to June 2016 are included in the PTD variances as stated below.

Residential settlement revenue for the financial year to 31 August 2016 is $3.9m which is $2.2m under the approved 'June 2016' budget with 9 less residential settlements for the year. Project to date settlement revenue to 31 August 2016 is $222k unfavourable to budget with 1 less settlement to date.

Sales for FYE2017 are $1.1m favourable to budget due to 3 more residential lot sales for the year. Project to date residential sales to 31 August 2016 is $2.7m favourable to budget with 8 more sales. YTD Special sites income is $1.0m behind budget due to timing of Stg 11 local centre sale. This is now forecast to occur in October for $1.4m.

Overall FYE2017 expenditure is $3.9m under budget per the approved 'June 2016' budget, with $1.3m spent compared to a budget of $5.2m. The main areas of variance are summarised below:

- Lot Production $821k under budget
  - Earthworks Stages 25-27 $584k under budget due to deferred payments
- Infrastructure $1.7m under budget
  - Neerabup Rd Maroochydore Way Intersection $0.3m under budget due to deferred payments
  - Aviator Blvd Extension Stage 25 $1.5m under budget due to deferred works
- Landscaping $865k under budget
  - Stage 12 Landscaping $187k under budget due to deferred works
  - Stage 6 Landscaping $149k under budget due to deferred works/payments
  - Aviator Blvd Entry Stmt $127k under budget due to deferred works
- P&L expenditure - $454k under budget
  - Marketing $70k under budget with $41k spent against a YTD budget of $111k
  - Rates & Taxes $109k under budget due to refund of lot 9018 rates paid in March 2016
  - Contingency $168k not required to date.

Please refer to the attached Cashflow Analysis for a more detailed analysis of actual to budget variances. Should you have any queries on this report, please do not hesitate to contact me.

Yours faithfully

Ross Carmichael
General Manager Finance

Satterley Property Group Pty Ltd. 18 Bowman Street, South Perth, WA 6151. PO Box 410, South Perth, WA 6951. P: (08) 9368 9000 F: (08) 9368 9003 W: www.satterley.com.au ABN 38 009 054 979
Licensee: Satterley Property Group Pty Ltd. (Inc in WA). Licensed Real Estate Agent trading as Satterley Real Estate.

CATALINA
FINANCE REPORT
AUGUST 2016

1.0 Management Accounts

1.1 *KEY STATISTICS*

1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS

	Lots Produced (titles)		Sales		Settlements		Distributions	
	Actual	*Budget*	*Actual*	*Budget*	*Actual*	*Budget*	*Actual*	*Budget*
Prior Years	806	806	770	765	746	738	56,000,000	56,000,000
Jul-2016	-	-	8	9	7	14	-	-
Aug-2016	-	-	10	6	7	9	-	-
Sep-2016		-		6		6		-
Sep-16 Qtr	**-**	**-**	**18**	**21**	**14**	**29**	**-**	**-**
Oct-2016		10		23		5		-
Nov-2016		-		10		7		-
Dec-2016		-		7		10		5,000,000
Dec-16 Qtr	**-**	**10**	**-**	**40**	**-**	**22**	**-**	**5,000,000**
Jan-2017		-		2		10		-
Feb-2017		58		9		5		-
Mar-2017		-		8		20		-
Mar-17 Qtr	**-**	**58**	**-**	**19**	**-**	**35**	**-**	**-**
Apr-2017		-		13		4		-
May-2017		-		13		2		-
Jun-2017		-		13		1		6,000,000
Jun-17 Qtr	**-**	**-**	**-**	**39**	**-**	**7**	**-**	**6,000,000**
PTD	**806**	**806**	**788**	**780**	**760**	**761**	**56,000,000**	**56,000,000**
Full 2016/17 Year	**-**	**68**	**18**	**119**	**14**	**93**	**-**	**11,000,000**
2017/18		**130**		**122**		**122**		**4,000,000**
2018/19		**148**		**145**		**129**		**15,000,000**

- 7 residential lots settled in August comprising:

	Lots
Stage 14A	1
Stage 18A	6

1.2 *Sales & Settlements*

	MTH Act	MTH Bgt	YTD Act	YTD Bgt	PTD Act	PTD Bgt
Residential						
- Sales #	10	6	18	15	788	780
- Sales $	2,810,000	1,616,511	5,126,000	4,017,689	199,000,500	196,281,660
- Sales $/lot	281,000	269,418	284,778	267,846	252,539	251,643
- Settlements #	7	9	14	23	760	761
- Settlements $	2,143,000	2,435,968	3,933,000	6,131,545	190,870,500	191,092,883
- Settlements $/lot	306,143	270,663	280,929	266,589	251,145	251,108
Special Sites						
- Sales #	-	-	-	1	2	3
- Sales $	-	-	-	1,000,000	1,895,000	2,895,000
- Sales $/lot	-	-	-	1,000,000	947,500	965,000
- Settlements #	-	-	-	1	2	3
- Settlements $	-	-	-	1,000,000	1,895,000	2,895,000
- Settlements $/lot	-	-	-	1,000,000	947,500	965,000
Lots Under Contract						
- Unsettled sales #	29		Unconditional	3	Titled	
- Unsettled sales $	8,130,000		Conditional	26	809 *incl. Spec sites*	
- Unsettled sales $/lot	280,345					

Appendix page 36

CATALINA
FINANCE REPORT
AUGUST 2016

1.3 *Cashflow - MTD Actuals to budget*

	MTD Act	MTD Bgt	Variance
Revenue	2,143,000	2,435,968	(292,968)
Margin GST	(22,652)	(40,909)	18,257
Direct selling costs	(95,677)	(109,565)	13,888
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(243,955)	(245,118)	1,163
	1,780,716	2,040,376	(259,660)
Development costs			
Lot production	127,907	842,622	714,715
Landscaping	86,959	462,547	375,587
Consultants	61,009	50,775	(10,234)
Infrastructure	551,770	1,168,473	616,703
Sales office building	-	-	-
Sales & marketing	31,457	55,311	23,855
Community Develop.	-	16,042	16,042
Administration	61,498	59,217	(2,282)
Finance	98,458	148,844	50,386
	1,019,059	2,803,830	1,784,772
Cashflow	761,657	(763,454)	1,525,111

- Actual & Budget margin scheme GST has been calculated under the concessional Item 4 basis for settlements.

1.4 *Cashflow - YTD Actuals to budget*

	YTD Act	YTD Bgt	Variance
Revenue	3,933,000	6,131,545	(2,198,545)
Margin GST	(40,710)	(104,545)	63,835
Direct selling costs	(175,998)	(319,822)	143,824
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	909,091	(909,091)
Rebate Allowance	(539,742)	(540,126)	383
	3,176,549	6,076,143	(2,899,594)
Development costs			
Lot production	274,068	1,095,085	821,017
Landscaping	269,351	1,134,529	865,178
Consultants	82,291	102,619	20,328
Infrastructure	646,659	2,336,946	1,690,287
Sales office building	-	49,657	49,657
Sales & marketing	40,645	110,622	69,977
Community Develop.	-	32,083	32,083
Administration	(66,388)	118,433	184,821
Finance	98,458	265,988	167,529
	1,345,084	5,245,963	3,900,879
Cashflow	1,831,466	830,180	1,001,285

The YTD revenue variance comprises:

- Settlement revenue is $2.2m unfavourable to budget on 9 less residential settlements than the budget for FY2017.

1.5 *Bonds*

	Last Year	Last Month	This Month
City of Wanneroo	201,231	301,231	301,231
	201,231	301,231	301,231

Bonds relate to early clearance for stage 14B, a Landscaping bond for stage 13, and a waste water pump station bond.

CATALINA
FINANCE REPORT
AUGUST 2016

2.0 PROFIT & LOSS

	MTH Act	MTH Bgt	Var	YTD Act	YTD Bgt	Var	PTD Act	PTD Bgt
- Revenue $ (Stlmts)	2,143,000	2,435,968	(292,968)	3,933,000	6,131,545	(2,198,545)	190,870,500	191,092,883
- Revenue $/lot	*306,143*	*270,663*		*280,929*	*266,589*		*251,145*	*251,108*
- Selling & GST $	217,397	343,706	126,309	400,600	916,339	515,739	19,932,270	20,505,713
- Selling & GST $/lot	*31,057*	*38,190*		*28,614*	*39,841*		*26,227*	*26,946*
- Cost of sales $	539,875	754,193	214,318	1,107,647	1,935,090	827,443	71,754,187	72,014,154
- Cost of sales $/lot	*77,125*	*83,799*		*79,118*	*84,134*		*94,413*	*94,631*
- Gross profit $	1,385,728	1,338,069	47,659	2,424,753	3,280,116	(855,363)	99,184,043	98,573,016
- Gross profit $/lot	*197,961*	*148,674*		*173,197*	*142,614*		*130,505*	*129,531*
- Gross profit Mgn %	*64.66%*	*54.93%*		*61.65%*	*53.50%*		*51.96%*	*51.58%*
- Special Sites $	-	-	-	-	864,683	(864,683)	1,284,073	2,148,756
- Other income $	-	-	-	-	-	-	224,919	221,259
- Sales & Marketing $	25,196	71,499	46,303	34,655	142,998	108,343	1,265,064	1,887,035
- Administration $	100,370	85,898	(14,472)	(32,474)	171,796	204,270	2,013,693	2,315,727
- Finance $	-	-	-	-	-	-	-	8,295
- Contingency $	-	148,885	148,885	-	266,075	266,075	20,364	624,052
- Net profit $	**1,260,162**	**1,031,787**	**228,375**	**2,422,572**	**3,563,930**	**(1,141,358)**	**97,393,914**	**96,107,923**
- Net profit $/lot	*180,023*	*114,643*		*173,041*	*154,953*		*128,150*	*126,292*

- FY17 YTD Gross profit is $855k behind budget due to unfavourable settlements of 9 lots.
- Special sites is $865k unfavourable due to timing of stg 11 local centre sale & settlement. Sale of the site for $1.4m ($400k above budget) is progressing through due diligence before an acceptance anticipated for October.
- FY17 YTD net profit is unfavourable against budget by $1.1m, due to the unfavourable gross profit variance $855k and unfavourable special site variance $865k, partly offset by unused contingency $266k, and favourable marketing and admin costs of $313k.
- YTD administration costs are in credit by $32k due to the $150k refund of council rates on lot 9018 in July 2016. These rates where originally paid in the prior financial year.

YEAR TO DATE VERSUS FULL YEAR BUDGET

	YTD Act	FY17 Full Year Bgt	Var
- Revenue $ (Stlmts)	3,933,000	26,283,530	(22,350,530)
- Revenue $/lot	*280,929*	*282,619*	
- Selling & GST $	400,600	3,380,978	2,980,378
- Selling & GST $/lot	*28,614*	*36,355*	
- Cost of sales $	1,107,647	9,395,814	8,288,167
- Cost of sales $/lot	*79,118*	*101,030*	
- Gross profit $	2,424,753	13,506,738	(11,081,985)
- Gross profit $/lot	*173,197*	*145,234*	
- Gross profit Mgn %	*61.65%*	*51.39%*	
- Special Sites $	-	2,762,735	(2,762,735)
- Other income $	-	-	-
- Sales & Marketing $	34,655	857,988	823,333
- Administration $	(32,474)	1,075,701	1,108,175
- Finance $	-	-	-
- Contingency $	-	1,484,252	1,484,252
- Net profit $	**2,422,572**	**12,851,532**	**(10,428,959)**
- Net profit $/lot	*173,041*	*138,189*	

CATALINA
FINANCE REPORT
AUGUST 2016

2.1 GROSS PROFIT ANALYSIS

Actual

Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Actual Gross Profit	Actual Gross Profit/lot	Actual Gross Margin %
FY13 Stages	2012 / 2013	51,375,500	220,496	29,448,888	126,390	21,926,612	94,106	42.68%
FY14 Stages	2013 / 2014	50,325,000	243,116	24,635,745	119,013	25,689,255	124,103	51.05%
Stage 11	1-Oct-14	17,611,000	275,172	8,143,826	127,247	9,467,174	147,925	53.76%
Stage 12	3-Dec-14	13,229,000	287,587	5,676,996	123,413	7,552,004	164,174	57.09%
Stage 6B	19-Jan-15	7,452,000	310,500	2,916,524	121,522	4,535,476	188,978	60.86%
Stage 13A	30-Mar-15	9,675,000	261,486	4,947,835	133,725	4,727,165	127,761	48.86%
Stage 13B	11-May-15	10,369,000	280,243	4,124,644	111,477	6,244,356	168,766	60.22%
Stage 14A	4-Jun-15	16,254,000	266,459	6,435,806	105,505	9,818,194	160,954	60.40%
Stage 15	15-Dec-15	11,073,000	276,825	4,196,346	104,909	6,876,654	171,916	62.10%
Stage 18A	27-May-16	3,507,000	318,818	1,159,846	105,441	2,347,154	213,378	66.93%
		190,870,500		91,686,457		99,184,043		

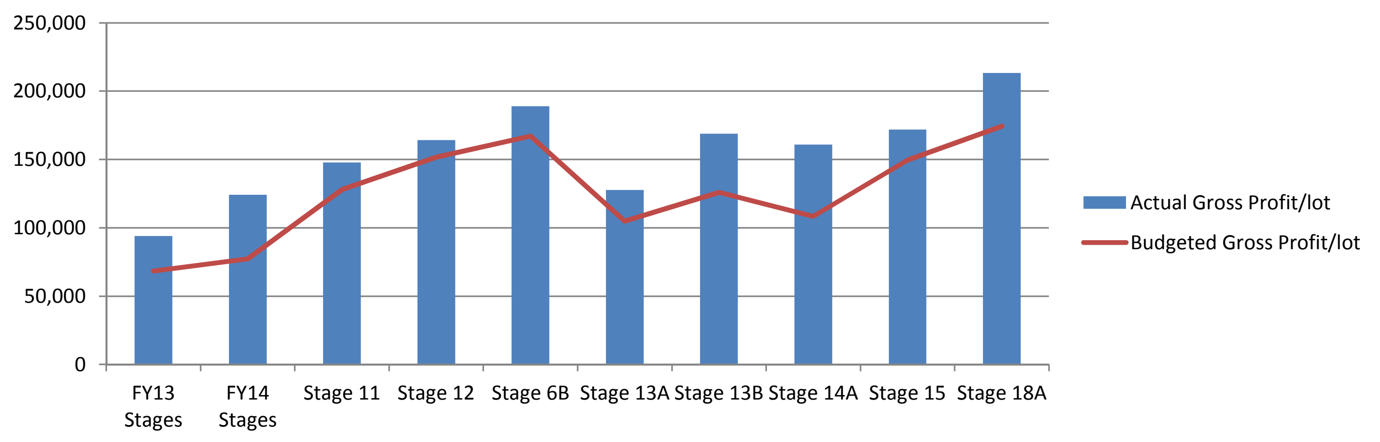
- Values for actuals are based on **'settled lots only'** for the relevant stages.

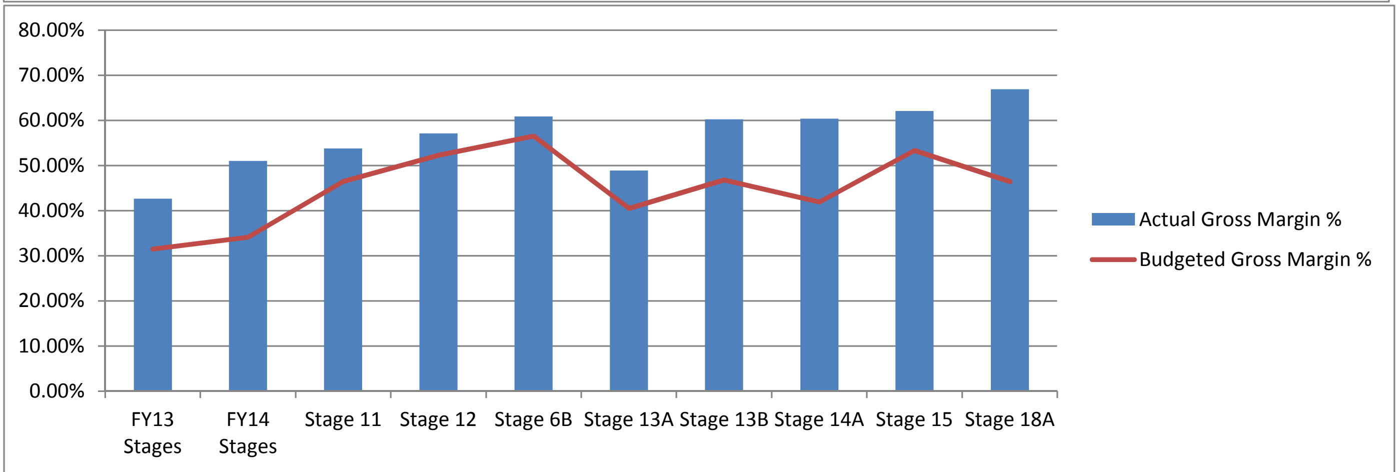
- PTD gross profit for stage 18A is $39k/lot above budget due to the average selling price for the settled lots to date being $21k higher than the stage average. There is also $18k/lot saving on lot production costs due to contingency items not required.

Budget

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Budgeted Gross Profit	Budgeted Gross Profit/lot	Budgeted Gross Margin %
FY13 Stages	May-12	51,358,953	217,623	35,200,675	149,155	16,158,278	68,467	31.46%
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421	149,360	16,014,514	77,365	34.12%
Stage 11	Aug-14	17,645,281	275,708	9,444,658	147,573	8,200,623	128,135	46.47%
Stage 12	Aug-14	14,221,581	290,236	6,787,551	138,521	7,434,030	151,715	52.27%
Stage 6B	Aug-14	7,098,672	295,778	3,089,032	128,710	4,009,640	167,068	56.48%
Stage 13A	Aug-14	9,585,882	259,078	5,703,355	154,145	3,882,527	104,933	40.50%
Stage 13B	Aug-14	12,111,408	269,142	6,443,000	143,178	5,668,408	125,965	46.80%
Stage 14A	Aug-14	15,504,265	258,404	9,001,574	150,026	6,502,690	108,378	41.94%
Stage 15	Aug-15	15,433,000	280,600	7,203,599	130,975	8,229,401	149,625	53.32%
Stage 18A	Jun-16	8,626,000	297,448	3,567,470	123,016	5,058,530	174,432	58.64%
		204,473,963		120,822,599		83,651,365		

- Values for budget are based on **'total lots'** for the relevant stages.





Appendix 9.6

TAMALA PARK REGIONAL COUNCIL

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2016

TABLE OF CONTENTS

Principal place of business:
Tamala Park Regional Council
PO Box 655
INNALOO
WA 6918

TAMALA PARK REGIONAL COUNCIL
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Regional Council being the annual financial report and other information for the financial year ended 30 June 2016 are in my opinion properly drawn up to present fairly the financial position of the Regional Council at 30th June 2016 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the 1st day of September 2016

Tony Arias
Chief Executive Officer

TAMALA PARK REGIONAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2016

	NOTE	2016 $	2016 Budget $	2015 $
Revenue				
Interest earnings	2(a)	1,435,795	958,606	1,459,506
Other revenue		5,700	1,937	12,926
		1,441,495	960,543	1,472,432
Expenses				
Employee costs		(593,993)	(727,610)	(598,053)
Materials and contracts		(138,115)	(443,517)	(140,286)
Utility charges		(457)	(6,150)	(457)
Depreciation on non-current assets	2(a)	(17,259)	(17,797)	(16,250)
Insurance expenses		(10,152)	(17,323)	(12,967)
Other expenditure		(160,023)	(175,971)	(199,701)
		(919,999)	(1,388,368)	(967,714)
		521,496	(427,825)	504,718
Loss on revaluation of non current assets	2(a)	(21,651)	0	0
Profit on asset disposals	19	0	0	956
Net result		**499,845**	**(427,825)**	**505,674**
Other comprehensive income				
Changes on revaluation of non-current assets	11	(1,164)	0	0
Total other comprehensive income		**(1,164)**	**0**	**0**
Total comprehensive income		**498,681**	**(427,825)**	**505,674**

This statement is to be read in conjunction with the accompanying notes.

TAMALA PARK REGIONAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2016

	NOTE	2016 $	2016 Budget $	2015 $
Revenue	2(a)			
General purpose funding		1,435,795	958,606	1,459,506
Other property and services		5,700	1,937	12,926
		1,441,495	960,543	1,472,432
Expenses	2(a)			
Governance		(158,354)	(175,663)	(161,533)
Other property and services		(783,296)	(1,212,705)	(806,181)
		(941,650)	(1,388,368)	(967,714)
Profit/(Loss) on disposal of assets				
Other property and services	19	0	0	956
Net result		**499,845**	**(427,825)**	**505,674**
Other comprehensive income				
Changes on revaluation of non-current assets	11	(1,164)	0	0
Total other comprehensive income		**(1,164)**	**0**	**0**
Total comprehensive income		**498,681**	**(427,825)**	**505,674**

This statement is to be read in conjunction with the accompanying notes.

TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2016

	NOTE	2016 $	2015 $
CURRENT ASSETS			
Cash and cash equivalents	3	47,135,952	46,060,590
Trade and other receivables	4	404,508	389,124
TOTAL CURRENT ASSETS		47,540,460	46,449,714
NON-CURRENT ASSETS			
Inventories	5	1,800,000	1,818,182
Property, plant and equipment	6	131,368	151,943
TOTAL NON-CURRENT ASSETS		1,931,368	1,970,125
TOTAL ASSETS		49,471,828	48,419,839
CURRENT LIABILITIES			
Trade and other payables	7	73,175	191,738
Provisions	9	121,431	102,906
TOTAL CURRENT LIABILITIES		194,606	294,644
NON-CURRENT LIABILITIES			
Provisions	9	56,652	30,931
TOTAL NON-CURRENT LIABILITIES		56,652	30,931
TOTAL LIABILITIES		251,258	325,575
NET ASSETS		49,220,570	48,094,264
EQUITY			
Retained surplus		0	0
Members contributions	10	49,214,217	48,086,747
Revaluation surplus	11	6,353	7,517
TOTAL EQUITY		49,220,570	48,094,264

This statement is to be read in conjunction with the accompanying notes.

TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2016

	NOTE	RETAINED SURPLUS $	CONTRIBUTED EQUITY $	REVALUATION SURPLUS $	TOTAL EQUITY $
Balance as at 1 July 2014		**0**	**42,419,063**	**7,517**	**42,426,580**
Comprehensive income					
Net result		505,674	0	0	505,674
Total comprehensive income		505,674	0	0	505,674
Distribution to Members		(505,674)	505,674		
Members Contributions		0	36,162,010	0	36,162,010
Return of Capital		0	(31,000,000)	0	(31,000,000)
Balance as at 30 June 2015		**0**	**48,086,747**	**7,517**	**48,094,264**
Comprehensive income					
Net result		499,845	0	0	499,845
Changes on revaluation of non-current assets	11	0	0	(1,164)	(1,164)
Total comprehensive income		499,845	0	(1,164)	498,681
Distribution to Members		(499,845)	499,845	0	
Members Contributions		0	15,627,625	0	15,627,625
Return of Capital		0	(15,000,000)	0	(15,000,000)
Balance as at 30 June 2016		**0**	**49,214,217**	**6,353**	**49,220,570**

This statement is to be read in conjunction with the accompanying notes.

TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2016

	NOTE	2016 $	2016 Budget $	2015 $
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Interest earnings		1,422,836	1,147,730	1,459,506
Goods and services tax		143,158	0	142,676
Other revenue		6,068	1,937	353,545
		1,572,062	1,149,667	1,955,727
Payments				
Employee costs		(547,427)	(727,610)	(553,558)
Materials and contracts		(258,998)	(485,253)	(530,790)
Utility charges		(457)	(6,150)	(457)
Insurance expenses		(10,152)	(17,323)	(12,967)
Goods and services tax		(145,951)	0	(145,951)
Other expenditure		(160,023)	(175,971)	(199,701)
		(1,123,008)	(1,412,307)	(1,443,424)
Net cash provided by (used in) operating activities	12(b)	449,054	(262,640)	512,303
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment		(1,317)	(25,000)	(65,303)
Proceeds from sale of fixed assets		0	0	38,182
Net cash provided by (used in) investment activities		(1,317)	(25,000)	(27,121)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from members contributions		15,937,684	42,402,937	36,584,572
Repayment of members contributions		(15,310,059)	(65,981,203)	(31,422,562)
Net cash provided by (used In) financing activities		627,625	(23,578,266)	5,162,010
Net increase (decrease) in cash held		1,075,362	(23,865,906)	5,647,192
Cash at beginning of year		46,060,590	46,060,590	40,413,398
Cash and cash equivalents at the end of the year	12(a)	47,135,952	22,194,684	46,060,590

This statement is to be read in conjunction with the accompanying notes.

TAMALA PARK REGIONAL COUNCIL
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2016

		NOTE	2016 Actual $	2016 Budget $	2015 Actual $
	Revenue from operating activities				
	General purpose funding		1,435,795	958,606	1,459,506
	Other property and services		5,700	1,937	13,882
			1,441,495	960,543	1,473,388
	Expenditure from operating activities				
	Governance		(158,354)	(175,663)	(161,533)
	Other property and services		(783,296)	(1,212,705)	(806,181)
			(941,650)	(1,388,368)	(967,714)
	Net result excluding rates		499,845	(427,825)	505,674
	Adjustments for cash budget requirements:				
	Non-cash expenditure and revenue				
	Fair value adjustment to non current assets		21,651	0	0
	(Profit)/Loss on asset disposals	19	0	0	(956)
	Movement in employee benefit provisions (non-current)		25,721	0	14,670
	Depreciation and amortisation on assets	2(a)	17,259	17,797	16,250
	Capital Expenditure and Revenue				
	Purchase of furniture and equipment	6(b)	(1,317)		0
	Purchase plant and equipment		0	(25,000)	(65,303)
	Proceeds from disposal of fixed assets	19	0	0	38,182
	Repayment of members contributions	10	627,625	(23,578,264)	5,162,010
	Transfers from reserves (restricted assets)	10			
ADD	Estimated surplus/(deficit) July 1 b/fwd	21(b)	46,155,070	46,155,070	40,484,543
LESS	Estimated surplus/(deficit) June 30 c/fwd	21(b)	47,345,854	22,141,778	46,155,070
	Total amount raised from general rate	21(a)	0	0	0

This statement is to be read in conjunction with the accompanying notes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

All amounts are disclosed in Australian Dollars.

Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical accounting estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The local government reporting entity

All Funds through which the Regional Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 18 to these financial statements.

(b) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable.
The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Trade and Other Receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(e) Inventories

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for sale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land held for sale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

(f) Fixed Assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Mandatory requirement to revalue non-current assets

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the Regional Council commenced the process of adopting Fair Value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Regional Council revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Initial recognition and measurement between mandatory revaluation dates
All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Regional Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation
Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Depreciation
The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset’s useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in the following way:
Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Major depreciation periods used for each class of depreciable asset are:

Computer equipment	4 years
Furniture and equipment	4 to 10 years
Printers, photocopiers and scanners	5 years
Floorcoverings	8 years
Phones and faxes	6 to 7 years
Plant and equipment	5 to 12 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

Capitalisation threshold
Expenditure on items of equipment under $1,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities

When performing a revaluation, the Regional Council uses a mix of both independent and management valuations using the following as a guide:

Fair Value is the price that the Regional Council would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Regional Council selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Regional Council are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities (Continued)

Income approach
Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach
Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Regional Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued in accordance with the regulatory framework.

(h) Impairment of Assets
In accordance with Australian Accounting Standards the Regional Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

(i) Trade and Other Payables
Trade and other payables represent liabilities for goods and services provided to the Regional Council prior to the end of the financial year that are unpaid and arise when the Regional Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Employee Benefits

Short-term employee benefits

Provision is made for the Regional Council's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Regional Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Regional Council's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Regional Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Regional Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(k) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

(l) Provisions

Provisions are recognised when the Regional Council has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the

(m) Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Regional Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 15.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c) . That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

(o) Superannuation

The Regional Council contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Regional Council contributes are defined contribution plans.

(p) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Regional Council's operational cycle. In the case of liabilities where the Regional Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the Regional Council's intentions to release for sale.

(q) Rounding Off Figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar.

(r) Comparative Figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Regional Council applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

(s) Budget Comparative Figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Regional Council.

Management's assessment of the new and amended pronouncements that are relevant to the Regional Council, applicable to future reporting periods and which have not yet been adopted are set out as follows:

	Title	Issued / Compiled	Applicable [1]	Impact
(i)	AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Regional Council, it is not anticipated the Standard will have any material effect.
(ii)	AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2018	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the Regional Council has with those third parties it has dealings with. It may or may not be significant.
(iii)	AASB 16 Leases	February 2016	1 January 2018	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial poition for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted. Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Regional Council, the impact is not expected to be significant.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

	Title	Issued / Compiled	Applicable [1]	Impact
(iv)	AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	August 2014	1 January 2016	This Standard amends AASB 11: *Joint Arrangements* to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: *Business Combinations,* to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations. Since adoption of this Standard would impact only acquisitions of interests in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the Regional Council's financial statements.
(v)	AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]	August 2014	1 January 2016	This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. Given the Regional Council curently uses the expected pattern of of the future economic benefits of an asset as the basis of calculation of depreciation, it is not expected to have a significant impact.
(vi)	AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	December 2014	1 January 2017	Consequential changes to various Standards arising from the issuance of AASB 15. It will require changes to reflect the impact of AASB 15.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

	Title	Issued / Compiled	Applicable [1]	Impact
(vii)	AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]	January 2015	1 January 2016	This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title column. It is not anticipated it will have any significant impact on disclosures as they currently exist and any changes will relate to presentation.
(viii)	AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]	March 2015	1 July 2016	The objective of this Standard is to extend the scope of AASB 124 *Related Party Disclosures* to include not-for-profit sector entities. The Standard is expected to have a significant disclosure impact on the financial report of the Regional Council as both Elected Members and Senior Management will be deemed to be Key Management Personnel and resultant disclosures will be necessary.

Notes:
[1] Applicable to reporting periods commencing on or after the given date.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Adoption of New and Revised Accounting Standards

During the current year, the Regional Council adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

These new and revised standards were as follows:

(i) AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality

(ii) AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities

or reporting practices or were either not applicable, largely editorial in nature, were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations.

2. REVENUE AND EXPENSES

(a) Net Result

The Net result includes:

(i) Charging as an expense:

	2016 $	2015 $
Auditors remuneration		
- Audit of the annual financial report	7,736	7,000
Depreciation		
Improvements to leasehold property	5,539	5,539
Furniture and equipment	1,915	1,618
Plant and equipment	9,805	9,093
	17,259	16,250
Other revenue		
Other	5,700	12,926
	5,700	12,926

	2016 Actual $	2016 Budget $	2015 Actual $
Interest earnings			
- Other funds	1,435,795	958,606	1,459,506
	1,435,795	958,606	1,459,506

(b) Statement of Objective

The Tamala Park Regional Council is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

COMMUNITY VISION

The Tamala Park Regional Council will endeavour to provide high quality services to the community through the various service orientated programs which it has established.
Council operations as disclosed in these financial statements encompass the following service orientated activities/programs.

GENERAL PURPOSE FUNDING
Objective:
To collect interest on investments

Activities:
Interest revenue.

OTHER PROPERTY AND SERVICES
Objective:
To monitor and control council's overheads operating accounts.

Activities:
Other unclassified Activities.

(c) Conditions over Grants/Contributions

During the reporting period Tamala Park Regional Council did not hold any grants/contributions over which there are conditions.

	Note	2016 $	2015 $
3. CASH AND CASH EQUIVALENTS			
Unrestricted		47,135,952	46,060,590
		47,135,952	46,060,590
4. TRADE AND OTHER RECEIVABLES			
Current			
Sundry debtors		201,815	180,487
GST receivable		2,793	3,846
Accrued Interest		188,350	175,391
Settlement bonds		900	29,400
Settlement bonds - Lot 1 McAllister		10,650	0
		404,508	389,124
5. INVENTORIES			
Non-current			
Land held for resale - cost			
Cost of acquisition		1,800,000	1,818,182
		1,800,000	1,818,182

	2016 $	2015 $
6 (a). PROPERTY, PLANT AND EQUIPMENT		
Improvements to leasehold property at:		
- Management valuation 2013 - level 3	101,260	101,260
Less accumulated depreciation	(16,617)	(11,078)
	84,643	90,182
Furniture and equipment at:		
- Management valuation 2014 - level 3	800	800
- Additions after valuation - cost	8,285	6,968
Less accumulated depreciation	(5,087)	(3,172)
	3,998	4,596
Plant and equipment at:		
- Management valuation 2016 - level 3	42,727	0
- Additions after valuation - cost	0	65,303
Less accumulated depreciation	0	(8,138)
	42,727	57,165
	131,368	151,943

The fair value of property, plant and equipment is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Movements in Carrying Amounts

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Balance at the Beginning of the Year $	Additions $	(Disposals) $	Revaluation Increments/ (Decrements) Transferred to Revaluation $	Revaluation Increments/ (Decrements) $	Impairment (Losses)/ Reversals $	Depreciation (Expense) $	Transfers $	Carrying Amount at the End of Year $
Improvements to leasehold property	90,182	0	0	0	0	0	(5,539)	0	84,643
Furniture and equipment	4,596	1,317	0	0	0	0	(1,915)	0	3,998
Plant and equipment	57,165			(1,164)	(3,469)	0	(9,805)	0	42,727
Total property, plant and equipment	**151,943**	**1,317**	**0**	**(1,164)**	**(3,469)**	**0**	**(17,259)**	**0**	**131,368**

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Improvements to leasehold property	Level 3	Management	Depreciated replacement Cost	June 2016	Level 3 inputs in the fair value hierarchy
Furniture and equipment	Level 3	Management	Observable open market value	June 2016	Level 3 inputs in the fair value hierarchy
Plant and equipment	Level 3	Management	Observable open market value	June 2016	Level 3 inputs in the fair value hierarchy

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

7. TRADE AND OTHER PAYABLES

	2016 $	2015 $
Current		
Sundry creditors	42,318	163,501
Accrued salaries and wages	10,851	7,080
ATO liabilities	13,716	14,965
FBT Liabilities	1,490	1,692
Accrued expenses	4,800	4,500
	73,175	191,738

8. LONG-TERM BORROWINGS

During the reporting period the Regional Council did not have any long term borrowings at the reporting date.

9. PROVISIONS

	Provision for Annual Leave $	Provision for Long Service Leave $	Total $
Opening balance at 1 July 2015			
Current provisions	102,906	0	102,906
Non-current provisions	0	30,931	30,931
	102,906	30,931	133,837
Additional provision	18,525	25,721	44,246
Balance at 30 June 2016	121,431	56,652	178,083
Comprises			
Current	121,431	0	121,431
Non-current	0	56,652	56,652
	121,431	56,652	178,083

	2016 $	2016 Budget $	2015 $
10. MEMBERS CONTRIBUTIONS			
(a) Town of Victoria Park			
Opening balance	4,007,855	4,007,855	3,535,548
Land development expenses	(1,883,556)	(3,969,213)	(1,957,706)
Proceeds of sale of member land	3,211,696	3,533,578	5,006,422
Return of Contribution	(1,250,000)	(1,500,000)	(2,583,334)
Rates equivalent	(25,838)	(29,221)	(35,214)
TPRC Nett Result	41,557	(35,652)	42,140
	4,101,714	2,007,348	4,007,855
(b) City of Perth			
Opening balance	4,007,855	4,007,855	3,535,548
Land development expenses	(1,883,556)	(3,969,213)	(1,957,706)
Proceeds of sale of member land	3,211,696	3,533,578	5,006,422
Return of Contribution	(1,250,000)	(1,500,000)	(2,583,334)
Rates equivalent	(25,838)	(29,221)	(35,214)
TPRC Nett Result	41,557	(35,652)	42,140
	4,101,714	2,007,348	4,007,855
(c) Town of Cambridge			
Opening balance	4,007,855	4,007,855	3,535,548
Land development expenses	(1,883,556)	(3,969,213)	(1,957,706)
Proceeds of sale of member land	3,211,696	3,533,578	5,006,422
Return of Contribution	(1,250,000)	(1,500,000)	(2,583,334)
Rates equivalent	(25,838)	(29,221)	(35,214)
TPRC Nett Result	41,557	(35,652)	42,140
	4,101,714	2,007,348	4,007,855
(d) City of Joondalup			
Opening balance	8,015,711	8,015,711	7,071,097
Land development expenses	(3,767,112)	(7,938,425)	(3,915,418)
Proceeds of sale of member land	6,423,392	7,067,156	10,012,845
Return of Contribution	(2,500,000)	(3,000,000)	(5,166,666)
Rates equivalent	(51,677)	(58,442)	(70,426)
TPRC Nett Result	83,114	(71,304)	84,279
	8,203,428	4,014,696	8,015,711
(e) City of Wanneroo			
Opening balance	8,015,711	8,015,711	7,071,097
Land development expenses	(3,767,112)	(7,938,425)	(3,915,418)
Proceeds of sale of member land	6,423,392	7,067,156	10,012,845
Return of Contribution	(2,500,000)	(3,000,000)	(5,166,666)
Rates equivalent	(51,677)	(58,442)	(70,426)
TPRC Nett Result	83,114	(71,304)	84,279
	8,203,428	4,014,696	8,015,711
(f) City of Vincent			
Opening balance	4,007,855	4,007,855	3,535,548
Land development expenses	(1,883,556)	(3,969,213)	(1,957,706)
Proceeds of sale of member land	3,211,696	3,533,578	5,006,422
Return of Contribution	(1,250,000)	(1,500,000)	(2,583,334)
Rates equivalent	(25,838)	(29,221)	(35,214)
TPRC Nett Result	41,557	(35,652)	42,140
	4,101,714	2,007,348	4,007,855

10 MEMBERS CONTRIBUTIONS (continued)

	2016 $	2016 Budget $	2015 $
(g) City of Stirling			
Opening balance	16,031,421	16,031,421	14,142,194
Land development expenses	(7,534,221)	(15,876,850)	(7,830,834)
Proceeds of sale of member land	12,846,785	14,134,313	20,025,689
Return of Contribution	(5,000,000)	(6,000,000)	(10,333,332)
Rates equivalent	(103,353)	(116,883)	(140,854)
TPRC Nett Result	166,227	(142,608)	168,558
	16,406,857	8,029,392	16,031,421
TOTAL MEMBERS CONTRIBUTIONS	49,220,570	24,088,175	48,094,264
Total Opening balance	48,094,264	48,094,264	42,426,580
Land development expenses	(22,602,669)	(47,630,551)	(23,492,495)
Proceeds of sale of member land	38,540,353	42,402,937	60,077,067
Return of Contribution	(15,000,000)	(18,000,000)	(31,000,000)
Rates equivalent	(310,059)	(350,650)	(422,562)
TPRC Nett Result	498,681	(427,825)	505,674
TOTAL EQUITY	49,220,570	24,088,175	48,094,264

11. REVALUATION SURPLUS

Revaluation surpluses have arisen on revaluation of the following classes of non-current assets:

	2016 $	2015 $
(a) Improvements to leasehold property		
Opening balance	6,353	6,353
Revaluation increment	0	0
	6,353	6,353
(b) Plant and equipment		
Opening balance	1,164	0
Revaluation increment	0	1,164
Revaluation decrement	(1,164)	0
	0	1,164
TOTAL ASSET REVALUATION SURPLUS	6,353	7,517

12. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	2016 $	2016 Budget $	2015 $
Cash and cash equivalents	47,135,952	22,194,684	46,060,590

(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result

	2016 $	2016 Budget $	2015 $
Net result	499,845	(427,825)	505,674
Non-cash flows in Net result:			
Depreciation	17,259	17,797	16,250
(Profit)/Loss on sale of asset	0	0	(956)
Changes in assets and liabilities:			
(Increase)/Decrease in receivables	(15,384)	189,124	345,944
(Increase)/Decrease in inventories	18,182	0	0
Increase/(Decrease) in payables	(118,563)	(41,738)	(395,957)
Increase/(Decrease) in provisions	44,246	0	41,348
Net cash from operating activities	449,054	(262,642)	512,303

(c) Undrawn Borrowing Facilities Credit Standby Arrangements

The Regional Council does not have any undrawn borrowing facilities at 30 June 2016.

13. CONTINGENT LIABILITIES

There were no known contingent liabilites at 30 June 2016.

14. CAPITAL AND LEASING COMMITMENTS

The Regional Council did not have any future operating lease commitments at the reporting date.

(b) Capital Expenditure Commitments

The Regional Council did not have any future capital expenditure commitments at the reporting date.

15. JOINT VENTURE ARRANGEMENTS

The Regional Council is not involved in any joint venture arrangements.

16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2016 $	2015 $
Governance	4,596	4,596
Other property and services	176,747	176,474
Unallocated	49,290,485	48,238,769
	49,471,828	48,419,839

17. FINANCIAL RATIOS

	2016	2015	2014
Current ratio	244.29	157.65	61.98
Asset sustainability ratio	0.08	4.02	0.51
Debt service cover ratio	0.00	0.00	0.00
Operating surplus ratio	0.35	0.35	(0.17)
Own source revenue coverage ratio	1.53	1.51	1.20

The above ratios are calculated as follows:

Current ratio	current assets minus restricted assets / current liabilities minus liabilities associated with restricted assets
Asset sustainability ratio	capital renewal and replacement expenditure / Depreciation expenses
Debt service cover ratio	annual operating surplus before interest and depreciation / principal and interest
Operating surplus ratio	operating revenue minus operating expenses / own source operating revenue
Own source revenue coverage ratio	own source operating revenue / operating expenses

Notes:

Information relating to the **asset consumption ratio** and the **asset renewal funding ratio** can be found at Supplementary Ratio Information on Page 36 of this document.

18. TRUST FUNDS

The Regional Council holds no funds in trust for other entities.

19. DISPOSALS OF ASSETS - 2015/16 FINANCIAL YEAR

No assets were disposed of during the year.

20. INFORMATION ON BORROWINGS

(a) Repayments - Debentures - 2015/16

The Regional Council did not have any borrowings during the reporting period.

(b) New Debentures - 2015/16

The Regional Council did not take up any new debentures during the reporting period.

(c) Unspent Debentures

The Regional Council did not have any unspent debentures as at 30 June 2016.

(d) Overdraft

The Regional Council does not have an overdraft facility.

21. RATING INFORMATION - 2015/16 FINANCIAL YEAR

(a) The Regional Council did not impose any rates on property during the reporting period.

21. RATING INFORMATION - 2015/16 FINANCIAL YEAR (Continued)

(b) Composition of net current assets

	2016 (30 June 2016 Carried Forward) $	2016 (1 July 2015 Brought Forward) $	2015 (30 June 2015 Carried Forward) $
Surplus/(Deficit) 1 July 15 brought forward	47,345,854	46,155,070	46,155,070
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	47,135,952	46,060,590	46,060,590
Receivables			
Sundry debtors	201,815	180,487	180,487
GST receivable	2,793	3,846	3,846
Accrued Interest	188,350	175,391	175,391
Settlement bonds	900	29,400	29,400
Settlement bonds - Lot 1 McAllister	10,650	0	0
LESS:CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(42,318)	(163,501)	(163,501)
Accrued salaries and wages	(10,851)	(7,080)	(7,080)
ATO liabilities	(13,716)	(14,965)	(14,965)
FBT Liabilities	(1,490)	(1,692)	(1,692)
Accrued expenses	(4,800)	(4,500)	(4,500)
Provisions			
Provision for annual leave	(121,431)	(102,906)	(102,906)
Unadjusted net current assets	**47,345,854**	**46,155,070**	**46,155,070**
Adjusted net current assets - surplus/(deficit)	**47,345,854**	**46,155,070**	**46,155,070**

Difference
There was no difference between the surplus/(deficit) 1 July 2015 brought forward position used in the 2016 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2015 audited financial report.

22. SPECIFIED AREA RATE - 2015/16 FINANCIAL YEAR

The Regional Council did not impose any Specified Area Rates during the reporting period.

23. SERVICE CHARGES - 2015/16 FINANCIAL YEAR

The Regional Council did not impose any service charges during the reporting period.

24. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS - 2015/16 FINANCIAL YEAR

The Regional Council did not offer any discounts, provide any concessions or allow any write offs during the reporting period.

25. INTEREST CHARGES AND INSTALMENTS - 2015/16 FINANCIAL YEAR

The Regional Council did not impose interest charges during the reporting period.

26. FEES & CHARGES

There were no fees and charges applied during the reporting period.

27. GRANT REVENUE

The Regional Council did not receive any Grant Revenue during the reporting period.

28. EMPLOYEE NUMBERS

	2016	2015
The number of full-time equivalent employees at balance date	3	3

29. ELECTED MEMBERS REMUNERATION

The following fees, expenses and allowances were paid to council members and/or the president.

	2016 $	2016 Budget $	2015 $
Elected Members Remuneration	128,750	128,700	131,708
Alternate Elected Members Remuneration	512	2,000	420
Chairman's Allowance	19,570	19,570	15,338
Deputy Chairman’s allowance	4,892	4,893	4,857
	153,724	155,163	152,323

30. MAJOR LAND TRANSACTIONS

The Regional Council did not participate in any major land transactions during the reporting period.

31. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The Regional Council did not participate in any trading undertakings or major trading undertakings during the reporting period.

32. FINANCIAL RISK MANAGEMENT

The Regional Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk interest rate risk. The Regional Council's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Regional Council.

The Regional Council does not engage in transactions expressed in foreign currencies and is therefore not subject foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council.

The Regional Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Financial assets				
Cash and cash equivalents	47,135,952	46,060,590	47,135,952	46,060,590
Receivables	404,508	389,124	404,508	389,124
	47,540,460	46,449,714	47,540,460	46,449,714
Financial liabilities				
Payables	73,175	191,738	73,175	191,738
	73,175	191,738	73,175	191,735

Fair value is determined as follows:

Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.

(a) Cash and Cash Equivalents

The Regional Council's objective is to maximise its return on cash and investments whilst maintaining an level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the Regional Council.

32. FINANCIAL RISK MANAGEMENT (continued)

The Regional Council manages these risks by diversifying its portfolio and only investing in investments authorised by *Local Government (Financial Management) Regulation 19C*. Council also seeks advice from independent advisers (where considered necessary) before placing any cash and investments.

	2016 $	2015 $
Impact of a 1% [1] movement in interest rates on cash		
- Equity	507,412	462,469
- Statement of Comprehensive Income	507,412	462,469

Notes:
[1] Sensitivity percentages based on management's expectation of future possible market movements.

(b) Receivables

The Regional Council's major receivables comprise user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Regional Council manages this risk by monitoring outstanding debt and employing debt recovery policies.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

The Regional Council makes suitable provision for doubtful receivables as required and carries out credit most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Regional Council's credit risk at balance date was:

	2016	2015
Percentage of other receivables		
- Current	51%	53%
- Overdue	2%	2%

32. FINANCIAL RISK MANAGEMENT (continued)

(c) Payables

Payables are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Regional Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required.

The contractual undiscounted cash flows of the Regional Council's Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	Due within 1 year $	Due between 1 & 5 years $	Due after 5 years $	Total contractual cash flows $	Carrying values $
2016					
Payables	73,175	0	0	73,175	73,175
	73,175	0	0	73,175	73,175
2015					
Payables	191,738	0	0	191,738	191,738
	191,738	0	0	191,738	191,738

RATIO INFORMATION

The following information relates to those ratios which only require attestation they have been checked and are supported by verifiable information. It does not form part of the audited financial report

	2016	2015	2014
Asset consumption ratio	0.66	0.80	0.81
Asset renewal funding ratio	1.57	1.96	N/A

The above ratios are calculated as follows:

Asset consumption ratio

$$\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$$

Asset renewal funding ratio

$$\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$$

Appendix 9.7

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TAMALA PARK REGIONAL COUNCIL

Report on the Financial Report

We have audited the accompanying financial report of Tamala Park Regional Council which comprises the statement of financial position as at 30 June 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Chief Executive Officer.

Management's Responsibility for the Financial Report

Management is responsible for the preparation of the financial report which gives a true and fair view in accordance with Australian Accounting Standards, the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Council's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Unit 16, First Floor
Spectrum Offices
100 Railway Road
(Cnr Hay Street)
Subiaco WA 6008

Tel : (08) 6389 5222
Fax : (08) 6389 5255
mail@butlersettineri.com.au
www.butlersettineri.com.au

Locked Bag 18
Subiaco WA 6904
Australia

Auditor's Opinion

In our opinion, the financial report of Tamala Park Regional Council is in accordance with the underlying records of management including:

a) giving a true and fair view of the financial position of Tamala Park Regional Council as at 30 June 2016 and of its performance for the year ended on that date; and

b) complies with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to page 37 of the financial report "Supplementary Ratio Information", which describes certain ratio information relating to the financial report. Management's calculation of these ratios includes assumptions about future capital expenditure and hence falls outside our audit scope. We do not therefore express an opinion on these ratios.

However, we have reviewed the calculations as presented and in our opinion these are based on verifiable information and appear reasonable.

Reporting on Other Legal and Regulatory Requirements

We did not, during the course of our audit, become aware of any instances where the Council did not comply with the statutory requirements of the Local Government Act (1995) (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

In accordance with the Local Government (audit) Regulations 1996, we also report that:

a) There are no material matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Regional Council.

b) The Regional Council substantially complied with Part 6 of the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

c) All information and explanations required were obtained by us.

d) All audit procedures were satisfactorily completed in conducting our audit.

BUTLER SETTINERI (AUDIT) PTY LTD

MARIUS VAN DER MERWE CA
Director

Perth
Date: 1 September 2016

Appendix 9.8

TAMALA PARK Regional Council

POLICY MANUAL

Investment Policy

(~~July~~ September ~~2015~~2016)

1. POLICY

1.1 Objectives

- To undertake authorised investment of surplus funds after assessing credit risk and diversification limits.
- To maximise earnings from authorised investments and ensure the security of Tamala Park Regional Council (TPRC) funds.
- To preserve TPRC capital funds.
- To ensure provision of sufficient liquidity to meet TPRC cash flow requirements as and when they fall due without incurring significant costs due to unanticipated sales of investments.
- To target a minimum market average return based upon accepted investment indicators reflecting the Council's risk tolerance.

1.2 Authority for Investment

All investments are to be made generally in accordance with:

- Local Government Act 1995 Section 6.14.
- Trustees Act 1962 and particularly Part 3 Investments
- The Local Government Financial Management Regulations
- Local Government Operational Guidelines No 19 – Investment Policy
- Australian Accounting Standards

1.3 Delegation of Authority

The Chief Executive Officer or delegated representative(s) have authority to invest surplus funds.

1.4 Prudent Person Standard

The investment will be managed with the care, diligence and skill that a prudent person would exercise. Officers are to manage the investment portfolios to safeguard the portfolios in accordance with the spirit of this investment policy, and not for speculative purposes.

1.5 Risk Profile

When exercising the power of investment the following are to be given consideration:

- The purpose of the investment and the needs and circumstances;
- The desirability of diversifying investments;
- The nature of and risk associated with existing investments;
- The need to maintain the real value of the capital and income;
- The risk of capital or income loss or depreciation;
- The potential for capital appreciation;

- The likely income return and the timing of income return;
- The length of the term of the proposed investment;
- ~~The probable duration of the fund;~~
- The liquidity and the marketability of the proposed investment during, and on the determination of, the term of the proposed investment;
- The aggregate value of the investment;
- The effect of the proposed investment in relation to the tax liability (if any)
- The likelihood of inflation affecting the value of the proposed investment;
- The costs (including commissions, fees, charges and duties payable) of making the proposed investment; and
- The results of a review of existing investments.

1.6 Authorised Investments

(i) Investments in Managed Funds would include:

Fund Type	Minimum Investment Time Horizon	Minimum Rating (where applicable)	Maximum Exposure as % Total Investment Portfolio
Cash Funds (at call)	0-366 days	A	0-100
Cash Plus/Cash Enhanced	3-12 months	A	0-95
Diversified Funds/or Equivalent	3-5 years	A	0-15
Fixed Interest Funds	3-5 years	A	0-15

(ii) Council Direct Investments would include, but not necessarily limited to

- Bank accepted/endorsed bank bills;
- Bank negotiable Certificates of Deposit;
- Bank interest bearing deposits;
- State/Commonwealth Government Bonds;
- Bank backed floating rate notes
- Mortgage backed securities

1.7 Guidelines

(a) Council's Direct Investments

(i) Quotations on Investments

Not less than three (3) quotations shall be obtained from authorised institutions whenever an investment is proposed. The best quote on the day will be successful after allowing for administrative and banking costs, as well as having regard to the limits set ~~above~~in this Policy.

(ii) Term to Maturity

The term to maturity of any Council's direct investment may range from at Call to 1 year or 366 days.

(b) Diversification/Credit Risk

(i) Managed Fund Investments

The total amount invested with any one fund manager should not exceed **45%** of average annual funds invested (or projected).

Long Term Rating	Short Term Rating	Maximum % of funds
AAA to **AA**	A1+	45%
A+ to **A-**	A1	30%
BBB+BBB**-**	A2	nil

(ii) Credit Ratings

If any of the funds/securities held are downgraded such that they no longer fall within Council's investment policy guidelines, they will be divested within **30** days or as soon as is practicable.

The short term rating order 0-365 days (as defined by S & P Australian Ratings) is:

A1+	Extremely strong degree of safety regarding timely payout
A1	A strong degree of safety for timely payment
A2	A satisfactory capacity for timely payment
AAA AAA	An extremely strong capacity to repay
AA+ to AA	A strong capacity to repay

A+ to A-	A strong capacity to repay
BBB+ to BBB-	An adequate capacity to repay

(c) Performance Benchmarks

Investment	Performance Benchmark
Cash/Cash Plus/or Equivalent/Direct Investments	11AM and UBSWA Bank Bill Index UBSWA 0-3yr &/or
Fixed Interest	Master Index
Capital Stable Funds	CPI + 2% AV. Rolling 3 yr periods.

(d) Reporting

A report will be provided to each bi-monthly ordinary Council meeting, detailing the investment portfolio in terms of performance and counterpart percentage exposure of total portfolio, maturity date and changes in market value

(e) Variation to Policy

The Chief Executive Officer is authorized to approve variations to this policy following consultation with the Chairman if the investment is to Council's advantage and/or due to revised legislation.

All changes to this policy are to be reported to the meeting of the Council following the change and in the event that a meeting of the Council is not scheduled within 14 days then an interim report is to be made to both the Chairman of the Council and to the Chairman of the Audit Committee of the Council.

2. OPERATIONAL PROVISIONS

Investment Limits

- Maximum investment of total funds with any one institution having an A-1 short term rating or better shall be 75%.
- Maximum investment of total funds with any one institution having an A-1 or less short term rating shall be 60%.

Investment Policy

(~~July~~ September ~~2015~~2016)

- Total funds held in shares should not exceed 5% of funds invested and no single share holding in a public company should have a value greater than 1% of total investment funds at the time of placement.
- No single property value should be greater than 5% of the total investment funds at the time of purchase and total property value is not to exceed 15% of total investment of funds at any one time.
- Notwithstanding the investment limits shown above, the Council, **where land or capital funds are invested in ~~infrastructure or~~property development within the TPRC area** may vary the investment limits subject to the criteria listed under the heading 'TPRC investments in TPRC development'.

Preference

Priority is to be given to institutions that are Australian institutions with business offices located in Western Australia.

Income maximisation and risk level management is to feature prominently in the determination of fund's placement with preferred institutions.

Guarantee

That in the case of term deposits, the return of principle and interest is a pre-requisite of a financial investment. Institutions that fall short of this requirement are required to provide a guarantee of return or a back-to-back arrangement with another institution for the return of investments on maturity.

Prohibited Investments

This ~~investment policy~~ Policy prohibits any investment carried out for speculative purposes including:

- Derivative based instruments,
- Principal only investments or securities that provide potentially nil or negative cash flow, and
- Stand alone securities issued that have underlying futures, options, forward contracts and swaps of any kind.

This ~~policy~~ Policy prohibits the use of leveraging, (borrowing to invest) of an investment, however, this prohibition may be varied, subject to the criteria listed under the heading 'TPRC investments in TPRC development', except in the special circumstances where investment is made in infrastructure or capital developments within the TPRC area.

Investment Policy

(~~July~~ September ~~2015~~2016)

Monthly Reconciliation and Advice

It is a requirement that funds placed with approved institutions or withdrawal of such funds made are to be reconciled monthly and matched with Council records.

Details of maturity and rollover investments are to be recorded as expended on new investments (as the case requires) in the Investment Register with an Investment Transaction Voucher prepared on the date of maturity or rollover for ledger entry.

Investment Register

An Investment Register shall be maintained containing the following particulars with respect to each investment.

1. Date of investment;
2. Fund ~~from~~ in which money is being invested;
3. The investment amount;
4. The investment house or party with whom the investment is lodged;
5. Type of investment;
6. Security status and nature of security;
7. Date of maturity;
8. Investment interest rate;
9. Interest payment terms;
10. Penalties applicable for pre-expiry termination of investment;~~.~~
11. Officer initialising the investment~~.~~;

~~12. Contract arrangements with borrower in respect of the investment name, address and business status of any Trustee holding security for any investment on behalf of the TPRC.~~

~~13.~~12. The particulars and location of any security held by Trustees on behalf of the TPRC~~.~~;

~~14.~~13. The location and any security for an investment held directly by the TPRC~~.~~;

~~15.~~14. The Investment Register is to be completed prior to the close of business on the day on which the investment is made~~.~~;

~~16.~~15. The Investment Register and Ledger are to be reconciled at least monthly.

Formatted: No bullets or numbering

Initiating Investment

1. All cheques initiating investments are to be drawn by voucher or bill payment request.
2. Investments made with a new investment house must receive and be endorsed by the Chief Executive Officer.
3. The purchase of shares or related products and/or properties for the purpose of long term investments, as endorsed by Council shall have such investments evaluated by professional experts prior to purchase.

Investment Policy

(~~July~~ September ~~2015~~2016)

4. A maturing investment payment from one investment may not be used to directly initiate one investment of another class or with another borrower.

TPRC Investments in TPRC Development

Notwithstanding anything contained in ~~the~~ this ~~investment policy above~~Policy, the Council may, subject to ~~confirming~~ receiving investment advice:-

Invest funds in ~~infrastructure or~~ property development within the TPRC development project where the application of funds:

- Is consistent with the TPRC purpose and development objectives;
- Will produce economic, social and environmental outcomes consistent with the TPRC development objectives;
- Has potential for increasing (of the unsold) value of land in the TPRC area other than the land in respect of which the direct investment is made;
- Has a defined payback period for invested ~~principle~~principal;
- Produces an internal rate of return at least equivalent to the 30 day USBW cash rate for the period of investment;
- Has an ongoing revenue return following repayment of principle; and
- Is independently assessed for financial viability and security by a competent investment adviser.

This Investment Policy is authorised by the Chief Executive Officer on ~~13 August 2015~~20 October 2016.

Signature:

Name: JOHN ANTHONY ARIAS

Date: ~~13 August 2015~~20 October 2016

Appendix 9.9

TAMALA PARK Regional Council

POLICY MANUAL

Financial Management – Significant Accounting Policies

(~~July~~ September ~~2015~~2016)

POLICY

Objective

To adopt Full Accrual Accounting and all other applicable Accounting Standards.

Local Government Reference

- Local Government Act 1995
- Local Government (Financial Management) Regulations 1996
- Australian Accounting Standards

1. Significant Accounting Policies

The significant accounting policies which have been adopted by Council in the preparation of the financial report are:

(a) Basis of Preparation

The financial report is a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

All amounts are disclosed in Australian Dollars.

Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified where applicable, by the measurement at fair value of the selected non-current assets, financial assets and liabilities.

Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Financial Management – Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

~~(b)~~ The Local Government Reporting Entity

Formatted: Font: (Default) Arial, Bold

Formatted: Normal, No bullets or numbering

All Funds through which the Regional Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements, but are detailed in a separate statement.

~~(c)~~(b) Goods and Services Tax (GST)

Revenues, expenses and assets capitalised are stated net of any GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables ~~in the statement of financial position~~ are stated inclusive of applicable GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO, is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO, are presented as operating cash flows.

~~(d)~~(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in the statement of financial position.

~~(e)~~(d) Trade and Other Receivables

Trade and other receivables include amounts due from third parties for goods sold and services performed in the ordinary course of business.

Financial Management – Significant Accounting Policies

(~~July~~ September ~~2015~~2016)

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

~~(f)~~(e) Inventories

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land Held for ~~Re~~sale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in ~~the statement of comprehensive income~~ profit and loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on Council's intention to release for sale.

~~(g)~~(f) Fixed Assets

Each class of fixed assets is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Mandatory Requirement to Revalue Non-Current Assets

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at fair value became mandatory.

Financial Management – Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

~~The amendments allow for a phasing in of fair value in relation to fixed assets over three years as follows:~~
~~(a) or the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and~~
~~(b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government –~~
~~(i) that are plant and equipment; and~~
~~(ii) that are –~~
~~(I) land and buildings; or~~
~~(II) infrastructure;~~
~~and~~
~~(c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.~~

During the year ended 30 June 2013, the Regional Council commenced the process of adopting Fair Value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the requirements.

Thereafter, ~~in accordance with the regulations,~~ each asset class must be revalued ~~at least every 3 years~~ in accordance with the regulatory framework established and the Regional Council revalues its asset classes in accordance with this mandatory timetable.

~~Council has commenced the process of adopting Fair Value in accordance with the Regulations.~~
Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

~~Land Under Control~~

~~In accordance with Local Government (Financial Management) Regulation 16(a), the Council is required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance.~~

~~The Council has determined that it does not have any land to be recognised under the requirement.~~

Financial Management – Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

Initial Recognition and Measurement Between Mandatory Revaluation Dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, ~~C~~cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Regional Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

~~Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable future economic benefits associated with the item will flow to the Regional Council and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of comprehensive income in the period in which they are incurred.~~
Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

~~Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.~~

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases in the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised as profit or loss.

~~Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.~~

Financial Management – Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

~~Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.~~

~~Early Adoption of AASB 13 - Fair Value Measurement~~

~~Whilst the new accounting standard in relation to fair value, AASB 13 - Fair Value Measurement does not become applicable until the end of the year ended 30 June 2014 (in relation to Council), given the legislative need to commence using Fair Value methodology for this reporting period, the Council chose to early adopt AASB 13 (as allowed for in the standard).~~

~~As a consequence, the principles embodied in AASB 13 - Fair Value Measurement have been applied to this reporting period (year ended 30 June 2013).~~

~~Due to the nature and timing of the adoption (driven by legislation), the adoption of this standard has had no effect on previous reporting periods.~~

~~Land under Roads~~

~~In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.~~

~~Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB1051 - Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.~~

~~In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.~~

~~Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.~~

~~Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Regional Council.~~

Depreciation ~~***of Non-Current Assets***~~

~~**Assets**~~

~~All non-current assets having a limited useful life (excluding freehold land) are separately and systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.~~

~~Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.~~
The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in the following way:
Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

~~Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period~~. Major depreciation periods used for each class of depreciable asset are:

Computer Equipment	4 years
Furniture and Equipment	4 to 10 Years
Printers, photocopiers and scanners	5 Years
Floor Coverings	8 Years
Phones and Faxes	6 to 7 Years
Plant and Equipment	5 to 15 Years
~~Infrastructure~~	~~30 to 50 Years~~

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise. ~~When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.~~

Capitalisation Threshold

Expenditure on items of equipment under $1,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

~~**Intangible Assets**~~

~~**Easements**~~

~~Regulation 16 of the Local Government (Financial Management) Regulations 1996 requires easements to be recognised as assets. The Council does not have any easements.~~

~~**(h) Financial Instruments**~~

~~***Initial Recognition and Measurement***~~

~~Financial assets and financial liabilities are recognised when the Regional Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Regional Council commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).~~

~~Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.~~

~~Classification and Subsequent Measurement~~

~~Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost.~~

~~Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.~~

~~Amortised cost is calculated as:~~

~~*(a)* the amount in which the financial asset or financial liability is measured at initial recognition;~~

~~*(b)* less principal repayments;~~

~~*(c)* plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and~~

~~*(d)* less any reduction for impairment.~~

~~The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.~~

~~*(i)* Financial assets at fair value through profit and loss~~

~~Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.~~

~~*(ii)* Loans and receivables~~

~~Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.~~

~~Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.~~

~~*(iii)* Held-to-maturity investments~~

~~Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments and fixed maturities that the Regional Council's management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost.~~

Financial Management –
Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

~~Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.~~

~~*(iv)* Available-for-sale financial assets~~

~~Available-for-sale financial assets, are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable.~~

~~They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to the asset previously recognised in other comprehensive income, is reclassified into profit or loss.~~

~~Available-for-sale financial assets are included in current assets where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as non-current.~~

~~*(v)* Financial liabilities~~

~~Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.~~

~~***Impairment***~~

~~At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired.~~

~~Available-for-sale financial assets are included in current assets where they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current.~~

~~In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.~~

Financial Management –
Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

~~***Derecognition***~~

~~Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Regional Council no longer has any significant continued involvement in the risks and benefits associated with the asset.~~

~~Financial liabilities are derecognised where the related obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.~~

~~(i)~~(g) Fair Value of Assets and Liabilities

When performing a revaluation, the Regional Council uses a mix of both independent and management valuations using the following as a guide:

Fair Value is the price that the Regional Council would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2
Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3
Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques
The Regional Council selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Regional Council are consistent with one or more of the following valuation approaches:

Market approach
Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach
Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach
Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Regional Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued in accordance with the regulatory framework.

~~(j)~~(h) Impairment of Assets

In accordance with Australian Accounting Standards the Regional Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (eg AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

~~(k)~~(i) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Regional Council prior to the end of the financial year that are unpaid and arise when the Regional Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

~~(l)~~(i) Employee Benefits

Short-term employee benefits

Provision is made for the Regional Council's obligations for short-term employee benefits. ~~arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for the benefits. In determining the liability, consideration is given to the employee wage increases and the probability the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity matching the expected timing of cash flows.~~ Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Regional Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Regional Council's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

Financial Management – Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

The Regional Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Regional Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

~~(m)~~(k) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale~~.~~

~~(n)~~(l) Provisions

Provisions are recognised when:

a) the Regional Council has a present legal or constructive obligation as a result of past events;
b) for which it is probable that an outflow of economic benefits will result; and
c) that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

~~(o) Leases~~

~~Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Regional Council, are classified as finance leases.~~

~~Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values.~~

~~Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.~~

~~Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.~~

~~Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.~~

~~Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.~~

~~(p) Investments in Associates~~

~~Associates are entities in which the Council has significant influence through holding, directly or indirectly, 20% or more of the voting power of the Council. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Council's share of net assets of the associate entity. In addition, Council's share of the profit or loss of the associate entity is included in the Council's profit or loss.~~

~~The carrying amount of the investment includes goodwill relating to the associate. Any discount on acquisition, whereby the Council's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.~~

~~Profits and losses resulting from transactions between the Council and the associate are eliminated to the extent of the Council's interest in the associate.~~

Financial Management – Significant Accounting Policies

(~~July~~ September ~~2015~~2016)

~~(q)~~(m) ~~Joint Venture~~ Interests in Joint Arrangements

~~The Regional Council's interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the appropriate line items of the financial statement.~~

~~The Regional Council's interest in joint venture entities are recorded using the equity method of accounting in the financial report.~~

~~When the Regional Council contributes assets to the joint venture or if the Regional Council purchases assets from the joint venture, only the portion of gain or loss not attributable to the Regional Council's share of the joint venture shall be recognised. The Regional Council recognises the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.~~

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Regional Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 15.

~~(r)~~(n) Rates, Grants, Donations and Other Contributions

Rates, ~~G~~grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions~~.~~.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

~~(s)~~(o) Superannuation

The Regional Council contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Regional Council contributes are defined contribution plans.

~~(t)~~(p) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Regional Council's operational cycle. In the case of liabilities where the Regional Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Regional Council's intentions to release for sale.

~~(u)~~(q) Rounding Off Figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar.

~~(v)~~(r) Comparative Figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Regional Council applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

~~(w)~~(s) Budget Comparative Figures

Financial Management –
Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

~~(x)~~(t) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Regional Council.

Management's assessment of the new and amended pronouncements that are relevant to the Regional Council, applicable to future reporting periods and which have not yet been adopted are set out as follows:

Financial Management –
Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

	Title	Issued / Compiled	Applicable [(1)]	Impact
(i)	AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Regional Council, it is not anticipated the Standard will have any material effect.
(ii)	~~AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)~~ AASB 15 Revenue from Contracts with Customers ~~[AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]~~	December 2014~~September 2012~~	1 January 2018	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the Regional Council has with those third parties it has dealings with. It may or may not be significant.~~Nil – The revisions embodied in this Standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Regional Council (refer (i) above).~~

Financial Management –
Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

(iii)	AASB ~~15 Revenue from Contracts with Customers~~16 Leases	February 2016~~December 2014~~	1 January ~~2017~~2018	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted. Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Regional Council, the impact is not expected to be significant.~~This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.~~ ~~The effect of this Standard will depend upon the nature of future transactions the Regional Council has with those third parties it has dealings with. It~~

Financial Management – Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

				~~may or may not be significant.~~
(iv)	AASB ~~2013~~2014-~~9~~ 3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations ~~Conceptual Framework, Materiality and Financial Instruments~~ [AASB 1 & AASB 11]~~[Operative date: Part C Financial Instruments - 1 January 2015]~~	August 2014~~December 2013~~	1 January 2016~~Refer title column~~	This Standard amends AASB 11: *Joint Arrangements* to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3:*Business Combinations*, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.~~Part C of this Standard makes consequential amendments to AASB 9 and numerous other Standards and amends the permissions around certain applications relating to financial liabilities reissued at fair value.~~ ~~As the bulk of changes relate either to editorial or reference changes it is not expected to have a significant impact on the Regional Council.~~
(v)	AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and	August 2014	1 January 2016	This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of

Financial Management –
Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

Amortisation~~AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations~~

[AASB 116 & AASB ~~11~~138]

consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.~~This Standard amends AASB 11: Joint Arrangements to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: Business Combinations, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.~~

~~Since adoption of this Standard would impact only acquisitions of interests in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the Regional Council's financial statements.~~

Financial Management – Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

(vi)	AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15~~AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation~~ ~~[AASB 116 & 138]~~	~~August~~ December 2014	1 January ~~2016~~2017	Consequential changes to various Standards arising from the issuance of AASB 15. It will require changes to reflect the impact of AASB 15.~~This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.~~ ~~Given the Regional Council currently uses the expected pattern of consumption of the future economic benefits of an asset as the basis of calculation of depreciation, it is not expected to have a significant impact.~~
(vii)	AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]~~AASB 2015-2~~	January 2015~~December 2014~~	1 January ~~2017~~2016	This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and

	~~Amendments to Australian Accounting Standards arising from AASB 15~~			disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title column. It is not anticipated it will have any significant impact on disclosures as they currently exist and any changes will relate to presentation.~~Consequential changes to various Standards arising from the issuance of AASB 15.~~ ~~It will require changes to reflect the impact of AASB 15.~~
(viii)	AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities~~AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101~~	~~January~~ March 2015	1 ~~January~~ July 2016	The objective of this Standard is to extend the scope of AASB 124 *Related Party Disclosures* to include not-for-profit sector entities. The Standard is expected to have a significant disclosure impact on the financial report of the Regional Council as both Elected Members and Senior Management will be deemed to be Key

Financial Management – Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

[AASB 10, 124 & 1049]~~[AASB 7, 101, 134 & 1049]~~

Management Personnel and resultant disclosures will be necessary.~~This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements.~~

~~This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title column.~~

~~It is not anticipated it will have any significant impact on disclosures.~~

~~(ix)~~	~~AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality~~	~~January 2015~~	~~1 July 2015~~	~~This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing it to be completely withdrawn.~~ ~~It is not anticipated it will have a significant impact as the principles of materiality remain largely unchanged.~~
~~(x)~~	~~AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities~~ ~~[AASB 10, 124 & 1049]~~	~~March 2015~~	~~1 July 2016~~	~~The objective of this Standard is to extend the scope of AASB 124 Related Party Disclosures to include not-for-profit sector entities.~~ ~~The Standard is expected to have a significant disclosure impact on the financial report of the Regional Council as both Elected Members and Senior Management will be deemed to be Key Management Personnel and resultant disclosures will be necessary.~~

Notes:
(1) Applicable to reporting periods commencing on or after the given date.

TAMALA PARK
Regional Council

POLICY MANUAL

Financial Management –
Significant Accounting Policies
(~~July~~ September ~~2015~~2016)

(~~x~~u) Adoption of New and Revised Accounting Standards

During the current year, the Regional Council adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

These new and revised Standards were as follows:

(i) AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality

(ii) AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities or reporting practices or were either not applicable, largely editorial in nature, were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations.

~~AASB 2011-7~~
~~AASB 2012-3~~
~~AASB 2013-3~~
~~AASB 2013-8~~
~~AASB 2013-9 Parts A & B~~

~~Most of the Standards adopted had a minimal effect on the accounting and reporting practices of the Regional Council as they did not have a significant impact on the accounting or reporting practices or were either not applicable, largely editorial in nature, were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations.~~

This Financial Management – Significant Accounting Policies is authorised by the Chief Executive Officer on ~~13 August 2015~~20 October 2016.

Signature:

Name: JOHN ANTHONY ARIAS

Date: ~~13 August 2015~~20 October 2016

Appendix 9.10

TAMALA PARK REGIONAL COUNCIL

Asset Management Plan 2016

TAMALA PARK
Regional Council

Version 2.1

September 2016

Institute of Public Works Engineering Australia
AM4SRRC

Document Control					
Document ID: Tamala Park Regional Council - Asset Management Plan					
Rev No	**Date**	**Revision Details**	**Author**	**Reviewer**	**Approver**
1.0	24/01/2014	Initial compilation	DL		
1.1	4/06/2014	Minor review and update	DL	DL	
2.0	18/07/2016	Major Review and Update	DL	DL	
2.1	06/09/2016	Minor edits to correct typographical errors	DL	DL	

Asset Management for Small, Rural or Remote Communities Practice Note

The Institute of Public Works Engineering Australia.

www.ipwea.org.au/AM4SRRC

TABLE OF CONTENTS

This page is left intentionally blank.

1. EXECUTIVE SUMMARY

Context

In 1981 the Towns of Cambridge, Victoria Park and Vincent, and the Cities of Perth, Joondalup, Stirling and Wanneroo acquired a 432 hectare site (Lot 9504) at Tamala Park for landfill and future urban development.

The Tamala Park Regional Council was established in February 2006 to represent the interests of the seven local government owners in the development of the 170 hectare portion of developable land of Lot 9504.

The Tamala Park Regional Council has been established for the specific purpose of creating an urban development of 170 hectares of land immediately south of Neerabup Road and the area leased to the Mindarie Regional Council. When the land is fully developed the TPRC will have completed its Charter and will cease to exist.

The ownership of the land by the participating local governments is as follows:

LOCAL GOVERNMENT	TPRC SHAREHOLDING
Town of Cambridge	One twelfth share
City of Perth	One twelfth share
Town of Victoria Park	One twelfth share
Town of Vincent	One twelfth share
City of Joondalup	Two twelfths share
City of Wanneroo	Two twelfths share
City of Stirling	Four twelfths share

This plan acts as a tool to support the ability of Council to deliver well targeted, responsive and value for money maintenance and operational services for its customers.

The Asset Service

The Asset network comprises:

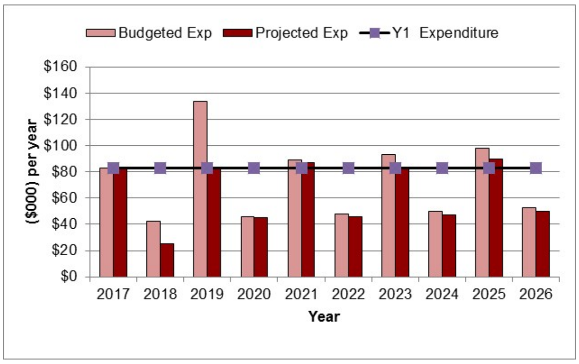
- 1 Motor Vehicle.
- 6 Items Computer Equipment.
- 1 Copier/Printer.
- 1 item of Electrical Goods.
- 29 items of office furniture and equipment.
- 1 Building Leasehold Refurbishment.

These assets have a current replacement value of $197,578.

What does it Cost?

The projected cost to provide the services covered by this Asset Management Plan includes operations, maintenance, renewal and upgrade of existing assets over the 10-year planning period is $639,000 or $64,000 per year.

Council's estimated available funding for this period is $735,000 or $74,000 per year, which is 115% of the cost to provide the service. This is a funding surplus of $10,000 per year. Projected and budgeted expenditure are shown in the graph below.



Councils' present funding levels are sufficient to continue to provide existing services at current levels in the medium term.

What we will do

The Asset Management Plan has been compiled based on the projects identified in the 2016/17 – 2025/26 Long Term Financial Plan. Based on the contents of the Long Term Financial Plan, the Council plans to provide asset services for the following:

- Operation and maintenance of Administration Office to meet service levels set by Council in annual budgets.
- Operation and maintenance of computer equipment and network infrastructure to permit the capturing, organising, sharing and using of information to enable us to meet our strategic objectives.
- Maintenance of furniture and equipment to enable staff to meet the service levels set by Council in annual budgets.
- Asset renewals include replacement of computer equipment, office furniture and equipment, office carpet, and replacement of Administration vehicle and works vehicle.

Managing the Risks

There are risks associated with providing the service and not being able to complete all identified activities and projects. We have identified major risks as:

- Fire
- Accident
- Fire and/or death
- Lack of maintaining inspection and maintenance systems.

These risks will be managed within available funding by:

- Maintaining adequate fire systems.
- Installation of warning signage and ensuring facilities are adequately staffed, where appropriate.
- Installation of hard wired smoke detectors.
- Establishing criteria to determine renewal and new/upgrade priorities.
- Ensure appropriate resources are allocated to maintain systems.

The Next Steps

The actions resulting from this Asset Management Plan are:

- Assess costs against actual.
- Prepare ranking system for renewals.
- Review maintenance practices and align with service level requirements.

Questions you may have

What is this Plan about?

This Asset Management Plan covers the infrastructure assets that serve the Tamala Park Regional Council needs. These assets include freehold land, motor vehicles, computer equipment, electronic equipment, office furniture and equipment, and telephonic equipment that allow the Regional Council to meet the needs of its customers and stakeholders.

What is an Asset Management Plan?

Asset management planning is a comprehensive process to ensure delivery of services from infrastructure is provided in a financially sustainable manner.

An Asset Management Plan details information about infrastructure assets including actions required to provide an agreed level of service in the most cost effective manner. The Plan defines the services to be provided, how the services are provided and what funds are required to provide the services.

Is there a funding shortfall?

The Regional Councils' present funding levels are sufficient to continue to provide existing services at current levels in the medium term (10 years).

The Council will need to continue to monitor and review its future renewal requirements and ensure that funding levels are sufficient to continue to provide the services at current levels.

2. INTRODUCTION

2.1 Background

This Asset Management Plan has been developed to demonstrate responsive management of the Council's assets (and services provided from these assets), compliance with regulatory requirements, and to communicate funding required to provide the required levels of service.

This asset management plan is to be read with Council's Asset Management Policy, Asset Management Strategy and the following associated planning documents:

- Plan for the Future
- Long Term Financial Plan
- Annual Budget
- Risk Management Plan
- Department of Local Government Asset Management Framework and Guidelines.

The assets shown in Council's asset register and covered by this asset management plan are shown in Table 2.1.

Table 2.1: Assets covered by this Plan

Asset category	Number	Replacement Value
Motor Vehicles	1	$65,303
Computer Equipment	6	$7,755
Printers and Copiers	1	$4,970
Electrical Goods	1	$2,900
Office furniture and equipment	29	$31,650
Building Leasehold Improvements	1	$85,000
TOTAL	**39**	**$197,578**

Key stakeholders in the preparation and implementation of this Asset Management Plan can be divided into internal and external stakeholders.

Internal stakeholders include:

Tamala Park Regional Council	Participant (member local government) representation and administration
TPRC employees	Council representation and administration, Identification and definition of level of service requirements

External stakeholders include:

Local Government Insurance Services	Minimisation of risk
Town of Cambridge	Project Shareholder
City of Perth	Project Shareholder
Town of Victoria Park	Project Shareholder
Town of Vincent	Project Shareholder
City of Joondalup	Project Shareholder
City of Wanneroo	Project Shareholder
City of Stirling	Project Shareholder

2.2 Goals and Objectives of Asset Management

The Tamala Park Regional Council is the corporate entity representing the interest of seven local governments in the urban development of 170 hectares of land in Clarkson and Mindarie. Council has acquired assets by 'purchase' and by contract.

Council's goal in managing assets is to meet the required level of service in the most cost effective manner. The key elements of asset management are:

- Taking a life cycle approach,
- Developing cost-effective management strategies for the long term,
- Providing a defined level of service and monitoring performance,
- Understanding and meeting the demands of growth through demand management and infrastructure investment,
- Managing risks associated with asset failures,
- Sustainable use of physical resources,
- Continuous improvement in asset management practices.[1]

The goal of this Asset Management Plan is to:

- Document the services/service levels to be provided and the costs of providing the service,
- Communicate the consequences for service levels and risk, where desired funding is not available, and
- Provide information to assist decision makers in trading off service levels, costs and risks to provide services in a financially sustainable manner.

2.3 Asset Management Plan Framework

Key elements of the Plan are

- Levels of service – specifies the services and levels of service to be provided by Council.
- Future demand – how this will impact on future service delivery and how this is to be met.
- Life cycle management – how the organisation will manage its existing and future assets to provide the required services
- Financial summary – what funds are required to provide the required services.
- Asset management practices
- Monitoring – how the plan will be monitored to ensure it is meeting the organisation's objectives.
- Asset management improvement plan

2.4 Core and Advanced Asset Management

This Asset Management Plan has been prepared as a first cut 'core' asset management plan in accordance with the International Infrastructure Management Manual[2] and the Asset Management Framework and Guidelines[3]. It is prepared to meet minimum legislative and organisational requirements for sustainable service delivery and long term financial planning and reporting. Core asset management is a 'top down' approach where analysis is applied at the 'system' or 'network' level.

2.5 Community Consultation

The Asset Management Framework and Guidelines[3] require local governments to consult with the community on their service requirements, expectations and satisfaction levels in relation to asset management.

[1] IPWEA, 2006, *IIMM* Sec 1.1.3, p 1.3.
[2] IPWEA, 2006.
[3] Department of Local Government (WA) 2011.

The Tamala Park Regional Council's key stakeholders are the seven member local governments who have shareholder interests in the Regional Council.

The local government is required to report annually on its asset management; with its customers providing feedback on the local government's asset management performance.

The formulation of the TPRC vision and objectives involved a comprehensive consultation process with the community, key stakeholders, the seven local government participants and decision making agencies over a number of years.

In particular the development of the Local Structure Plan (LSP) was undertaken through a public workshop (Design Charette), which scoped out the vision, objectives and key elements of the LSP.

A working group, made up of senior technical council officers of the seven local governments, helped to guide and formulate the TPRC and its objectives and regional purpose. Overseeing this process was a CEO Group from seven local governments.

There is ongoing consultation with the seven member local governments as the TPRC delivers the regional purpose for which it has been established.

This 'core' asset management plan has been prepared to facilitate consultation with its customers initially through feedback on the publicly available draft asset management plan prior to adoption by Council. Future revisions of the asset management plan will incorporate customer consultation on existing and future service needs, service levels and costs of providing the service.

This will assist Council and its customers in matching the level of service needed, service risks and consequences with the customer's ability to pay for the service.

3. LEVELS OF SERVICE

3.1 Customer Research and Expectations

There is ongoing consultation with the CEO's from the seven local governments and the seven member local governments on stakeholder expectations. This will be further investigated for future updates of the Asset Management Plan.

3.2 Legislative Requirements

Council has to meet many legislative requirements including Australian and State legislation and State regulations. Relevant legislation is shown in Table 3.2.

Table 3.2: Legislative Requirements

Legislation	Requirement
Local Government Act	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long term financial plan supported by asset management plans for sustainable service delivery.
Aboriginal Heritage Act 1972	Preservation of the community places and objects used by traditional owners.
Aboriginal Heritage Regulations 1974	Preservation of the community places and objects used by traditional owners.
WA Building Act 2011	Construction and building standards for all buildings in Australia.
Dangerous Goods Safety Act 2004	Relates to the safe storage, handling and transport of certain dangerous goods
Disability Services Act 1993	An Act for the establishment of the Disability Services Commission and the Ministerial Advisory Council on Disability, for the progress of principles applicable to people with disabilities, for the funding and provision of services to such people that meet certain objectives, for the resolution of complaints by such people and for related purposes.
Disability Services Regulations 2004	Current amendments to Disability Services Act (1993)
Dividing Fences Act 1961	Local government exemption from 50/50 contribution for dividing fences abutting public open space.
Environment Protection and Biodiversity Conservation Act 1999	Provides for the development of a Commonwealth Heritage List, which comprises natural, Indigenous and historic heritage places which are either entirely within a Commonwealth area, or outside the Australian jurisdiction and owned or leased by the Commonwealth or a Commonwealth Authority; and which the Minister is satisfied have one or more Commonwealth Heritage values.
Health Act 1911	Sets down the legislative requirements in relation to health standards for public buildings, including ablution facilities, and the handling and disposal of hazardous materials including asbestos.
Health (Public Buildings) Regulations 1992	The regulations are intended to address operational matters or those where the BCA is considered inadequate for the protection of public health or safety in and about a public building.
Heritage Act of WA 1990	Requires all local governments to compile and regularly review an inventory of local places, which are significant or may become significant heritage properties.
Land Administration Act 1997	An Act to consolidate and reform the law about Crown land and the compulsory acquisition of land generally, to repeal the Land Act 1933 and to provide for related matters.

Legislation	Requirement
Occupational Health and Safety Act 1984 and associated regulations	Administered in part by local governments to promote and improve standards for occupational health, safety and welfare and to coordinate administration of the laws relating to occupational safety and health for incidental and other purposes.
WA Planning and Development Act 2005	Sets specific controls over planning at a metropolitan and local level, as well as establishing more general controls over the subdivision of land.

3.3 Current Levels of Service

Council has defined service levels in two terms.

Community Levels of Service relate to the service outcomes that the community wants in terms of safety, quality, quantity, reliability, responsiveness, cost effectiveness and legislative compliance.

Community levels of service measures used in the Asset Management Plan are:

Quality	How good is the service?
Function	Does it meet users' needs?
Safety	Is the service safe?

Technical Levels of Service - Supporting the community service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities that the council undertakes to best achieve the desired community outcomes.

Technical service measures are linked to annual budgets covering:

- Operations – the regular activities to provide services such as opening hours:
- Maintenance – the activities necessary to retain an assets as near as practicable to its original condition (e.g. building and structure repairs),
- Renewal – the activities that return the service capability of an asset up to that which it had originally (e.g. building component replacement),
- Upgrade – the activities to provide an higher level of service or a new service that did not exist previously.
-

Council's current service levels are detailed in Table 3.3.

Table 3.3A: Motor Vehicle Current Service Levels

Key Performance Measure	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service
COMMUNITY LEVELS OF SERVICE				
Quality	▪ Plant is fit for purpose and maintained to assist end service.	▪ No. of complaints from users per annum. ▪ No of breakdowns and incidents	No incidents or complaints, with delivery on time to budget and to required standard	No incidents or complaints.
Function	▪ Capacity to support the required maintenance operations as needed.	▪ Fir for purpose assessments. ▪ Adopt best trade practices.	Plant maintained and operational.	Good performance

Key Performance Measure	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service
Safety	▪ Plant assets are safe and of a suitable standard to ensure trouble free use.	▪ Regular audits and timely action taken on results.	No incidents or complaints, with assets performing to required standard.	Performance at a high standard.
TECHNICAL LEVELS OF SERVICE				
Maintenance	▪ Asset fully maintained throughout the life of the asset.	▪ Meet scheduled maintenance in accordance with manufacturer's recommendations.	100% compliant to manufacturer's specifications and timely attention to any necessary non-scheduled repairs.	Scheduled maintenance completed in accordance with specifications. Non-scheduled repairs carried out immediately identified.
Replacement	▪ In accordance with fit for purpose needs and value for money considerations.	▪ Programmed replacement within budget and time scale	▪ Meet optimum replacement point decision making through correct data.	Assessment on optimum replacement including whole of life records.
Procurement	▪ Fir for purpose approach within budgetary and programmed replacement.	▪ In accordance with Council policy. Value for money with probity and accountability.	▪ Fit for purpose with reduced emissions.	Currently meets Council requirements.
Disposal	▪ Appropriately disposed of by tender, trade-ins in accordance with Council Policy and legislative requirements.	▪ Value for money and disposed in accordance with programmed disposal schedule.	▪ Value for money consideration given to trade-ins, auctions and private sale where appropriate.	Currently meets requirements.

Table 3.3B: Computer Equipment Service levels

Key Performance Measure	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service
COMMUNITY LEVELS OF SERVICE				
Quality	▪ Equipment is fit for purpose and maintained.	▪ No. of complaints from staff per annum. ▪ No of breakdowns and incidents.	No incidents or complaints. Delivery on time, to budget and to required standard.	No incidents or complaints.
Function	▪ Capacity to support the required operations as needed.	▪ Fit for purpose assessments.	Computer equipment maintained and operational	Good performance
Safety	▪ Provide safe, suitable computer equipment free of hazards. ▪	▪ No of incident reports logged.	No incidents or complaints.	No incidents or complaints.

Key Performance Measure	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service
TECHNICAL LEVELS OF SERVICE				
Application Availability	▪ Ensure computer equipment is operating and applications are running smoothly.	▪ Amount of up time. ▪ Length of time application unavailable.	95% up time.	95% up time.
Problem Resolution	▪ Resolution of technical problems to maintain efficiency.	▪ Time taken to resolve problem depending on priority.	90% of problems resolved within priority set time frame: 1 – 24 to 48 hrs 2 – 5 business days 3 – 10 business days 4 – 20 business days	90% of problems resolved within identified time frames.
Application Upgrades	▪ Upgrades performed to maintain operating efficiency with minimal disruption to service.	▪ No of upgrades performed outside business hours. ▪ No of service requests logged relating to upgrades.	▪ 100% upgrades performed outside business hours. ▪ Less than 5 service requests logged relating to upgrade	▪ 100% upgrades performed outside business hours. ▪ Less than 5 service requests logged relating to upgrade

Table 3.3C: Other Office Furniture & Equipment Service Levels

Key Performance Measure	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service
COMMUNITY LEVELS OF SERVICE				
Quality	▪ Furniture and equipment is fit for purpose and maintained.	▪ No. of complaints from staff per annum. ▪ No of breakdowns and incidents.	▪ No incidents or complaints. ▪ Delivery on time, to budget and to required standard.	▪ No incidents or complaints.
Function	▪ Ensure that furniture and equipment meets user operational requirements.	▪ Fir for purpose assessments.	▪ Office furniture and equipment maintained and operational.	▪ Good performance ▪
TECHNICAL LEVELS OF SERVICE				
Maintenance	▪ Asset fully maintained throughout the life of the asset.	▪ Meet scheduled maintenance in accordance with manufacturers recommendations, where required.	▪ 100% compliant to manufacturer's specifications and timely attention to any necessary non-scheduled repairs.	▪ Scheduled maintenance completed in accordance with specifications. ▪ Non-scheduled repairs carried out immediately once identified.
Replacement	▪ In accordance with fit for purpose needs and value for money considerations.	▪ Programmed replacement within budget and time scale.	▪ Meet optimum replacement point decision making through correct data.	▪ Assessment on optimum replacement including whole of life records.

Key Performance Measure	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service
Procurement	▪ Fit for purpose approach within budgetary and programmed replacement.	▪ In accordance with Council policy. Value for money with probity and accountability.	▪ Fit for purpose with reduced emissions.	Currently meets Council requirements.
Disposal	▪ Appropriately disposed of by tender, trade-ins in accordance with Council Policy and legislative requirements.	▪ Value for money and disposed in accordance with programmed disposal schedule.	▪ Value for money consideration given to trade-ins, auctions and private sale where appropriate.	Currently meets requirements.

3.4 Desired Levels of Service

At present, indications of desired levels of service are obtained from various sources including stakeholder and feedback to Councillors and staff, service requests and correspondence. The levels of service will be assessed as part of Councils ongoing consultation process and considered in reviews of the Asset Management Plan.

4. FUTURE DEMAND

4.1 Demand Forecast

Factors affecting demand include population change, changes in demographics, seasonal factors, vehicle ownership, consumer preferences and expectations, economic factors, environmental awareness, etc.

Demand in this Plan is assumed to be mainly linked to staffing levels. Given the nature of operations of the Tamala Park Regional Council, there is only likely to be modest increase in staffing levels, and once the Council has developed the land, its charter will have been fulfilled and it will cease to exist.

There are no State Service Delivery Plans that may affect Councils future service delivery for this Asset Class.

Demand factor trends and impacts on service delivery are summarised in Table 4.1.

Table 4.1: Demand Factors, Projections and Impact on Services

Demand factor	Present position	Projection	Impact on services
Fulfilment of Charter	▪ Catalina Estate capacity of 2,500 lots, currently 795 lots sold.	▪ 2027 – All 2,500 lots sold.	▪ TPRC wound up.

4.2 Changes in Technology

It is considered that technology changes will have little effect on the delivery of services covered by this Plan. Those changes related to climate change, energy consumption, water use and reuse are subject to ongoing consideration. Significant impacts resulting from technology changes will be qualified in future revisions of this Asset Management Plan.

4.3 Demand Management Plan

Due to the specific purpose and objectives of the Tamala Park Regional Council (TPRC) , there will be no increased demand for new services, as once the land is fully developed the TPRC will have completed its charter and will cease to exist.

5. LIFECYCLE MANAGEMENT PLAN

The lifecycle management plan details how Council plans to manage and operate the assets at the agreed levels of service (defined in Section 3) while optimising life cycle costs.

5.1 Background Data

5.1.1 Asset condition

Condition is measured using a 1 – 5 rating system[4] as detailed in Table 5.1.1

Table 5.1.1: Condition Rating Description

Condition Rating	Description
1	Good: Asset is new or has been extensively re-modelled and modernised. 85%-100% remaining of Estimated Economic Working Life.
2	Fair-Plus: Asset has been well maintained and has possibly been refurbished. 70%-84% remaining of Estimated Economic Working Life.
3	Fair: Asset has been regularly maintained throughout. 20%-69% remaining of Estimated Economic Working Life.
4	Fair-Minus: Asset in need of overall maintenance/replacement – no obvious defects. 0%-19% remaining of Estimated Economic Working life.
5	Poor: Asset in disrepair with possible structural problems – No remaining life.

5.1.2 Physical parameters

The assets covered by this Asset Management Plan are shown in Table 5.1.2

Table 5.1.2

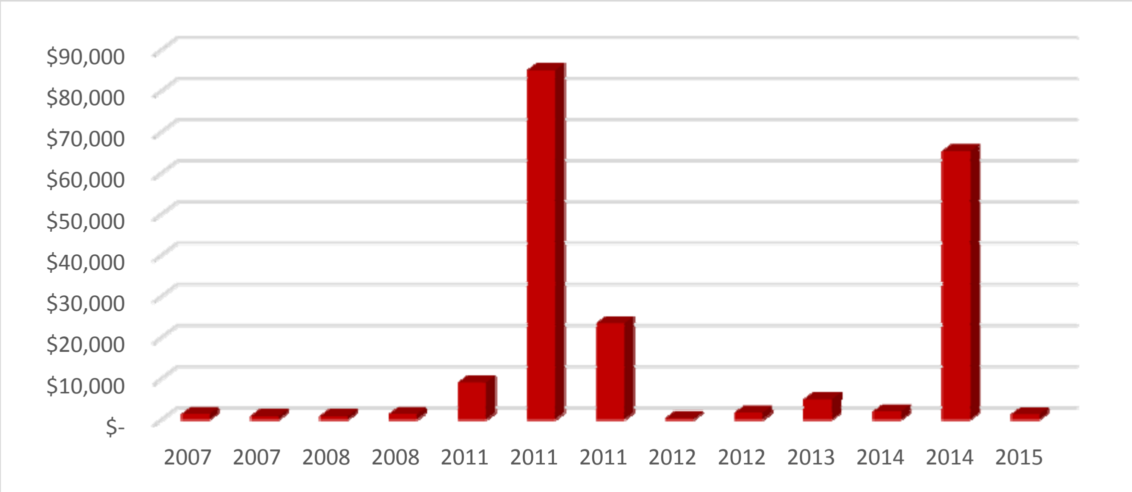
Asset Group	Number
Motor Vehicles	1
Computer Equipment (desktop computers, laptops, external hard drives, switches)	6
Printers and Copiers	1
Electrical Goods (microwave, digital camera, lighting, vacuum cleaner, television)	1
Office furniture and equipment (Plan cabinets, desks, chairs, open shelf, mobile pedestals, buffet cabinets, coffee table, sofas)	29
Buildings & Structures (office fit-out and refurbishment)	1
TOTAL	**39**

A brief description of the different asset groups that make up the assets portfolio are provided in Appendix C.

[4] IIMM 2006, Appendix B, p B:1-3 ('cyclic' modified to 'planned', 'average' changed to 'fair'')

The age profile of the assets included in this Asset Management Plan is shown in Figure 2.

Figure 2: Asset Age Profile



Note: The asset age profile has been determined from the information contained within the TPRC Asset Register as the date of acquisition.

5.1.3 Asset capacity and performance

Council's services are generally provided to meet design standards where these are available.

There are no known performance deficiencies with assets.

The condition profile of assets included within this Asset Management Plan is shown in Figures 3 and 3A.

Figure 3: Asset Condition Profile

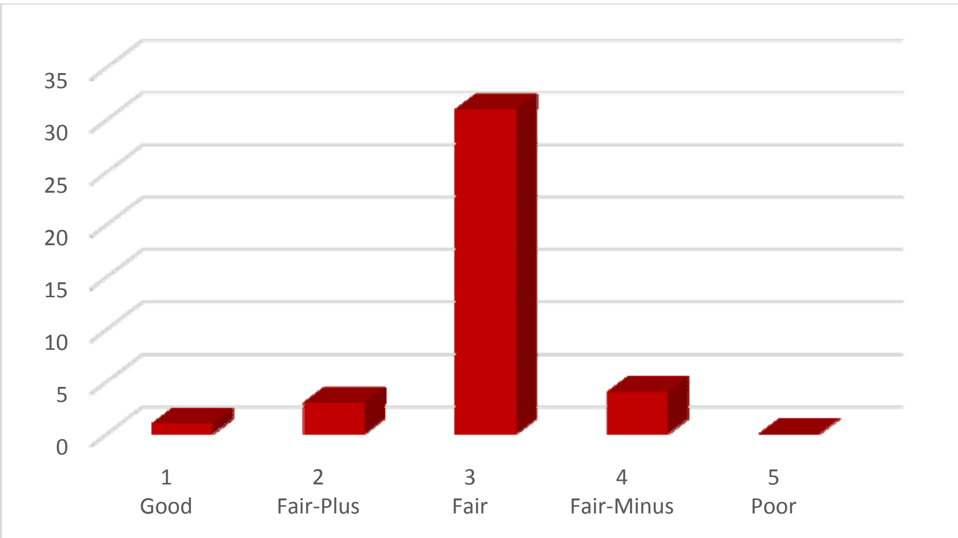
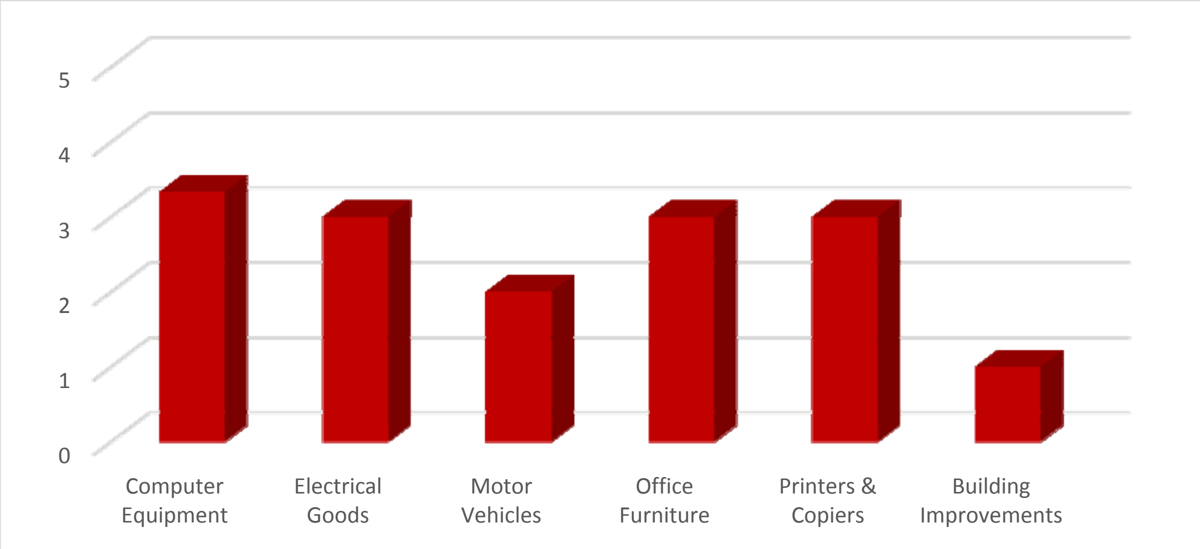


Figure 3A: Assets Average Condition Profile by Asset Group



5.1.4 Asset valuations

The value of assets recorded in the asset register as at $197,578 covered by this asset management plan is shown below. Assets were last revalued at 30 June 2016.

Current Replacement Cost	$197,578
Depreciable Amount	$129,516
Depreciated Replacement Cost	$129,516
Annual Depreciation Expense	$17,259

5.2 Risk Management Plan

An assessment of risks associated with service delivery from assets has identified critical risks that will result in loss or reduction in service from assets or a 'financial shock' to the organisation. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks.

Critical risks, being those assessed as 'Very High' - requiring immediate corrective action and 'High' – requiring prioritised corrective action identified in the Infrastructure Risk Management Plan are summarised in Table 5.2.

Table 5.2: Critical Risks and Treatment Plans

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Associated Costs
Nil				

5.3 Routine Maintenance Plan

Routine maintenance is the regular on-going work that is necessary to keep assets operating, including instances where portions of the asset fail and need immediate repair to make the asset operational again.

5.3.1 Maintenance plan

Maintenance includes reactive, planned and specific maintenance work activities.

Reactive maintenance is unplanned repair work carried out in response to service requests and management/supervisory directions.

Planned maintenance is repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown experience, prioritising, scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

Cyclical maintenance is replacement of higher value components/sub-components of assets that is undertaken on a regular cycle, such as repainting, building roof replacement, etc. This work generally falls below the capital/maintenance threshold but may require a specific budget allocation.

Current maintenance expenditure levels are considered to be sufficient to meet required service levels. Future revision of this asset management plan will include linking required maintenance expenditures with required service levels. Assessment and prioritisation of reactive maintenance is undertaken by operational staff using experience and judgement.

5.3.2 Standards and specifications

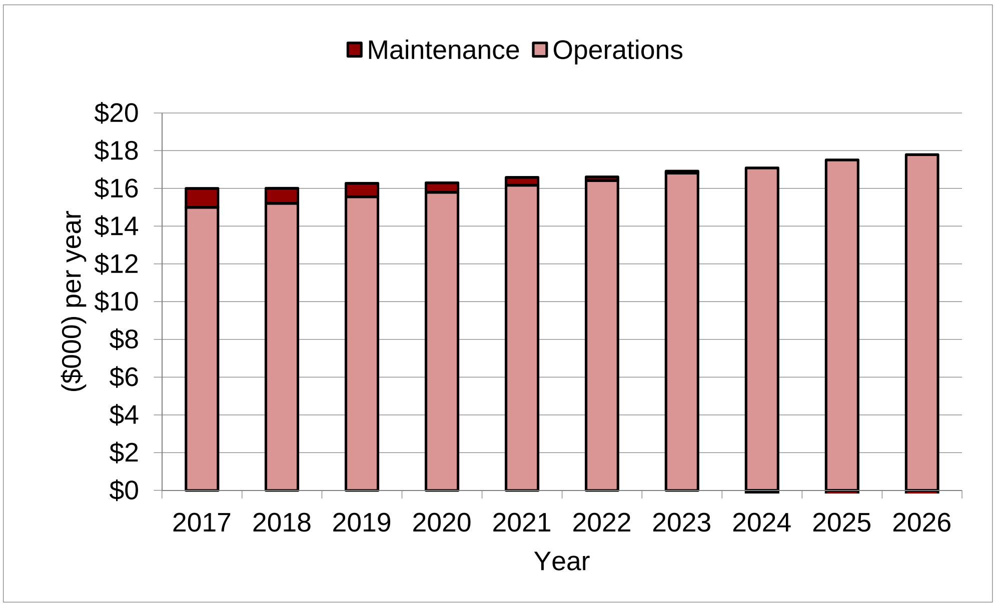
Maintenance work is carried out in accordance with the following Standards and Specifications.

- Applicable Australian Standards
- Building Code of Australia; and
- Acceptable standards of construction.

5.3.3 Summary of future operations and maintenance expenditures

Future operations and maintenance expenditure is forecast to trend in line with the value of the asset stock as shown in Figure 4. Note that all costs are shown in 2016 dollar values.

Figure 4: Projected Operations and Maintenance Expenditure



Deferred maintenance, i.e. works that are identified for maintenance and unable to be funded are to be included in the risk assessment process in the infrastructure risk management plan.

Maintenance is funded from the operating budget and grants where available. This is further discussed in Section 6.2.

5.4 Renewal/Replacement Plan

Renewal expenditure is major work that does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Work over and above restoring an asset to original service potential is upgrade/expansion or new works expenditure.

5.4.1 Renewal plan

Assets requiring renewal are identified from one of three methods provided in the 'Expenditure Template".

- Method 1 uses Asset Register data to project the renewal costs for renewal years using acquisition year and useful life, or
- Method 2 uses capital renewal expenditure projections from external condition modelling systems (such as Pavement Management Systems), or
- Method 3 uses a combination of average *network renewals* plus *defect repairs* in the *Renewal Plan* and *Defect Repair Plan* worksheets on the *'Expenditure template'*.

Method 1 was used for this Asset Management Plan.

The Tamala Park Regional Council does not have a formal ranking system or criteria for renewal. It is envisaged that the criteria below will be considered in this development of formal criteria.

Table 5.4.1: Renewal Priority Ranking Criteria

Criteria	Weighting
Safety and Accessibility	5%
Asset Usage	25%
Current Asset Condition	50%
Operating & Maintenance Cost	20%
Total	**100%**

Renewal will be undertaken using 'low-cost' renewal methods where practical. The aim of 'low-cost' renewals is to restore the service potential or future economic benefits of the asset by renewing the assets at a cost less than replacement cost. Examples of low cost renewal include minor repair of an asset rather than a major replacement.

5.4.2 Renewal standards

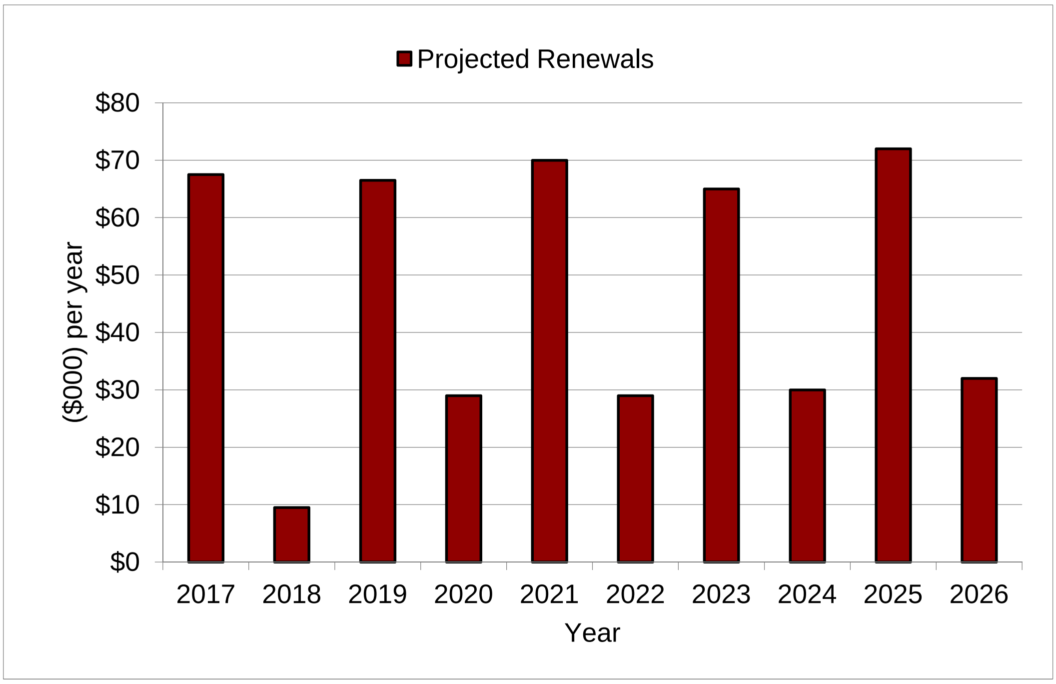
Renewal work is carried out in accordance with relevant Standards and Specifications.

5.4.3 Summary of projected renewal expenditure

Projected future renewal expenditures are forecast to increase over time as the asset stock ages. The costs are summarised in Figure 5. Note that all costs are shown in 2016 dollar values.

The projected capital renewal program is shown in Appendix A.

Figure 5: Projected Capital Renewal Expenditure



Deferred renewal, i.e. those assets identified for renewal and not scheduled for renewal in capital works programs are to be included in the risk assessment process in the risk management plan. Renewals are to be funded from capital works programs and grants where available. This is further discussed in Section 6.2.

5.5 Creation/Acquisition/Upgrade Plan

New works are those works that create a new asset that did not previously exist, or works which upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs. Assets may also be acquired at no cost to the Council from land development.

5.5.1 Selection criteria

New assets and upgrade/expansion of existing assets are identified from various sources such as councillor or community requests, proposals identified by strategic plans, requests from stakeholders or TPRC employees. Candidate proposals are inspected to verify need and to develop a preliminary estimate. Verified proposals are ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria is detailed in Table 5.5.1.

Table 5.5.1: Upgrade/New Assets Priority Ranking Criteria

Criteria	Weighting
Commercial Rate of Return	100%
Total	**100%**

5.5.2 Standards and specifications

Standards and specifications for new assets and for upgrade/expansion of existing assets are as follows-

Building Code of Australia	Sets out the acceptable standards and are deemed to satisfy provisions for building work both residential and commercial.
Timber Framing AS1684	Sets out design and construction of timber framing
Concrete Structures AS3600	Sets out all concrete and masonry requirements for maintenance.
Plumbing and Drainage AS3500	Sets out all requirements needed for plumbing and drainage.

5.5.3 Summary of projected upgrade/new assets expenditure

There are no projected upgrades to assets or acquisition of new assets.

5.6 Disposal Plan

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 5.6, together with estimated annual savings from not having to fund operations and maintenance of the assets. These assets will be further reinvestigated to determine the required levels of service and see what options are available for alternate service delivery, if any.

The TPRC facilitates the development and sale of land owned by the member local governments, therefore no sale proceeds for land have been included in this section of the Asset Management Plan.

Cash flow projections from asset disposals are detailed below.

Table 5.6: Assets identified for Disposal

Asset	Reason for Disposal	Timing	Net Disposal Expenditure (Expend +ve, Revenue –ve)	Operations & Maintenance Annual Savings
Administration Vehicle	Trade-in on new model	2017	$21,520	$0
Works Vehicle	Trade-in on new model	2018	$10,250	$0
Administration Vehicle	Trade-in on new model	2019	$22,360	$0
Works Vehicle	Trade-in on new model	2020	$10,760	$0
Administration Vehicle	Trade-in on new model	2021	$23,430	$0
Works Vehicle	Trade-in on new model	2022	$11,300	$0
Administration Vehicle	Trade-in on new model	2023	$24,670	$0
Works Vehicle	Trade-in on new model	2024	$11,860	$0
Administration Vehicle	Trade-in on new model	2025	$25,900	$0
Works Vehicle	Trade-in on new model	2026	$12,460	$0
Administration Vehicle	Trade-in on new model	2027	$27,200	$0
Works Vehicle	Trade-in on new model	2028	$13,080	$0

6. FINANCIAL SUMMARY

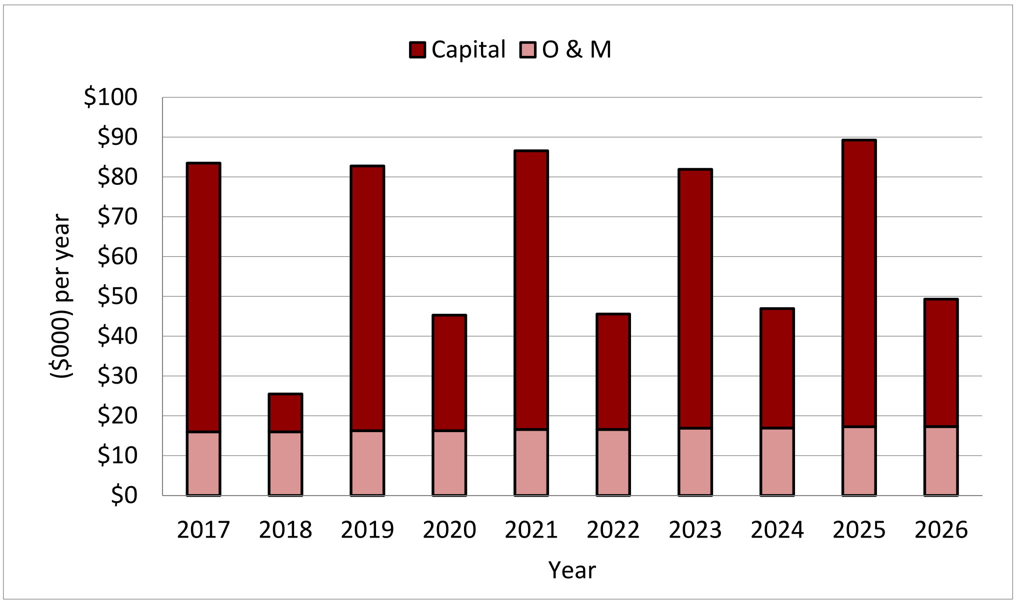
This section contains the financial requirements resulting from all the information presented in the previous sections of this Asset Management Plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

6.1 Financial Statements and Projections

The financial projections are shown in Figure 6 for projected operating (operations and maintenance) and capital expenditure (renewal and upgrade/expansion/new assets), net disposal expenditure and estimated budget funding.

Note that all costs are shown in 2016 dollar values.

Figure 6: Projected Operating and Capital Expenditure



6.1.1 Financial sustainability in service delivery

There are three key indicators for financial sustainability that have been considered in the analysis of the services provided by this asset category, these being long term life cycle costs/expenditures and medium term projected/budgeted expenditures over 5 and 10 years of the planning period.

Long term - Life Cycle Cost

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the longest asset life. Life cycle costs include operations and maintenance expenditure and asset consumption (depreciation expense). The life cycle cost for the services covered in this Asset Management Plan is $33,000 per year (operations and maintenance expenditure plus depreciation expense in year 1).

Life cycle costs can be compared to life cycle expenditure to give an indicator of sustainability in service provision. Life cycle expenditure includes operations, maintenance and capital renewal expenditure in year 1. Life cycle expenditure will vary depending on the timing of asset renewals. The life cycle expenditure at the start of the plan is $83,000 (operations and maintenance expenditure plus budgeted capital renewal expenditure in year 1).

A shortfall between life cycle cost and life cycle expenditure is the life cycle gap.

The life cycle surplus for services covered by this asset management plan is $50,000 per year (-ve = gap, +ve = surplus).

Life cycle expenditure is 252% of life cycle costs giving a life cycle sustainability index of 2.52.

The life cycle costs and life cycle expenditure comparison highlights any difference between present outlays and the average cost of providing the service over the long term. If the life cycle expenditure is less than that life cycle cost, it is most likely that outlays will need to be increased or cuts in services made in the future.

Knowing the extent and timing of any required increase in outlays and the service consequences if funding is not available will assist organisations in providing services to their communities in a financially sustainable manner. This is the purpose of the Asset Management Plans and Long Term Financial Plan.

Medium term – 10 year financial planning period

This Asset Management Plan identifies the projected operations, maintenance and capital renewal expenditures required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

These projected expenditures may be compared to budgeted expenditures in the 10 year period to identify any funding shortfall. In a core asset management plan, a gap is generally due to increasing asset renewals for ageing assets.

The projected operations, maintenance and capital renewal expenditure required over the 10 year planning period is $64,000 per year.

Estimated (budget) operations, maintenance and capital renewal funding is $74,000 per year giving a 10 year funding surplus of $10,000 per year and a 10 year sustainability indicator of 1.15. This indicates that Council has 115% of the projected expenditures needed to provide the services documented in the asset management plan.

Short Term – 5 year financial planning period

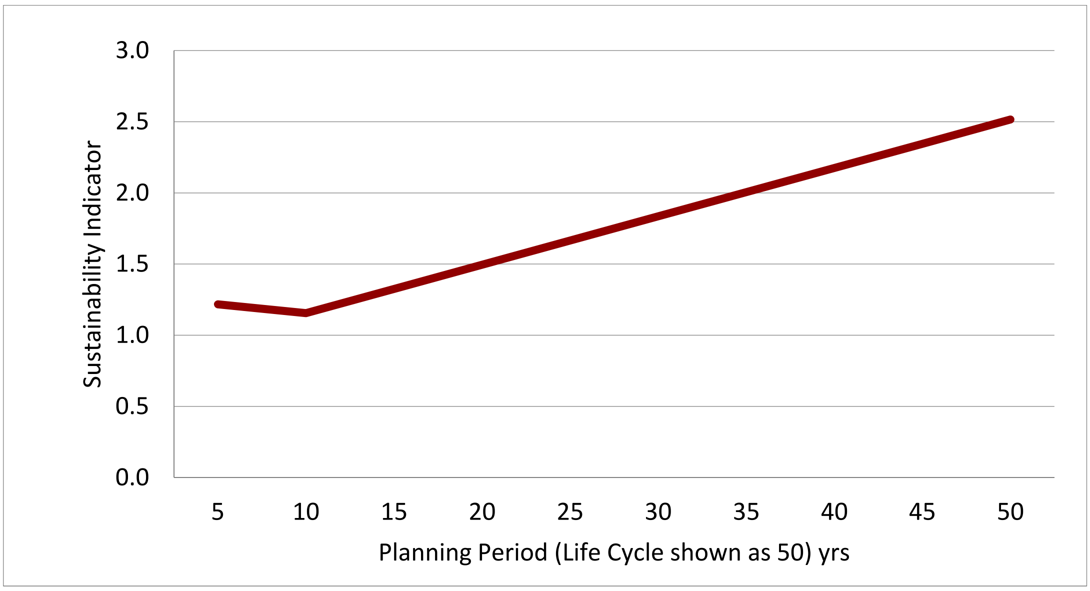
The projected operations, maintenance and capital renewal expenditure required over the first 5 years of the planning period is $65,000 per year.

Estimated (budget) operations, maintenance and capital renewal funding is $79,000 per year giving a 5 year funding surplus of $14,000. This is 122% of projected expenditures giving a 5 year sustainability indicator of 1.22.

Financial Sustainability Indicators

Figure 7 shows the financial sustainability indicators over the 10 year planning period and for the long term life cycle.

Figure 7: Financial Sustainability Indicators



Providing services from infrastructure in a sustainable manner requires the matching and managing of service levels, risks, projected expenditures and funding to achieve a financial sustainability indicator of 1.0 for the first years of the asset management plan and ideally over the 10 year life of the AM Plan. This first cut core Asset Management Plan has been prepared based on the long term financial planning the TPRC currently has in place.

Figure 8 shows the projected asset renewals in the 10 year planning period from Appendix B. The projected asset renewals are compared to budgeted renewal expenditure in the capital works program and capital renewal expenditure in year 1 of the planning period in Figure 8.

Figure 8: Projected and Budgeted Renewal Expenditure

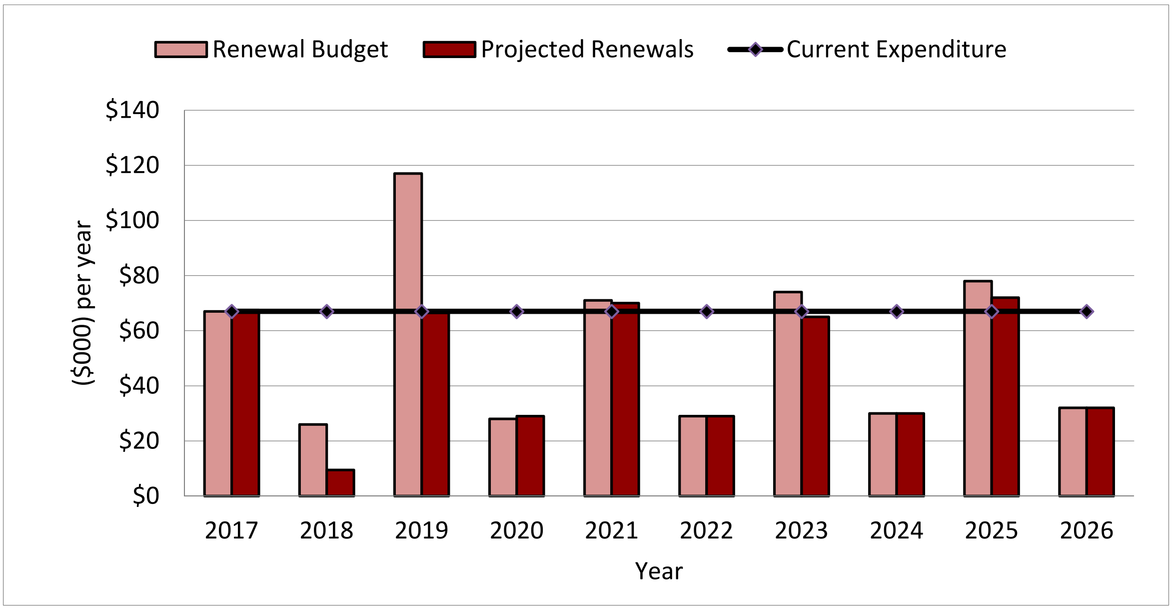


Table 6.1.1 shows the shortfall between projected and budgeted renewals

Table 6.1.1: Projected and Budgeted Renewals and Expenditure Shortfall

Year	Projected Renewals ($000)	Planned Renewal (Budget) ($000)	Renewal Funding Shortfall ($000) (-ve Gap, +ve Surplus)	Cumulative Shortfall ($000) (-ve Gap, +ve Surplus)
2017	$68	$67	-$1	-$1
2018	$10	$26	$17	$16
2019	$67	$117	$51	$67
2020	$29	$28	-$1	$66
2021	$70	$71	$1	$67
2022	$29	$29	$0	$67
2023	$65	$74	$9	$76
2024	$30	$30	$0	$76
2025	$72	$78	$6	$82
2026	$32	$32	$0	$82

Note: A negative shortfall indicates a funding gap, a positive shortfall indicates a surplus for that year.

A gap between projected asset renewals, planned asset renewals and funding indicates that further work is required to manage required service levels and funding to eliminate any funding gap. The modelling undertaken in this Asset Management Plan shows that the Tamala Park Regional Council has no funding gap over the forecast 10 year period.

6.1.2 Expenditure projections for long term financial plan

Table 6.1.2 shows the projected expenditures for the 10 year long term financial plan.

Expenditure projections are in current (non-inflated) values. Disposals are shown as net expenditures (revenues are negative).

Table 6.1.2: Expenditure Projections for Long Term Financial Plan ($000)

Year	Operations ($000)	Maintenance ($000)	Projected Capital Renewal ($000)	Capital Upgrade/ New ($000)	Disposals ($000)
2017	$15	$1	$68	$0	$22
2018	$15	$1	$10	$0	$10
2019	$16	$1	$67	$0	$22
2020	$16	$0	$29	$0	$11
2021	$16	$0	$70	$0	$23
2022	$16	$0	$29	$0	$11
2023	$17	$0	$65	$0	$25
2024	$17	$0	$30	$0	$12
2025	$18	$0	$72	$0	$26
2026	$18	$0	$32	$0	$12

Note: All projected expenditures are in 2016 values

6.2 Funding Strategy

Projected expenditure identified in Section 6.1 is to be funded from the Council's operating and capital budgets. The funding strategy is detailed in the TPRC Long Term Financial Plan.

Achieving the financial strategy will require the Council to -

- Match renewals from TPRC cashflows; and
- Continue the use of cash backed reserves.

6.2.2 Sustainability of service

There are three key performance indicators for financial sustainability as recommended in the Department of Local Government and Communities (DLGC) Asset Management National Framework and Guidelines that have been considered in the analysis of the Parks, Ovals and Reserves assets financial data.

The aim of the Framework is to enhance the sustainable management of local government assets by encouraging 'whole of life' and 'whole of organisation' approaches and the effective identification and management of risks associated with the use of the assets.

Asset Consumption Ratio

This ratio shows the written down current value of Tamala Park Regional Council's depreciable assets relative to their 'as new' value in up to date prices. It is calculated by dividing the written down value by the current replacement cost from the corporate operational asset register in 2016. These figures are shown in table below.

Asset Class	Asset Consumption Ratio
Assets Depreciated Replacement Cost	$129,516
Assets Current Replacement Cost	$197,578
All Assets	**65.5%**

The target ratio should be between 50% and 75%. A ratio of less than 50% indicates a rapid deterioration of the asset base, whilst a ratio greater than 75% may indicate an over investment in the asset base. The 65.5% ratio above indicates that an ***advanced*** standard has attained.

Integrated Planning and Reporting Advisory Standard KPI targets are outlined below.

Standard is not met if ratio data cannot be identified or ratio is less than 50%.

Basic standard is met if ratio data can be identified and ratio is 50% or greater.

Advanced standard is met if this ratio is between 60% and 75%.

Asset Sustainability Ratio

This ratio indicates whether assets are being replaced or renewed at the same rate that the overall asset stock is wearing out.

It is calculated by dividing the annual capital expenditure spent on replacement and renewals by the annual depreciation expense. If capital expenditure on renewing or replacing assets is at least equal to depreciation on average over time, then the value of the existing stock will be maintained. If capital expenditure on existing assets is less than depreciation then underspending on renewal or replacement of assets will occur and this is likely to result in additional maintenance costs for assets that have exceeded their useful life that may exceed the cost of renewal or replacement.

Asset Class	2015-16 Asset Sustainability Ratio
Asset Capital Renewals 2015/16	$1,317
Annual Depreciation	$17,259
All Assets	**7.6%**

The target ratio should be between 90% - 110%. The 7.6% ratio above is low due to the small number of asset renewals undertaken in 2015/16. This ratio will improve in 2016/17.

Integrated Planning and Reporting Advisory Standard KPI targets are outlined below.

Standard is not met if ratio data cannot be identified or ratio is less than 90%.

Basic standard is met if ratio data can be calculated and ratio is 90% or greater.

Advanced standard is met if this ratio is between 90% and 110%

Asset Renewal Funding Ratio

This is an indicator as to the ability of Tamala Park Regional Council to fund the projected asset renewals and replacements in the future and therefore continue to provide existing levels of service, without additional operating income or reductions in operating expenses, or an increase in net financial liabilities above that currently projected.

It is calculated by dividing the 'Net Present Value'[5] of the Long Term Financial Plan allocations for building renewals by the 'Net Present Value' of the Asset Management Plan projected capital expenditure on renewals over the same 10 year period, 2016/17 to 2025/26.

Asset Class	Current Values	Asset Renewal Funding Ratio NPV
Asset NPV 10 Year Planned Renewals funded in LTFP	$553,071	$539,208
Asset NPV 10 Year Projected Renewals in required Asset Management Plan	$352,380	$343,997
All Assets		**156.7%**

The target ratio should be between 95% and 105%. A ratio of between 50% and 75% indicates that adequate provision is not being made for the future renewal and replacement of assets. The 156.7% ratio calculated above indicates that a **basic** standard has been attained.

Integrated Planning and Reporting Advisory Standard KPI targets are outlined below.

Standard is not met if ratio data cannot be identified or ratio is less than 75%

Basic standard is met if ratio data can be identified and ratio is between 75% and 95%.

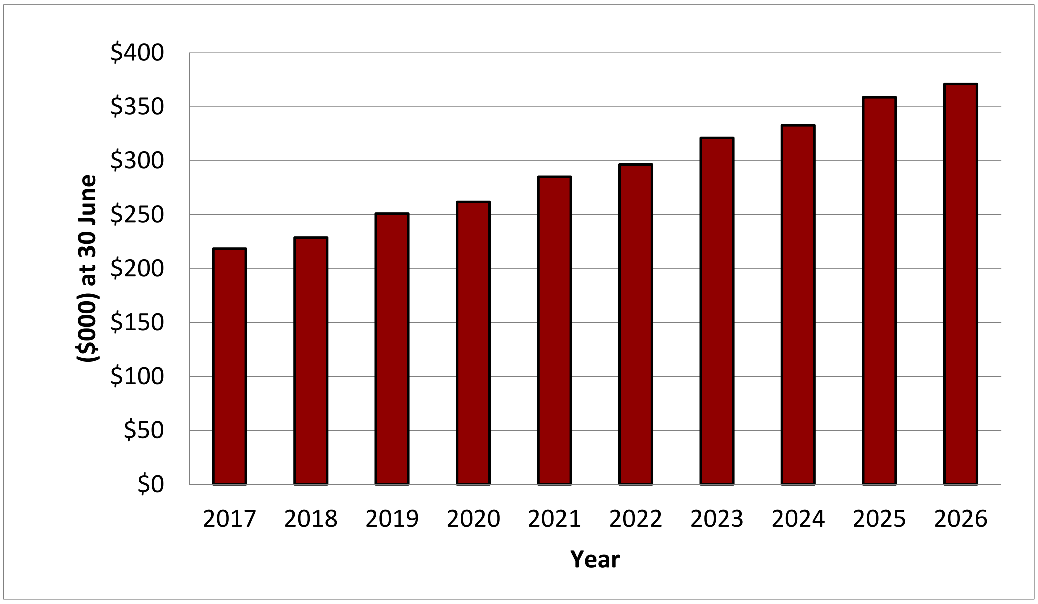
Advanced standard is met if this ratio is between 95% and 105%, and the ASR falls within the range 90% to 110%, and ACR falls within the range of 50% to 75%.

6.3 Valuation Forecasts

Asset values are forecast to remain relatively constant as assets are replaced with no new asset acquisitions envisaged by Council. Figure 9 shows the projected replacement cost asset values over the planning period in 2016 dollar values.

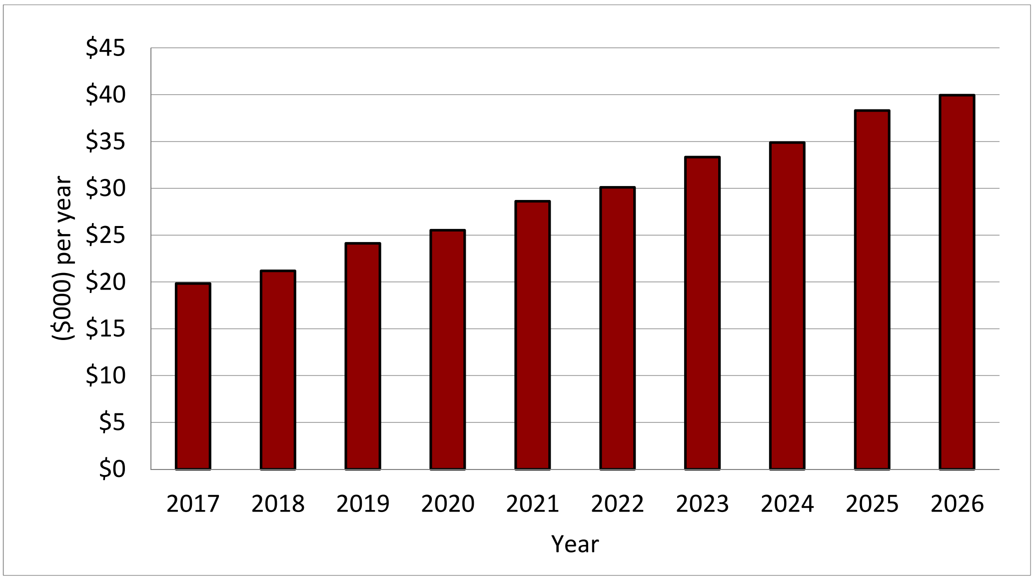
[5] The NPV discount rate of 0.49% was derived using a discount rate of 3% and an inflation rate of 2.5%.

Figure 9: Projected Asset Values



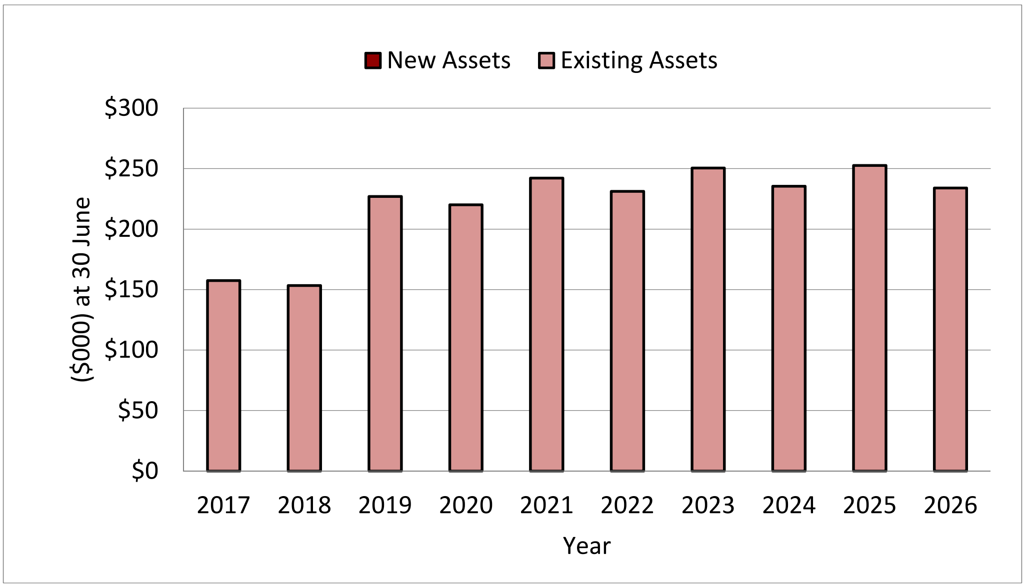
Depreciation expense values are forecast in line with asset values as shown in Figure 10.

Figure 10: Projected Depreciation Expense



The depreciated replacement cost (current replacement cost less accumulated depreciation) reports the remaining service potential of the assets. It will vary over the forecast period depending on the rates of addition of new assets, disposal of old assets and consumption and renewal of existing assets. Forecast of the assets' depreciated replacement cost is shown in Figure 11, which highlights consumption of existing assets at a lower rate than their renewal or upgrade. The effect of contributed and new assets on the depreciated replacement cost is shown in the light colour bar.

Figure 11: Projected Depreciated Replacement Cost



6.4 Key Assumptions made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this asset management plan and in preparing forecasts of required operating and capital expenditure and asset values, depreciation expense and carrying amount estimates. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions made in this asset management plan are:

- All assets will remain in Council ownership throughout the planning period.
- Maintenance costs are largely based on historical expenditure and assumes no significant increases in service requirements.
- Asset replacement values were determined in June 2016.

7. ASSET MANAGEMENT PRACTICES

7.1 Accounting/Financial Systems

7.1.1 Accounting and financial systems

The Tamala Park Regional Council uses QuickBooks for its financial management system and uses Excel spreadsheets for asset accounting purposes.

7.1.2 Accountabilities for financial systems

Accountabilities and responsibilities are divided between the Finance Officer and the Finance consultant.

7.1.3 Accounting standards and regulations

As well as complying with Australian Accounting Standards, the Tamala Park Regional Council must comply with the Western Australia Local Government Act 1995 and the Local Government (Finance) Regulations 1996. Accounting Standard AASB116 – "Property, Plant and Equipment" is the significant regulatory requirement relevant to accounting for assets.

7.1.4 Capital/maintenance threshold

The Tamala Park Regional Council capitalisation threshold, as listed in its Significant Accounting Policies, specifies a limit of $500 for expenditure that is expensed in the current year. Expenditure over $500 on an asset is classed as capital expenditure and capitalised against the asset.

7.1.5 Required changes to accounting financial systems arising from this Asset Management Plan

No changes to the accounting financial system have been identified.

7.2 Asset Management Systems

7.2.1 Asset management system

The Asset Management system is a combination of the spreadsheet asset register and current operating procedures.

7.2.2 Asset registers

The Tamala Park Regional Council maintains a detailed Asset Register for all asset classes in an Excel spreadsheet.

7.2.3 Linkage from asset management to financial system

The linkage from the financial system to the asset register is manual, with officers inputting data into both the QuickBooks financial system and then into the Excel Asset Register.

7.2.4 Accountabilities for asset management system and data

Accountabilities and responsibilities are divided between the Chief Executive Officer, Finance Officer and the Project Co-ordinator. The CEO and Project Co-ordinator provide information on the relevant assets and allocates costs associated with payroll and purchasing systems. The Finance Officer create the records within the Asset Register and posts expenditure direct to the Asset Register.

7.2.5 Required changes to asset management system arising from this Asset Management Plan

No changes have been identified to the asset management system, but subsequent revisions of this Asset Management Plan may identify further improvements to existing systems.

7.3 Information Flow Requirements and Processes

The key information flows *into* this asset management plan are:

- Council strategic and operational plans,
- Network assets information,
- The unit rates for categories of work/materials,
- Current levels of service, expenditures, service deficiencies and service risks,
- Projections of various factors affecting future demand for services and new assets acquired by Council,
- Future capital works programs,
- Financial asset values.

The key information flows *from* this Asset Management Plan are:

- The projected Works Program and trends,
- The resulting budget and long term financial plan expenditure projections.
- Financial sustainability indicators.

These will impact the Long Term Financial Plan, Strategic Longer-Term Plan, annual budget and departmental business plans and budgets.

7.4 Standards and Guidelines

Standards, guidelines and policy documents referenced in this Asset Management Plan are:

- Tamala Park Regional Council Asset Capitalisation Threshold contained in its Significant Accounting Policies.
- Tamala Park Regional Council Asset Management Policy.
- Tamala Park Regional Council Asset Management Strategy.
- Department of Local Government (WA) Asset Management Framework and Guidelines.

8. PLAN IMPROVEMENT AND MONITORING

8.1 Performance Measures

The effectiveness of the Asset Management Plan can be measured and evaluated in the following ways:

- The degree to which the required cashflows identified in this asset management plan are incorporated into the organisation's Long Term Financial Plan and Strategic Planning processes and documents,
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the asset management plan;

8.2 Improvement Plan

The asset management improvement plan generated from this Asset Management Plan is shown in Table 8.2.

Table 8.2: Improvement Plan

Task No	Task	Responsibility	Resources Required	Timeline
1	Assess the first year of Plan against actual costs	CEO	Internal	June 2017
2	Prepare and prioritise a long term plan and ranking systems for renewal & upgrade/new expenditure.	CEO	Internal	June 2017
3	Develop and review detailed risk analysis and planning for critical assets.	CEO	Internal	June 2017
4	Review service levels and commence internal and Elected Member consultation on service level provision.	CEO	Internal	June 2017

8.3 Monitoring and Review Procedures

This Asset Management Plan will be reviewed during annual budget preparation and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of the budget decision process.

The Plan has a life of 3 years and a major revision is to be done within six months of its expiry.

REFERENCES

Tamala Park Regional Council Long Term Financial Plan

Tamala Park Regional Council 2015/2016 Annual Budget.

Tamala Park Regional Council 2015/2016 Asset Register.

DVC, 2006, *Asset Investment Guidelines*, Glossary, Department for Victorian Communities, Local Government Victoria, Melbourne, http://www.dpcd.vic.gov.au/localgovernment/publications-and-research/asset-management-and-financial.

IPWEA, 2006, *International Infrastructure Management Manual*, Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au.

IPWEA, 2008, *NAMS.PLUS Asset Management* Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/namsplus.

IPWEA, 2009, *Australian Infrastructure Financial Management Guidelines*, Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/AIFMG.

IPWEA, 2011, *Asset Management for Small, Rural or Remote Communities* Practice Note, Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/AM4SRRC.

DLG, 2011, *Asset Management Framework and Guidelines*, Department of Local Government, Western Australia, http://integratedplanning.dlg.wa.gov.au/DeliverAssetManagement.aspx

APPENDICES

Appendix A	Projected 10 year Capital Renewal Works Program
Appendix B	Planned Upgrade/Exp/New 10 year Capital Works Program A
Appendix C	List of Assets
Appendix D	Abbreviations
Appendix E	Glossary

Appendix A Projected 10 Year Capital Renewal Works Program

Asset ID	Planned Renewal Year	Renewal Cost $	Useful Life (Years)
Dell 9400 Notebook	2017	$1,360	4
Dell Inspiron Desktop PC	2017	$860	4
CEO Motor Vehicle Replacement	2017	$65,303	2
		$67,523	

Asset ID	Planned Renewal Year	Renewal Cost $	Useful Life (Years)
Dell Vostro Mini Tower PC	2018	$860	4
Dell Studio 17 Laptop	2018	$1,360	4
Dell Laptop	2018	$1,998	4
Kyocera Colour Printer	2018	$4,970	5
		$9,188	

Asset ID	Planned Renewal Year	Renewal Cost $	Useful Life (Years)
Microsoft Surface Pro 3	2019	$1,317	4
CEO Motor Vehicle Replacement	2019	$65,303	2
		$66,620	

Asset ID	Planned Renewal Year	Renewal Cost $	Useful Life (Years)
Silk Potted Plants	2020	$1,000	8
		$1,000	

Asset ID	Planned Renewal Year	Renewal Cost $	Useful Life (Years)
CEO Motor Vehicle Replacement	2021	$65,303	2
Carpet for Office	2021	$5,000	10
		$70,303	

Asset ID	Planned Renewal Year	Renewal Cost $	Useful Life (Years)
CEO Motor Vehicle Replacement	2023	$65,303	2
		$65,303	

Appendix A Projected 10 Year Capital Renewal Works Program (continued)

Asset ID	Planned Renewal Year	Renewal Cost $	Useful Life (Years)
CEO Motor Vehicle Replacement	2025	$65,303	2
Visitor chair with chrome cantilever frame x 2	2025	$1,300	15
Stylus Low Back Exec Chair x 2	2025	$600	15
Quatro 4 Way Small Pedestal	2025	$140	15
Visitor chair with chrome cantilever frame	2025	$1,900	15
Conference Room Stylus Low Back Exec Chair	2025	$3,200	15
		$72,443	

Appendix B Planned 10 Year Upgrade/Expansion/New Capital Works Program

Asset Name	Planned Construction Year	Construction Cost $
		$0
		$0

Appendix C List of Assets

This Asset Management Plan has been prepared based on the following assets:

Motor Vehicles –

- One Audi Sedan with a condition rating of Fair-Plus.

Computer Equipment -

- One Dell 9400 Notebook computer located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair-Minus.
- One Dell Vostro mini tower computer located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair-Minus.
- One Dell Inspiron desktop computer located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair-Minus.
- One Dell Studio 17 laptop computer located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair-Minus.
- Microsoft Surface Pro 3 Tablet located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair-Plus
- Dell Laptop located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair-Plus.

Printers and Copiers -

- One Kyocera Colour A3 Copier located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.

Electrical Equipment-

- One lighting system located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.

Office furniture -

- One copy room cabinet located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- One meeting room cabinet located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- One lateral filing cabinet in office 1, located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- One open shelf cabinet located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- Two x swing door cabinet located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- Two x 2 drawer and file mobile pedestal located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- One L-shape desk located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- Two x CRV3 visitor chair located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- One stylus executive armchair located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- One meeting table located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.

- One Quatro 4 way small pedestal located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- Two x 3 seater sofa's in reception area located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- 12 Stylus Conference Room armchairs, located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- One Coffee table and console in reception located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- Silk potted plants located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.
- Carpet for office located at Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Fair.

Office Refurbishment-

- One office fit-out for Unit 2, 369 Scarborough Beach Road, Innaloo with a condition rating of Good.

Appendix D Abbreviations

AAAC	Average annual asset consumption
AMP	Asset management plan
ARI	Average recurrence interval
BOD	Biochemical (biological) oxygen demand
CRC	Current replacement cost
CWMS	Community wastewater management systems
DA	Depreciable amount
EF	Earthworks/formation
IRMP	Infrastructure risk management plan
LCC	Life Cycle cost
LCE	Life cycle expenditure
MMS	Maintenance management system
PCI	Pavement condition index
RV	Residual value
SS	Suspended solids
vph	Vehicles per hour

Appendix E Glossary

Annual service cost (ASC)

1) Reporting actual cost
   The annual (accrual) cost of providing a service including operations, maintenance, depreciation, finance/opportunity and disposal costs less revenue.
2) For investment analysis and budgeting
   An estimate of the cost that would be tendered, per annum, if tenders were called for the supply of a service to a performance specification for a fixed term. The Annual Service Cost includes operations, maintenance, depreciation, finance/ opportunity and disposal costs, less revenue.

Asset

A resource controlled by an entity as a result of past events and from which future economic benefits are expected to flow to the entity. Infrastructure assets are a sub-class of property, plant and equipment which are non-current assets with a life greater than 12 months and enable services to be provided.

Asset class

A group of assets having a similar nature or function in the operations of an entity, and which, for purposes of disclosure, is shown as a single item without supplementary disclosure.

Asset condition assessment

The process of continuous or periodic inspection, assessment, measurement and interpretation of the resultant data to indicate the condition of a specific asset so as to determine the need for some preventative or remedial action.

Asset management (AM)

The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.

Average annual asset consumption (AAAC)*

The amount of an organisation's asset base consumed during a reporting period (generally a year). This may be calculated by dividing the depreciable amount by the useful life (or total future economic benefits/service potential) and totalled for each and every asset OR by dividing the carrying amount (depreciated replacement cost) by the remaining useful life (or remaining future economic benefits/service potential) and totalled for each and every asset in an asset category or class.

Borrowings

A borrowing or loan is a contractual obligation of the borrowing entity to deliver cash or another financial asset to the lending entity over a specified period of time or at a specified point in time, to cover both the initial capital provided and the cost of the interest incurred for providing this capital. A borrowing or loan provides the means for the borrowing entity to finance outlays (typically physical assets) when it has insufficient funds of its own to do so, and for the lending entity to make a financial return, normally in the form of interest revenue, on the funding provided.

Capital expenditure

Relatively large (material) expenditure, which has benefits, expected to last for more than 12 months. Capital expenditure includes renewal, expansion and upgrade. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital expenditure - expansion

Expenditure that extends the capacity of an existing asset to provide benefits, at the same standard as is currently enjoyed by existing beneficiaries, to a new group of users. It is discretionary expenditure, which increases future operations and maintenance costs, because it increases the organisation's asset base, but may be associated with additional revenue from the new user group, eg. extending a drainage or road network, the provision of an oval or park in a new suburb for new residents.

Capital expenditure - new

Expenditure which creates a new asset providing a new service/output that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operations and maintenance expenditure.

Capital expenditure - renewal

Expenditure on an existing asset or on replacing an existing asset, which returns the service capability of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it generally has no impact on revenue, but may reduce future operations and maintenance expenditure if completed at the optimum time, eg. resurfacing or resheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, resurfacing an oval.

Capital expenditure - upgrade
Expenditure, which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operations and maintenance expenditure in the future because of the increase in the organisation's asset base, eg. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility.

Capital funding
Funding to pay for capital expenditure.

Capital grants
Monies received generally tied to the specific projects for which they are granted, which are often upgrade and/or expansion or new investment proposals.

Capital investment expenditure
See capital expenditure definition

Capitalisation threshold
The value of expenditure on non-current assets above which the expenditure is recognised as capital expenditure and below which the expenditure is charged as an expense in the year of acquisition.

Carrying amount
The amount at which an asset is recognised after deducting any accumulated depreciation / amortisation and accumulated impairment losses thereon.

Class of assets
See asset class definition

Component
Specific parts of an asset having independent physical or functional identity and having specific attributes such as different life expectancy, maintenance regimes, risk or criticality.

Cost of an asset
The amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its acquisition or construction, including any costs necessary to place the asset into service. This includes one-off design and project management costs.

Current replacement cost (CRC)
The cost the entity would incur to acquire the asset on the reporting date. The cost is measured by reference to the lowest cost at which the gross future economic benefits could be obtained in the normal course of business or the minimum it would cost, to replace the existing asset with a technologically modern equivalent new asset (not a second hand one) with the same economic benefits (gross service potential) allowing for any differences in the quantity and quality of output and in operating costs.

Depreciable amount
The cost of an asset, or other amount substituted for its cost, less its residual value.

Depreciated replacement cost (DRC)
The current replacement cost (CRC) of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Depreciation / amortisation
The systematic allocation of the depreciable amount (service potential) of an asset over its useful life.

Economic life
See useful life definition.

Expenditure
The spending of money on goods and services. Expenditure includes recurrent and capital.

Fair value
The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arm's length transaction.

Funding gap
A funding gap exists whenever an entity has insufficient capacity to fund asset renewal and other expenditure necessary to be able to appropriately maintain the range and level of services its existing asset stock was originally designed and intended to deliver. The service capability of the existing asset stock should be determined assuming no additional operating revenue, productivity improvements, or net financial liabilities above levels currently planned or projected. A current funding gap means service levels have already or are currently falling. A projected funding gap if not addressed will result in a future diminution of existing service levels.

Heritage asset
An asset with historic, artistic, scientific, technological, geographical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture and this purpose is central to the objectives of the entity holding it.

Impairment Loss
The amount by which the carrying amount of an asset exceeds its recoverable amount.

Infrastructure assets
Physical assets that contribute to meeting the needs of organisations or the need for access to major economic and social facilities and services, eg. roads, drainage, footpaths and cycleways. These are typically large, interconnected networks or portfolios of composite assets. The components of these assets may be separately maintained, renewed or replaced individually so that the required level and standard of service from the network of assets is continuously sustained. Generally the components and hence the assets have long lives. They are fixed in place and are often have no separate market value.

Investment property
Property held to earn rentals or for capital appreciation or both, rather than for:
(a) use in the production or supply of goods or services or for administrative purposes; or
(b) sale in the ordinary course of business.

Key performance indicator
A qualitative or quantitative measure of a service or activity used to compare actual performance against a standard or other target. Performance indicators commonly relate to statutory limits, safety, responsiveness, cost, comfort, asset performance, reliability, efficiency, environmental protection and customer satisfaction.

Level of service
The defined service quality for a particular service/activity against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental impact, acceptability and cost.

Life Cycle Cost
1. **Total LCC** The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.
2. **Average LCC** The life cycle cost (LCC) is average cost to provide the service over the longest asset life cycle. It comprises annual operations, maintenance and asset consumption expense, represented by depreciation expense. The Life Cycle Cost does not indicate the funds required to provide the service in a particular year.

Life Cycle Expenditure
The Life Cycle Expenditure (LCE) is the actual or planned annual operations, maintenance and capital renewal expenditure incurred in providing the service in a particular year. Life Cycle Expenditure may be compared to average Life Cycle Cost to give an initial indicator of life cycle sustainability.

Loans / borrowings
See borrowings.

Maintenance
All actions necessary for retaining an asset as near as practicable to its original condition, including regular ongoing day-to-day work necessary to keep assets operating, eg road patching but excluding rehabilitation or renewal. It is operating expenditure required to ensure that the asset reaches its expected useful life.

- **Planned maintenance**
  Repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown criteria/experience, prioritising scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.
- **Reactive maintenance**
  Unplanned repair work that is carried out in response to service requests and management/supervisory directions.
- **Significant maintenance**
  Maintenance work to repair components or replace sub-components that needs to be identified as a specific maintenance item in the maintenance budget.
- **Unplanned maintenance**
  Corrective work required in the short-term to restore an asset to working condition so it can continue to deliver the required service or to maintain its level of security and integrity.

Maintenance and renewal gap
Difference between estimated budgets and projected required expenditures for maintenance and renewal of assets to achieve/maintain specified service levels, totalled over a defined time (e.g. 5, 10 and 15 years).

Maintenance and renewal sustainability index

Ratio of estimated budget to projected expenditure for maintenance and renewal of assets over a defined time (eg 5, 10 and 15 years).

Maintenance expenditure

Recurrent expenditure, which is periodically or regularly required as part of the anticipated schedule of works required to ensure that the asset achieves its useful life and provides the required level of service. It is expenditure, which was anticipated in determining the asset’s useful life.

Materiality
The notion of materiality guides the margin of error acceptable, the degree of precision required and the extent of the disclosure required when preparing general purpose financial reports. Information is material if its omission, misstatement or non-disclosure has the potential, individually or collectively, to influence the economic decisions of users taken on the basis of the financial report or affect the discharge of accountability by the management or governing body of the entity.

Modern equivalent asset
Assets that replicate what is in existence with the most cost-effective asset performing the same level of service. It is the most cost efficient, currently available asset which will provide the same stream of services as the existing asset is capable of producing. It allows for technology changes and, improvements and efficiencies in production and installation techniques

Net present value (NPV)
The value to the organisation of the cash flows associated with an asset, liability, activity or event calculated using a discount rate to reflect the time value of money. It is the net amount of discounted total cash inflows after deducting the value of the discounted total cash outflows arising from eg the continued use and subsequent disposal of the asset after deducting the value of the discounted total cash outflows.

Non-revenue generating investments
Investments for the provision of goods and services to sustain or improve services to the community that are not expected to generate any savings or revenue to the Council, eg. parks and playgrounds, footpaths, roads and bridges, libraries, etc.

Operations expenditure
Recurrent expenditure, which is continuously required to provide a service. In common use the term typically includes, eg power, fuel, staff, plant equipment, on-costs and overheads but excludes maintenance and depreciation. Maintenance and depreciation is on the other hand included in operating expenses.

Operating expense
The gross outflow of economic benefits, being cash and non cash items, during the period arising in the course of ordinary activities of an entity when those outflows result in decreases in equity, other than decreases relating to distributions to equity participants.

Pavement management system
A systematic process for measuring and predicting the condition of road pavements and wearing surfaces over time and recommending corrective actions.

PMS Score
A measure of condition of a road segment determined from a Pavement Management System.

Rate of annual asset consumption
A measure of average annual consumption of assets (AAAC) expressed as a percentage of the depreciable amount (AAAC/DA). Depreciation may be used for AAAC.

Rate of annual asset renewal
A measure of the rate at which assets are being renewed per annum expressed as a percentage of depreciable amount (capital renewal expenditure/DA).

Rate of annual asset upgrade
A measure of the rate at which assets are being upgraded and expanded per annum expressed as a percentage of depreciable amount (capital upgrade/expansion expenditure/DA).

Recoverable amount
The higher of an asset's fair value, less costs to sell and its value in use.

Recurrent expenditure
Relatively small (immaterial) expenditure or that which has benefits expected to last less than 12 months. Recurrent expenditure includes operations and maintenance expenditure.

Recurrent funding
Funding to pay for recurrent expenditure.

Rehabilitation
See capital renewal expenditure definition above.

Remaining useful life
The time remaining until an asset ceases to provide the required service level or economic usefulness. Age plus remaining useful life is useful life.

Renewal
See capital renewal expenditure definition above.

Residual value
The estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Revenue generating investments
Investments for the provision of goods and services to sustain or improve services to the community that are expected to generate some savings or revenue to offset operating costs, eg public halls and theatres, childcare centres, sporting and recreation facilities, tourist information centres, etc.

Risk management
The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.

Section or segment
A self-contained part or piece of an infrastructure asset.

Service potential
The total future service capacity of an asset. It is normally determined by reference to the operating capacity and economic life of an asset. A measure of service potential is used in the not-for-profit sector/public sector to value assets, particularly those not producing a cash flow.

Service potential remaining
A measure of the future economic benefits remaining in assets. It may be expressed in dollar values (Fair Value) or as a percentage of total anticipated future economic benefits. It is also a measure of the percentage of the asset's potential to provide services that is still available for use in providing services (Depreciated Replacement Cost/Depreciable Amount).

Strategic Longer-Term Plan
A plan covering the term of office of councillors (4 years minimum) reflecting the needs of the community for the foreseeable future. It brings together the detailed requirements in the council's longer-term plans such as the asset management plan and the long-term financial plan. The plan is prepared in consultation with the community and details where the council is at that point in time, where it wants to go, how it is going to get there, mechanisms for monitoring the achievement of the outcomes and how the plan will be resourced.

Specific Maintenance
Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, building roof replacement, cycle, replacement of air conditioning equipment, etc. This work generally falls below the capital/ maintenance threshold and needs to be identified in a specific maintenance budget allocation.

Sub-component
Smaller individual parts that make up a component part.

Useful life
Either:
(a) the period over which an asset is expected to be available for use by an entity, or
(b) the number of production or similar units expected to be obtained from the asset by the entity.

It is estimated or expected time between placing the asset into service and removing it from service, or the estimated period of time over which the future economic benefits embodied in a depreciable asset, are expected to be consumed by the council.

Value in Use
The present value of future cash flows expected to be derived from an asset or cash generating unit. It is deemed to be depreciated replacement cost (DRC) for those assets whose future economic benefits are not primarily dependent on the asset's ability to generate net cash inflows, where the entity would, if deprived of the asset, replace its remaining future economic benefits.

Source: IPWEA, 2009, Glossary

Appendix 9.11

TAMALA PARK REGIONAL COUNCIL

LONG TERM FINANCIAL PLAN
2017 - 2028

TAMALA PARK
Regional Council

TABLE OF CONTENTS

EXECUTIVE SUMMARY

The Tamala Park Regional Council Long Term Financial Plan (LTFP) is an important part of Council's Integrated Planning process. The LTFP is aligned with Council's Strategic Community Plan and Corporate Business Plan, and will form the basis for the preparation of Council's annual budgets.

The LTFP covers a 12 year period from 2017 - 2028 which coincides with the Catalina Estate Development. The Plan includes modelling of three scenarios based on a range of assumptions and assesses the projected income from the sale of lots, cost of development and profit distribution to member Councils as well as the operational costs associated with the Regional Council.

The Scenario 1 (Baseline) modelling is based on the Satterley Property Group Project Forecasts, most recent economic data and expected market conditions and is therefore expected to deliver the most likely outcomes from the Catalina Estate Development. Scenarios 2 and 3 demonstrate that the TPRC has the flexibility to respond to provide the required resources and meet financial commitments.

1.0 STRATEGIC OVERVIEW

1.1 PURPOSE OF THE PLAN

The Tamala Park Regional Council's Long Term Financial Plan (LTFP) is an important part of the Regional Council's strategic process. The Plan is aligned to the Council's Strategic Community Plan and Corporate Business Plan, and will form the basis for the preparation of the Council's Annual Budgets.

The Strategic Community Plan details the long term aspirations, purpose and objectives as set out in the Establishment Agreement, however they can only be achieved if sufficient resources like money, people and assets are allocated. The LTFP costs the purpose and objectives against the financial realities.

The prime objective of the Regional Council is to subdivide, develop, market and sell the developed land. The LTFP covers a 12 year planning period from 2016-2017 to 2027-28 (The Catalina Estate project is anticipated to be completed in the 2027-28 financial year) however the Plan will be subject to annual reviews. The LTFP includes three Cashflow scenarios based on a range of assumptions. The LTFP will also:

- Demonstrate greater accountability and transparency;
- Link to various plans, such as the Strategic Community Plan, Corporate Business Plan, Asset Management Plan, Workforce Plan and Annual Budget;
- Assess the financial returns of the Tamala Park project;
- Identify potential financial issues and their long term impact.

1.2 LEGISLATIVE OBLIGATIONS

The Tamala Park Regional Council (TPRC) is required, under Section 5.56 of the *Local Government Act 1995*, to plan for the future of its district. In doing so, the Regional Council needs to comply with Regulation 19DA of the *Local Government (Financial Management) Regulations 1996*, which states -

> *(1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending June 2013.*

(2) A corporate business plan for a district is to cover the period specified in the Plan, which is to be at least 4 financial years.

(3) A corporate business plan for a district is to-

(a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and

(b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and

(c) develop and integrate matters relating to resources, including asset management, workforce planning and long term financial planning.

1.3 STRATEGIC ALIGNMENT

1.3.1 Strategic Community Plan (2013)

The Tamala Park Regional Council's Strategic Community Plan (SCP), approved by Council in June 2013, is the Council's planning document for the next 10 years. The LTFP complements and recognises the SCP priorities.

1.3.2 Corporate Business Plan

The Long Term Financial Plan informs the Corporate Business Plan (CBP) to activate the SCP priorities.

1.4 STRATEGIC FINANCIAL DIRECTION

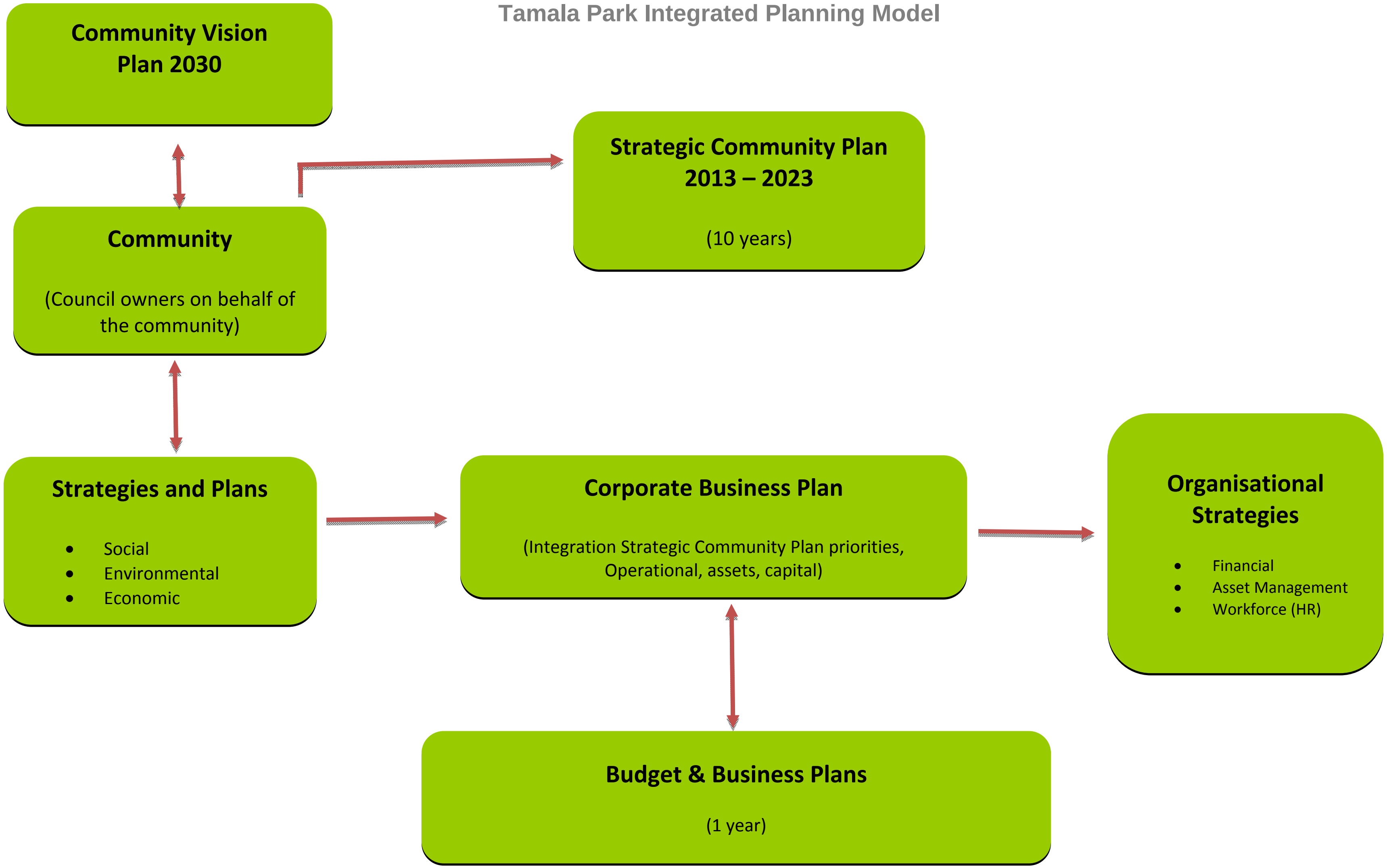
The Tamala Park Regional Council, in developing the LTFP, and in undertaking subsequent annual reviews, will develop and align the LTFP to the following -

- ⇨ Asset Management Plans
- ⇨ Workforce Plan
- ⇨ Business plans and other studies developed in relation to specific project/s.

1.5 STRATEGIC PLANNING FRAMEWORK

The diagram below details the links between the Long Term Financial Plan and the balance of the Corporate Planning Framework.

Tamala Park Integrated Planning Model



The framework guides the Council in delivering the regional purpose consistent with the Tamala Park Establishment Agreement 2006 over the long term (Strategic Community Plan), medium term (Corporate Business Plan) and short term (Annual Budget), and then holds itself accountable (Audited Financial Statements). The Council, in preparing a Long Term Financial Plan, will seek to answer the following:

- ⇨ How can we plan to achieve the desired outcomes;
- ⇨ Meeting future challenges and pressures; and
- ⇨ Maximising investment returns on behalf of its participants while balancing economic, social and environmental issues.

The LTFP establishes the financial direction of the Regional Council in order to meet the funding requirements over the next 12 years. The LTFP is prepared in conjunction with the Councils Corporate Business Plan to ensure the affordability of its operations and projects incorporated into the Corporate Business Plan.

2.0 ESTABLISHMENT AGREEMENT

The Tamala Park Establishment Agreement provides the purpose and objectives and the administrative and financial framework that guides the Council.

2.1 PARTIES TO THE AGREEMENT AND OWNERSHIP SHARES

Town of Cambridge	$^{1}/12$
City of Joondalup	$^{2}/12$
City of Perth	$^{1}/12$
City of Stirling	$^{4}/12$
Town of Victoria Park	$^{1}/12$
City of Vincent	$^{1}/12$
City of Wanneroo	$^{2}/12$

2.2 REGIONAL PURPOSE

The regional purpose for which the Tamala Park Regional Council (TPRC) was established is:

(a) To undertake, in accordance with the objectives, the rezoning, subdivision, development, marketing and sale of land; and
(b) To carry out and do all other acts and things which are reasonably necessary or bring into effect the matters referred to in paragraph (a) of this clause.

2.3 OBJECTIVES

The objectives of the TPRC are:

(i) To develop and improve the value of the land
(ii) To maximise, within precedent risk parameters, the financial return to the Participants;
(iii) To balance economic, social and environmental issues; and
(iv) To produce a quality development demonstrating the best urban design and development practice.

2.4 LAND

The participants own the following land:

Lot 118 Mindarie on Deposited Plan 28300 being the whole of the land in Certificate of Title -

- 2213/691
- 2213/692
- 2213/693
- 2213/694
- 2213/695
- 2213/696
- 2213/697

The land is marketed as "Catalina Estate" and is a prime infill development site spanning an area of 180 hectares approximately 34 kilometres northwest of the Perth's Central Business District and approximately 6 kilometres northwest of the Joondalup Regional Centre, within the City of Wanneroo. It is bounded by residential areas of Mindarie and Clarkson to the north, a large Bush Forever site to the west and southwest, Burns Beach and the Tamala Park refuse site to the south and Kinross and the future Mitchell Freeway alignment to the east.

3.0 OUR SERVICES

The type and range of services provided by the Council are detailed below.

3.1 CURRENT SERVICES

The tables below detail the current services (FYE 2017) provided by the Regional Council. Each service has been classified utilising the following legend.

SERVICE FREQUENCY (SF)		SERVICE DELIVERY (SD)		CHARGING ARRANGEMENTS (CA)	
A	Ad-hoc	**FO**	Fully Outsourced	**U**	Fee for Service – Fully recouped
D	Daily	**PO**	Partially Outsourced	**UP**	Fee for Service – Partially recouped
W	Weekly	**LG**	Local Government	**S**	Subsidised Service – government funded
FN	Fortnightly	**V**	Volunteers	**F**	Free at point of use - funded from general revenue
M	Monthly			**N/A**	Not Applicable
Q	Quarterly				
S	Seasonal				
B	Biannual				
Y	Yearly				

SERVICE	DESCRIPTION	CLASSIFICATION			EXPENDITURE/ (REVENUE)	EXPENDITURE			REVENUE	
		SF	SD	CA	NET COSTS $	DIRECT COSTS	ADMIN ALLOCATION	DEP'N	INTERNAL FUNDING	EXTERNAL FUNDING
Members of Council	Services to members of council. Includes fees, expenses and allowances paid, insurance, subscriptions, conference expenses.	D	LG	N/A	177,517 0 **177,517**	177,517	0	0	0	0
Other General Purpose Funding	Interest earrings from deposits and investments	D	LG	N/A	0 (959,170) (959,170)				(959,170)	0
Unclassified	Outlays that cannot be assigned to one of the preceding programs and sub-programs. Administration and management of projects.	D	LG	N/A	1,301,204 (1,985) 1,299,219	1,280,180	0	21,024	(1,985)	0
TOTAL					**517,566**	**1,457,697**	**0**	**21,024**	**(961,155)**	**0**

3.1.1 Findings

An analysis of the above financial information reveals that for the 2016-17 financial year the Council estimates an operational deficit of $0.052M ($517,566 less profit on sale of asset of $1,602) inclusive of depreciation. The operational shortfall is met from the retention of equity distributions from member local governments.

3.2 FUTURE SERVICES

Current services will continue to be delivered for the term of this Long Term Financial Plan. The future services provision will explore the quality and cost effectiveness of each service.

4.0 OUR PROJECT

4.1 BACKGROUND

Since the Perth Corridor Plan in 1997, the area around Tamala Park has been identified as a major residential and commercial node and the Metropolitan Region Scheme has reflected the intent for major development around the major road arteries and rail station plan for the area.
The progression towards the urban development of Tamala Park has been measured through a number of milestones. The most important of which are listed below:

- 1981 - The Councils acquire 432 hectares at Tamala Park for landfill and future urban development.
- 1993 - The TPRC land, west of Marmion Avenue, was zoned Urban by Metropolitan Region Scheme Amendment 942/33A.
- 2001 - The land west of Marmion Avenue was zoned 'Urban Development' when District Planning Scheme No. 2 (DPS 2).
- 2003 - The TPRC land, east of Marmion Avenue, including the WAPC land adjoining the freeway was zoned Urban Deferred by Metropolitan Region Scheme Amendment 992/33.
- 2004 - The land east of Marmion Avenue was rezoned to 'Urban Development', Amendment No. 41 to DPS 2.
- 2006 - A Negotiated Planning Solution signed between the Western Australian Planning Commission and the TPRC provided for 90 hectares to be transferred over time to the WAPC for conservation purposes and agreement of the remaining land (180 hectares) for urban development.
- 2010 - Local Structure Plan adopted by City of Wanneroo in 2010, subject to conditions.
- 2011 - Phase 1 Subdivision Application was approved by the Western Australian Planning Commission for 271 residential zoned lots, the Biodiversity Conservation Area lot (6.2ha), and public open space and drainage areas of 2.2ha, and local roads and connections to Marmion Avenue and Neerabup Road.
- 2011 - Approval to the Project by the Department of Sustainability, Environment, Water, Population and Communities (SEWPAC) under the EPBC Act.
- 2011 - Phase 1 Bulk Earthworks commenced on site.

- 2011 - Stages 1 and 2 civil works commenced.
- 2011 - Marketing/branding of Catalina commenced.
- 2012 - Sales of residential lots commenced.
- 2013 - Marmion Avenue Intersection works completed.
- 2014 - The Catalina Sales Office commenced operation.
- 2014 - Catalina Central Display Village 1 opened.
- 2014 - 500 residential lots sold at the Catalina Estate.
- 2014 - First distribution of Project dividends to member local governments.
- 2015 - 500 residential lots settled at the Catalina Estate.
- 2015 - Western Precinct Bulk Earthworks (Phase 1) completed.
- 2015 - TPRC / ABN Joint Venture for 25 apartments completed.
- 2016 - Western Precinct Subdivision Application approved by the Western Australian Planning Commission for 200 residential lots.
- 2016 - Catalina Display Village 2 opened.

4.2 LOCAL STRUCTURE PLAN

Since early 2008 the key activity of the Regional Council has been progressing the design/planning and approval of the Local Structure Plan (LSP). The need for the preparation and approval of LSP is set out under the City of Wanneroo District Planning Scheme No 2. The LSP is intended to guide the planning and development of the Participants landholding.

The LSP reflects the TPRC objective – “to create an urban centre for choice, sustainability, community and opportunity”. The design in the LSP responds to contemporary lifestyles, best practice urban design, sustainability principles, and the recognition of environmental values of the land.

Planning and design has responded to the site's proximity to the ocean, beach, road and rail arteries and opportunities arising from the site being adjoined on three sides by Bush Forever and National Park land and the Ocean Keys Commercial centre.

Key Elements

Key aspects of the Structure Plan include:

- Providing for a wider range of residential density and a range of house types that address changing demographics.
- Providing for sustainable environmental outcomes.
- Providing active commercial centres and community hubs that meet the daily and weekly needs of residents and provide employment opportunities.
- Providing an urban design response in recognition of adjoining public transport infrastructure.
- A high level of linkage both within and beyond the boundaries of the Tamala Park landholding.

Key Performance Indicators

- Provision of a variety of lot sizes, housing product and affordability across a range of market sectors.
- Timely and coordinated delivery of open space, pedestrian/cycle paths and access to public transport to cater for resident needs.
- Incorporating water sensitive urban design principles, in accordance with the Western Australian Planning Commission's 'Better Water Management' guidelines (2008).
- Incorporating leading practice urban design in the creation of new neighbourhoods, including allowing for solar passive design and construction of dwellings on new lots.

Environmental Management

An Environmental Management Plan (EMP) has been prepared which provides management and mitigation measures for impacts of the proposed Tamala Park development. The EMP is intended to accompany the LSP and to address the specific Ministerial Conditions (Minister for the Environment) set for the development. These conditions are summarised as follows:

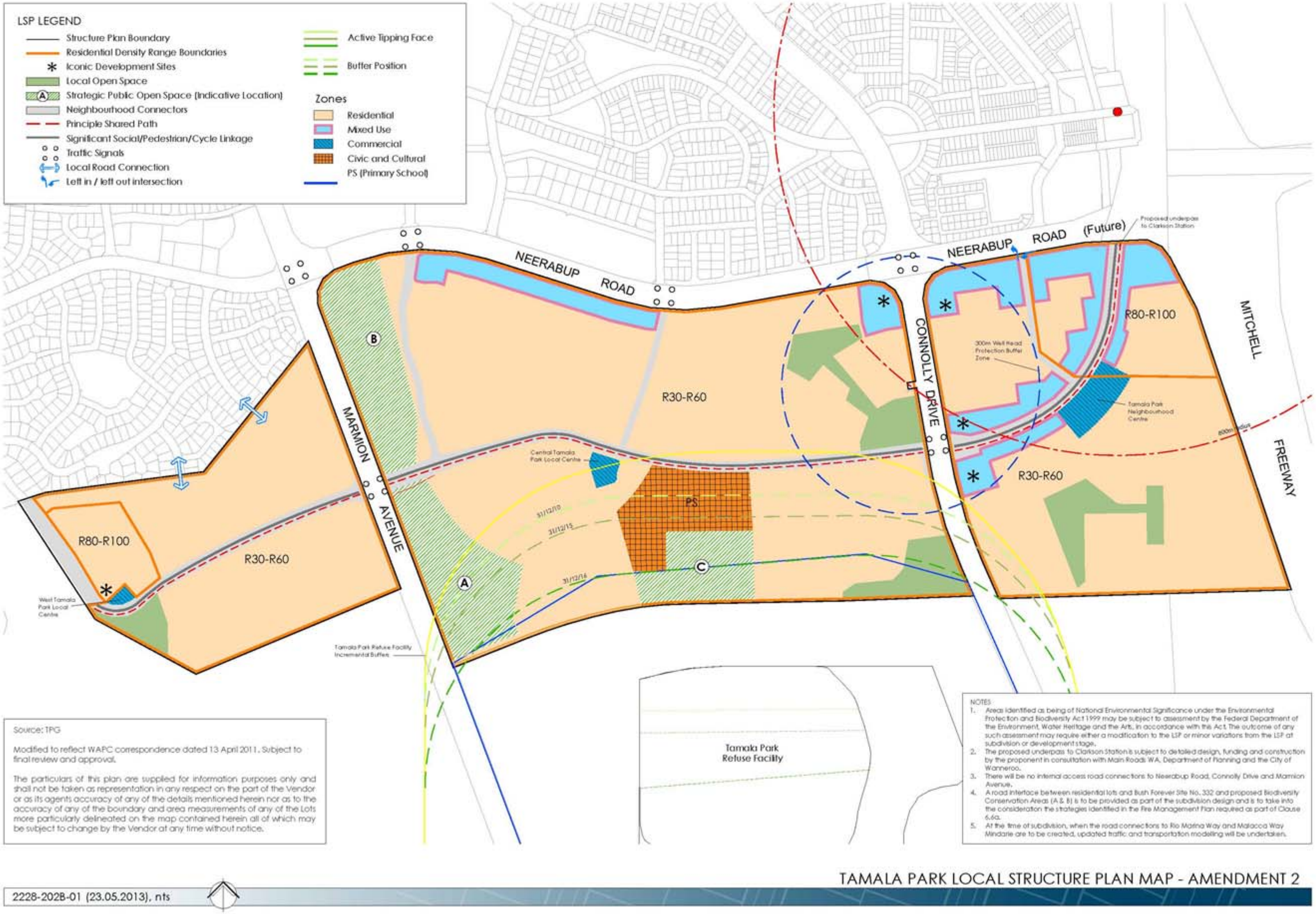
- Management of remnant vegetation whilst strengthening links between the coast and the Neerabup National Park.
- Control of exotic flora and fauna species.
- Specially protected fauna management.
- Fire management.

- Management of public access to the areas reserved for conservation and recreation.
- Recommendations for revegetation.
- Recommendations for public education and awareness to ensure long-term protection of the natural environment.

Approval Status

At its Council meeting of 4 May 2010 the City of Wanneroo endorsed the Structure Plan subject to a number of changes. The LSP was referred to the Western Australian Planning Commission and approval was granted in 2011.

4.3 TAMALA PARK LOCAL STRUCTURE PLAN MAP



4.4 MAJOR PROJECTS FINANCIAL SUMMARY

The table below details the financial information contained in Scenario 1 – Baseline Scenario.

	BUDGET	PROPOSED ESTIMATES										
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
REVENUE	$	$	$	$	$	$	$	$	$	$	$	$
Income Sale on Lots	$26,283,529	$39,982,275	$40,311,104	$47,163,201	$50,659,512	$56,394,894	$60,520,159	$64,388,159	$49,472,070	$78,332,404	$29,338,882	$0
Income Other	$4,794,250	$0	$5,492,286	$5,521,508	$17,041,585	$11,390,238	$1,615,614	$0	$0	$0	$0	$0
Total Revenue	**$31,077,779**	**$39,982,275**	**$45,803,390**	**$52,684,709**	**$67,701,097**	**$67,785,132**	**$62,135,773**	**$64,388,159**	**$49,472,070**	**$78,332,404**	**$29,338,882**	**$0**
LESS EXPENDITURE												
Land Development Costs												
Land & Special Sites Development	$49,657	$10,780,560	$1,316,052	$538,435	$0	$50,000	$0	$50,000	$0	$0	$0	$0
Land Develop - Consultants	$675,204	$614,907	$589,552	$559,161	$552,439	$562,037	$520,013	$562,489	$288,474	$223,853	$0	$0
Land Develop - Landscape	$6,807,816	$3,489,325	$7,602,306	$8,107,158	$2,652,912	$1,368,828	$1,518,643	$1,505,441	$1,479,333	$918,927	$95,999	$0
Land Develop - Infrastructure	$1,474,031	$7,534,721	$446,395	($2,762,914)	$0	$0	$0	$0	$0	$0	$0	$0
Land Develop - Precinct 1 Bulk	$3,770,383	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Land Develop - Lot Production	$10,717,376	$13,631,578	$14,691,050	$16,002,505	$17,551,386	$16,867,755	$15,808,816	$18,394,597	$14,079,321	$16,294,879	$624,224	$0
Land Develop - Admin Land Dev	$1,075,117	$1,037,397	$1,038,597	$1,059,097	$997,660	$983,232	$964,863	$944,359	$922,650	$911,885	$425,355	$0
Community Development	$192,500	$192,500	$192,500	$192,500	$192,500	$192,500	$192,500	$192,500	$192,500	$192,500	$192,500	$0
Contingency	$1,483,907	$1,994,692	$1,444,903	$1,339,041	$1,245,365	$1,127,934	$1,079,573	$1,203,698	$910,975	$957,195	$66,904	$0
Finance	$1,765,944	($1,500,000)	($200,000)	$0	$0	$0	$0	$0	$0	$0	($1,508,599)	$0
Debtors /Creditors Movement	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Consultancy												
Env Innovation Consultancies												
Sustainability Assessment System	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
EPBC Act Management	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Admin-Operational Consultancies												
GST management	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000
GST Margin Scheme Consultancy	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Recruitment_Human Resources	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$0
Property Development Services												
Property Admin and Approvals												
Signage/Decals	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$0
Branding/Marketing	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$0
Mtce Services-Land												
Fences/Walls	$20,000	$3,000	$3,000	$3,000	$3,000	$3,000	$3,000	$3,000	$3,000	$3,000	$3,000	$0
Mtce Services-Land	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$0
Sales Expenditure												
Direct Selling Expenses	$3,805,686	$4,598,467	$4,721,466	$5,528,621	$8,118,305	$7,392,335	$6,801,267	$6,940,766	$5,884,123	$7,054,893	$4,762,649	$925,299
Sales and Marketing	$663,734	$656,313	$617,738	$596,353	$571,196	$566,463	$577,897	$578,278	$589,950	$601,858	$0	$0
Total Expenditure	**$32,546,355**	**$43,078,460**	**$32,508,559**	**$31,207,957**	**$31,929,763**	**$29,159,084**	**$27,511,572**	**$30,420,128**	**$24,395,326**	**$27,203,990**	**$4,707,032**	**$945,299**
TOTAL NET SURPLUS	**($1,468,576)**	**($3,096,185)**	**$13,294,831**	**$21,476,752**	**$35,771,334**	**$38,626,048**	**$34,624,201**	**$33,968,031**	**$25,076,744**	**$51,128,414**	**$24,631,850**	**($945,299)**

5.0 INFRASTRUCTURE ASSET MANAGEMENT

5.1 ASSET MANAGEMENT PLANS

Maintenance of assets is funded from Council's operating budget. Current and projected operating and maintenance expenditure forecasts are based on advice received from Council Officers. The Council has prepared an Asset Management Plan that outlines the required operating and maintenance expenditures at the identified service levels. The Asset Management Plan was reviewed by Council in July 2016, and the results are summarised below.

5.2 FUNDING GAP

The objective of asset management is to detail all the tasks and resources required to manage and maintain Council's asset portfolio to an agreed level of service. There are costs associated with the provision of assets which include operation and maintenance costs, renewal and upgrading of existing assets, and are usually projected over a ten year planning period.

The funding gap in providing infrastructure assets is determined by identifying the projected cost of providing the assets at an identified level of service, and then deducting Council's estimated available expenditure for the same period; usually over ten years.

The table below details the funding surplus, per year, for the Council across infrastructure asset classes on a short and medium term basis.

ASSET CLASS	
Motor Vehicles, Office Furniture and Equipment, Building Leasehold Improvements	
Short Term (5 Years) Funding Surplus per annum	$14,000
Medium Term (10 Years) Funding Surplus per annum	$10,000

6.0 FINANCIAL PRINCIPLES AND STRATEGIES

6.1 FINANCIAL PRINCIPLES

In preparing the Long Term Financial Plan, the following principles have been applied.

- ⇨ Council to maintain its existing services.
- ⇨ Provide agreed returns to the participants.
- ⇨ Fund the project from project cashflow and avoid contributions from participants.

6.1.1 Cash Investments

Section 6.14 of the Local Government Act 1995 provides that money held in the Municipal Fund or the Trust Fund of a local government that is not required for any other purpose may be invested in accordance with Part III of the Trustees Act 1962. The *Local Government (Financial Management) Regulations 1996* provides for the establishment of internal control procedures for the control of investments, and disclosure requirements in the Annual Budget and the Annual Financial Report. Additional disclosure requirements are provided under the *Australian Accounting Standards*.

6.1.1.1 Local Government (Financial Management) Regulations 1996

Regulation 19(c) limits how a local government may invest surplus funds as follows:

(a) Invest funds with authorised institutions as defined in the Banking Act 1959 (Commonwealth), section 5, of the WA Treasury Corporation;
(b) Deposit for a fixed term of 12 months or less;
(c) Invest in bonds guaranteed by the Commonwealth Government, or a State or Territory Government; or
(d) Invest in Australian currency.

6.1.1.2 Trustees Act 1962

Section 17 of the *Trustees Act 1962*, states

"a trustee may, unless expressly prohibited by the instrument creating the trust-

(a) Invest trust funds in any form of investment; and
(b) at any time, vary an investment or realise an investment of trust funds and reinvest money resulting from the realisation in any form of investment".

Section 18(b) of the *Trustees Act 1962* includes a requirement to *"exercise the care, diligence and skill that a prudent person would exercise in managing the affairs of other persons"*.

Section 20(1)(a) – (o) of the *Trustees Act 1962* includes a list of factors to be taken into account by the investor *"so far as they are appropriate to the circumstances of the trust"* including-

(i.) the risk of capital or income loss or depreciation (Trustees Act 1962 section 20(1)(e)); and

(ii.) the liquidity and marketability of the proposed investment during and on the determination of the term of the proposed investment (Trustees Act 1962 section 20(1)(j)).

6.1.1.3 Council's Investment Policy

The TPRC Investment Policy was reviewed and approved by Council in July 2015 and provides the basis and guidelines for the investment of surplus TPRC funds.

Objectives:

- To undertake authorised investment of surplus funds after assessing credit risk and diversification limits.
- To maximise earnings from authorised investments and ensure the security of Tamala Park Regional Council (TPRC) funds.
- To preserve TPRC capital funds.
- To ensure provision of sufficient liquidity to meet TPRC cash flow requirements as and when they fall due without incurring significant costs due to unanticipated sales of investments.
- To target a minimum market average return based upon accepted investment indicators reflecting the Council's risk tolerance.

Interest received on investments is derived from -

⇨ Municipal fund revenues raised through the year from all sources of revenue.

The interest the Council earns on Municipal Fund revenue is untied and forms part of Council's consolidated revenue for distribution across the services it provides.

6.1.1.4 Impact on Interest Earned

Council's current investments are held in term deposits. Council has chosen to remain conservative in forecasting interest rates for investments and has set a forecast rate of 3.00%.

6.2 CAPITAL INVESTMENTS

The following table summarises the capital works program by Asset Class during the life of this Plan.

ASSET CLASS	2016-17 $	2017-18 $	2018-19 $	2019-20 $	2020-21 $	2021-22 $	2022-23 $	2023-24 $	2024-25 $	2025-26 $	2026-27 $	2027-28 $
Land & Buildings	3,000	0	50,000	0	0	0	0	0	0	0	0	0
Plant & Equipment	65,016	26,250	68,267	27,563	71,680	28,941	75,264	30,388	79,027	31,907	82,979	33,502
Furniture & Equipment	22,000	0	16,000	0	11,000	0	0	11,000	0	0	10,000	0
TOTAL	**90,016**	**26,250**	**134,267**	**27,563**	**82,680**	**28,941**	**75,264**	**41,388**	**79,027**	**31,907**	**92,979**	**33,502**

7.0 WORKFORCE PLANNING

The Council's Workforce Plan will ensure that the right people with the right skills are in the right place, at the right time, at the right cost. The Plan will provide a disciplined approach for matching human resources with the anticipated needs of the Regional local government.

The Council has forecasted that the staff levels will remain constant, in line with current service provision levels, in preparing this Long Term Financial Plan.

7.1 CURRENT WORKFORCE

The current staffing levels are as follows.

	Tamala Park Regional Council – Workforce Profile									
	F/Time		P/Time		Casual		Totals		%	%
Position	F	**M**	**F**	**M**	**F**	**M**	**F**	**M**	**F**	**M**
CEO	0	1	0	0	0	0	0	1	0	36.5%
Project Coordinator	0	1	0	0	0	0	0	1	0	36.5%
Executive Assistant to CEO	0	0	1	0	0	0	1	0	27%	0
TOTAL	0	2	1	0	0	0	1	2	27%	73%
G TOTAL	**2**		**1**		**0**		**3**		**100%**	

7.2 STAFFING LEVELS

The Table below details the projected workforce levels.

DESCRIPTION	Current	Year 1 FTE	Year 3 FTE	Year 5 FTE
Chief Executive Officer	1	1	1	1
Project Coordinator	1	1	1	1
Executive Assistant to the CEO	.80	.80	.80	.80
Governance Officer	Nil	1	1	1
TOTAL	2.80	3.80	3.80	3.80

7.3 FORECAST GROWTH IN LABOUR COSTS

The labour costs forecasts are based on the economic forecasts.

INDICATOR	FORECASTS				
	2016-17	2017-18	2018-19	2019-20	2020-21
Wage Price Index (WPI)	3.00%	3.00%	3.00%	3.50%	3.50%

8.0 LONG TERM FINANCIAL PLAN – CASH FLOW SCENARIOS

Three different cash flow scenarios have been modelled in the LTFP with varying assumptions in order to consider the range and level of service, workforce planning and asset management requirements, and capital works programs. The Council's Strategic Community Plan has identified stakeholder aspirations over the long term and the models provide an understanding of the outcomes based on different assumptions.

8.1 SCENARIO 1 (BASELINE)

This cash flow scenario provides for:

- ⇨ No change in the range and level of services;
- ⇨ Catalina Estate projected income and expenditure based on a 0% income and 0% cost escalation in FYE 2017 then the following, as provided by the Satterley Property Group, Project/Sales Managers:
  FYE 2018 – 2% income and 1% cost escalation;
  FYE 2019 onward – 4% income and 2% cost escalation;

The findings in relation to this model are as follows:

- ⇨ The Liquidity of the Regional Council from 2016-17 onwards will reduce but still in a very comfortable position until 2027-28 when final profit distributions are made to the Member Councils.
- ⇨ The operating surplus ratio over the forecast period varies from (-54%) to (-143%). The Regional Councils major source of income is interest received on investments which is not enough to meet its operating expenditure. The member Councils will continue to meet the shortfall.
- ⇨ The Regional Council does not propose to borrow to fund its Catalina Estate Development.
- ⇨ The Regional council is spending more on Capital renewal expenditure over the forecast period.
- ⇨ The consumption of the Regional Council's asset base is tracking downwards, but is still within the target range of 50% - 75% overall.
- ⇨ The Distribution of Profits to member Councils for the financial period 2016-17 to 2027-28 amounts to $309,010,413.

8.2 SCENARIO 2 (COST GEARED)

This cash flow scenario provides for:

- ⇨ No change in the range and level of services;
- ⇨ Catalina Estate projected income and expenditure based on a 2% income and 5% cost escalation, information as provided by the Satterley Property Group, the Project/Sales Managers.

The findings in relation to this model are as follows:

- ⇨ The Liquidity of the Regional Council from 2016-17 onwards will reduce but still in a very comfortable position until 2027-28 when final profit distributions are made to the Member Councils.
- ⇨ The operating surplus ratio over the forecast period varies from (-54%) to (-143%). The Regional Councils major source of income is interest received on investments which is not enough to meet its operating expenditure. The member Councils will continue to meet the shortfall.
- ⇨ The Regional Council does not propose to borrow to fund its Catalina Estate Development.
- ⇨ The Regional council is spending more on Capital renewal expenditure over the forecast period.
- ⇨ The consumption of the Regional Council's asset base is tracking downwards, but is still within the target range of 50% - 75% overall.
- ⇨ The Distribution of Profits to member Councils for the financial period 2016-17 to 2027-28 onwards to $244,192,498.

8.3 SCENARIO 3 (INCOME GEARED)

This cash flow scenario provides for:

- ⇨ No change in the range and level of services;
- ⇨ Catalina Estate projected income and expenditure based on an 8% income and 2% cost escalation, information as provided by the Satterley Property Group, the Project/Sales Managers.

The findings in relation to this model are as follows:

- ⇨ The Liquidity of the Regional Council from 2016-17 onwards will reduce but still in a very comfortable position until 2027-28 when final profit distributions are made to the Member Councils.
- ⇨ The operating surplus ratio over the forecast period varies from (-54%) to (-143%). The Regional Councils major source of income is interest received on investments which is not enough to meet its operating expenditure. The member Councils will continue to meet the shortfall.
- ⇨ The Regional Council does not propose to borrow to fund its Catalina Estate Development.
- ⇨ The Regional council is spending more on Capital renewal expenditure over the forecast period.
- ⇨ The consumption of the Regional Council's asset base is tracking downwards, but is still within the target range of 50% - 75% overall.
- ⇨ The Distribution of Profits to member Councils for the financial period 2016-17 to 2027-28 onwards to $423,289,436.

9.0 LONG TERM FINANCIAL PLAN ASSUMPTIONS

In preparing the LTFP the 2016-17 TPRC Annual Budget has been used as the forecasting base, together with the following assumptions.

9.1 EXTERNAL INFLUENCES

- ⇨ Cost indices (i.e. Consumer Price Index (CPI), Local Government Cost Index (LGCI), and Wage Price Index (WPI);
- ⇨ Prevailing economic conditions impacting the financial markets for the investment and borrowing of funds; and

9.2 INTERNAL INFLUENCES

- ⇨ Estimated Budget surplus/deficit for the 2015-16 financial year; and
- ⇨ Council workforce requirements (i.e. staff turnover, employment contract negotiations, wages and salary increases).

9.3 ASSUMPTIONS

9.3.1 Cost Indices

9.3.1.1 Consumer Price Index

The Consumer Price Index (CPI) increases for the life of Plan are as follows:

COST INDEX	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
CPI	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

The Western Australian Government 2016-17 Budget forecasts details that Perth's CPI is forecasted at 1.75%, and 2.50% for 2016-17 to 2019-20. These forecasts are in line with the Reserve Bank estimates of 2.0% to 3.0% out to December 2017. The Australian Government in its Pre-election and Fiscal Outlook 2016 has utilised a CPI of 2.5% for its projections.

The forecast CPI is to be utilised in the financial modelling of the following:

- ⇨ Revenues, excluding interest on investments; and
- ⇨ Expenditures, excluding salaries.

9.3.1.2 Wage Price Index

Salary and wages increases over the life of the Plan are based on the Western Australian Treasury forecasts of 3.25% for 2019-20 and the Australian Government Pre-election Economic and Fiscal Outlook 2016 of 2.75% to 3.25% for 2017-18 and 2018-19 and 3.5% for 2019-20.

COST INDEX	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
CPI	3.00%	3.00%	3.00%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

9.3.2 Cash Investments

Section 6.2.2 of this Plan details Councils investment policy, which provides for funds to be invested with alternative, secure financial institutions in accordance with Regulation 19C of the *Local Government (Financial Management) Regulations 1996*. In forecasting returns on Council's investments, it is proposed to utilise the term deposit rates for investments greater than $100,000 invested for a period of 5 years.

LOCAL BANK	INTEREST RATE
Westpac Bank	3.20%
Commonwealth Bank	2.90%
National Australia Bank	2.80%
ANZ Bank	2.47%

An interest rate of 3.00% will be utilised for the purposes of financial modelling.

9.3.3 Depreciation

The Regional Council calculates depreciation on a straight line basis and utilises the following depreciation periods.

ASSET CLASS	DEPRECIATION RATE
Computer Equipment	4 years
Furniture and equipment	4 to 10 years
Printers, Photocopiers and Scanners	5 years
Floor coverings	8 years
Phones and Faxes	6 to 7 years
Infrastructure	30 to 50 years
Plant and Equipment	5 to 12 years

Whilst the financial modelling has incorporated the above rates of depreciation, it has not taken into account the impact of any revaluations of assets.

9.3.4 Project Assumptions

9.3.4.1 Scenario 1 (Baseline)

ASSUMPTIONS	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Lots for Sale Release	99	165	159	132	198	183	171	159	232	98	0	0
Lots Sold	119	200	145	168	180	196	188	171	163	185	0	0
Lots Titles	68	130	148	119	174	226	192	179	154	206	0	0
Lots Settlements	93	122	129	163	174	189	194	194	136	200	70	0
Lots Closing Stock	21	64	78	42	60	47	30	18	87	0	0	0
Lots Contracts on Hand	53	53	69	74	80	87	81	58	85	70	0	0
Lots Average Settlement Price	**$282,619**	**$327,724**	**$312,489**	**$289,345**	**$291,147**	**$298,386**	**$311,960**	**$331,898**	**$363,765**	**$391,662**	**$419,127**	**0**

9.3.4.2 Scenario 2 (Cost Geared)

ASSUMPTIONS	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Lots for Sale Release	99	165	159	132	198	183	171	159	232	98	0	0
Lots Sold	119	122	145	168	180	196	188	171	163	185	0	0
Lots Titles	68	130	148	119	174	226	192	179	154	206	0	0
Lots Settlements	93	122	129	163	174	189	194	194	136	200	70	0
Lots Closing Stock	21	64	78	42	60	47	30	18	87	0	0	0
Lots Contracts on Hand	53	53	69	74	80	87	81	58	85	70	0	0
Lots Average Settlement Price	**$282,619**	**$327,724**	**$311,271**	**$279,931**	**$279,031**	**$280,362**	**$287,358**	**$299,545**	**$321,950**	**$339,613**	**$359,027**	**0**

9.3.4.3 Scenario 3 (Income Geared)

ASSUMPTIONS	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Lots for Sale Release	99	165	159	132	198	183	171	159	232	98	0	0
Lots Sold	119	122	145	168	180	196	188	171	163	185	0	0
Lots Titles	68	130	148	119	174	226	192	179	154	206	0	0
Lots Settlements	93	122	129	163	174	189	194	194	136	200	70	0
Lots Closing Stock	21	64	78	42	60	47	30	18	87	0	0	0
Lots Contracts on Hand	53	53	69	74	80	87	81	58	85	70	0	0
Lots Average Settlement Price	**$282,619**	**$329,798**	**$328,010**	**$321,187**	**$335,475**	**$358,736**	**$390,189**	**$432,767**	**$492,767**	**$552,657**	**$605,923**	**0**

10.0 RATIO ANALYSIS AND LONG TERM SUSTAINABILITY

The ratios are an industry accepted measure of financial health. This section summarises the financial ratio results for each of the three cash flow scenarios presented in the LTFP.

10.1 CURRENT RATIO

FORECAST	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Scenario 1 (Baseline)	21,866%	16,740%	14,998%	14,729%	13,994%	13,157%	12,955%	11,655%	11,037%	10,433%	8,960%	0%
Scenario 2 (Cost Geared)	21,866%	16,740%	14,998%	14,729%	13,994%	13,157%	12,955%	11,655%	11,037%	10,433%	8,960%	0%
Scenario 3 (Income Geared)	21,866%	16,740%	14,998%	14,729%	13,994%	13,157%	12,995%	11,655%	11,037%	10,433%	8,960%	0%

The target of greater than or equal to 1:1 is well above the benchmark for the 12 years of the Plan. The Catalina Estate Development is due for completion in 2027-28 when it is expected that a final distribution to member Councils will be made. During the project surplus funds will be retained to ensure that the Regional Council has sufficient funds to finance the various stages of the project.

10.2 OPERATING SURPLUS RATIO

FORECAST	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Scenario 1 (Baseline)	(54)%	(79)%	(99)%	(97)%	(103)%	(117)%	(115)%	(131)%	(137)%	(143)%	(127)%	(124)%
Scenario 2 (Cost Geared)	(54)%	(79)%	(99)%	(97)%	(103)%	(117)%	(115)%	(131)%	(137)%	(143)%	(127)%	(124)%
Scenario 3 (Income Geared)	(54)%	(79)%	(99)%	(97)%	(103)%	(117)%	(115)%	(131)%	(137)%	(143)%	(127)%	(124)%

The Regional Council's operations will continue to be subsidised from funds generated from the Catalina Estate Project that are retained or not distributed to Participants by way of profits.

10.3 RATES COVERAGE RATIO

This is an indicator of a local government's ability to cover its costs through its own tax revenue effort. It is measured as: Total Rates Revenue Total Expenses
Target – greater than or equal to 40%

FORECAST	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Scenario 1 (Baseline)	N/A											
Scenario 2 (Cost Geared)	N/A											
Scenario 3 (Income Geared)	N/A											

The Regional Council does not levy rates therefore the Ratio is not applicable.

10.4 DEBT SERVICE COVER RATIO

FORECAST	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Scenario 1 (Baseline)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Scenario 2 (Cost Geared)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Scenario 3 (Income Geared)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

The Regional Council does not intend to borrow over the life of the Plan.

10.5 ASSET SUSTAINABILITY RATIO

FORECAST	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Scenario 1 (Baseline)	211%	0%	351%	42%	128%	41%	90%	76%	98%	60%	164%	56%
Scenario 2 (Cost Geared)	211%	0%	351%	42%	128%	41%	90%	76%	98%	60%	164%	56%
Scenario 3 (Income Geared)	211%	0%	351%	42%	128%	41%	90%	76%	98%	60%	164%	56%

The Regional Council achieves a ratio on average of 110% over the life of the plan in excess of the target range.

10.6 ASSET CONSUMPTION RATIO

FORECAST	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Scenario 1 (Baseline)	79%	72%	76%	70%	68%	62%	59%	54%	52%	49%	50%	46%
Scenario 2 (Cost Geared)	79%	72%	76%	70%	68%	62%	59%	54%	52%	49%	50%	46%
Scenario 3 (Income Geared)	79%	72%	76%	70%	68%	62%	59%	54%	52%	49%	50%	46%

While the trend is tracking downwards, the Regional Council is still within the target range of between 50% to 75% for the life of the LTFP on average.

10.7 ASSET RENEWAL FUNDING RATIO

This ratio indicates whether the local government has the financial capacity to fund asset renewal at continued existing service levels. It is measured as:

$$\frac{\text{Net Present Value of Planned Renewal Expenditure}}{\text{Net Present Value of Asset Management Plan Projections}}$$

Target – greater than or equal to 1:1 (or 100%)

FORECAST	2016-17	2017-18	2018-19	2019-20	2019-21	2021-22	2022-23	2023-24	2024-25	2025-26
Scenario 1 (Baseline)	156.7%									
Scenario 2 (Cost Geared)	156.7%									
Scenario 3 (Income Geared)	156.7%									

The Regional Council's 10 year average ratio of 156.7% is well above the target range of 100%.

10.8 SUMMARY

Projections show that over the next 12 years the Regional Council will have sufficient funds to finance its operation inclusive of the Catalina Estate Development. Scenario 1 best forecasts the expected revenues, expenditure and profit distribution to the seven member Councils from the development.

11.0 RISK ASSESSMENT

The Regional Council in May 2016 prepared a Risk Management Plan to identify and record potential risks. The Plan allows mitigation strategies to be developed, implemented and tracked to ensure risk associated with the Catalina Estate Development is well managed.

A risk register identifying the major risk items is detailed below.

CATALINA RISK REGISTER
MAY 2016

SALES AND MARKETING

	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
1.1	Low interest from builders leads to lack of medium density lot sales in builder releases.	4	3	12	Medium	Reduce number of lots to be sold in FYE 2017 builder release tenders. Work with wide range of builders to create value for money house and land packages on medium density lots. Continue to liaise with builders on lot configuration and commercial terms.	*The recommended mitigation strategy has been implemented in an ongoing manner through marketing and development actions and is considered an appropriate response to the risk.*
1.2	Cashflow impacted by slower sales or delayed settlements.	3	3	9	Medium	Budget for sales and settlements that reflect market conditions. Ensure an appropriate minimum bank balance is included in the budget. Maintain stock level trigger before commencing construction of future civil works. Monitor expenditure on future works, including the size of earthwork stages. Review distributions to participating Councils.	*The recommended mitigation actions have been adopted within the Project Budget including the application of sales triggers.* *The TPRC monitors bank balances to ensure minimum cashflow is maintained.* *Regular sales and financial reporting is occurring to monitor the progress of sales and settlements.*
1.3	Negative change in market sentiment reduces sales and / or pricing.	3	3	9	Medium	Careful positioning of Catalina brand to soften impact of any fall in house and land prices across the Perth market. Budget for sales and settlements that reflect market conditions. Ensure pricing is not too aggressive so lots are affordable when interest rates rise. Ensure lot mix includes affordable housing options. Apply sales triggers before awarding civil works contracts to ensure there is not an oversupply of land. If market deteriorates then defer non-essential spending.	*The recommended mitigation actions have been implemented through the approved Catalina Marketing Plan which has guided the Project's marketing activities.* *All pricing is subject to formal valuation by the TPRC appointed valuer and recommendation by the Development Manager.* *Continued implementation of the recommended mitigation action is supported.*

BUDGET

	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
2.1	Expenditure exceeds budget projections due to increased development costs.	2	3	6	Low	Regular monitoring of works contracts and strong budget control work practices. Use of fixed price contracts and maximise provisional sums for rock to limit variation costs and uncertainty. Undertake advanced planning to facilitate accurate OPC estimates for incorporation within annual budget review and six monthly budget reviews. Contingency included in budget for any unforeseen items.	*The recommended mitigation actions have been implemented in accordance with the Project Program and all budget review processes.* *All major construction contracts have been issued as lump sum contracts and all project expenditure is closely monitored to budget.* *The continued implementation of the recommended mitigation actions and the above project processes is supported.*

Ranking:
*High Risk = 15 – over
*Medium Risk = 7 – 14
*Low Risk = 0 – 6

	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
2.2	Cashflow delays provision of early infrastructure items and release on new sales fronts.	2	3	6	Low	Ensure TPRC is fully briefed on development and distribution options so they can consider the costs and benefits. Continue to manage the Project to achieve budget sales triggers. Ensure planning and engineering risks are managed so settlement program is met.	*The recommended mitigation actions are being implemented via project planning and development processes.* *Monthly financial reporting and bi-annual budget reviews are undertaken to monitor and manage this risk.*
2.3	Reduced cashflow results in lower distributions than budgeted.	3	3	9	Medium	Defer non-essential expenditure to reduce impact on distributions. Release Catalina Beach Precinct to provide more diverse product mix to assist sales rates and reduce the risk of reduced cashflow over the medium to long term. Budget for sales and settlements that reflect market conditions.	*The recommended mitigation actions are being implemented via project planning and budget control processes.* *Monthly financial reporting and bi-annual budget reviews are undertaken to monitor and manage this risk.*

PLANNING AND ENVIRONMENTAL APPROVALS							
	RISK	**LIKELIHOOD**	**CONSEQUENCE**	**OVERALL**	**RANKING ***	**MITIGATION**	**TPRC COMMENT**
3.1	Lifting of urban deferred zoning does not meet cashflow expectations.	3	5	15	High	Close liaison with Mindarie Regional Council on shifting of landfill buffer. Apply for urban deferred lifting when buffer is removed and environmental risks are acceptable. Adopt conservative timing of development of the urban deferred land in the Project Forecast cashflow. Controlled releases of Catalina Beach Precinct to ensure land is available when Catalina Grove and Catalina Central Urban Zoned land are sold out.	*Implementation of the recommended mitigation actions are occurring via liaison with the MRC and planning processes, including a projection of the movement of the landfill buffer movement sought from the MRC.* *The Project Staging Strategy accounts for the landfill buffer with development of the southern portion of the Central Precinct.* *The continued implementation of the recommended mitigation actions is supported.*
3.2	Non-compliance with EPBC environmental approval conditions.	2	3	6	Low	Undertake ongoing monitoring and review of EPBC conditions. Annual audit completed by environmental consultant.	*Annual audits of actions/conditions relating to EPBC conditions is undertaken and provided to SEWPAC. To date there have been no issues with compliance.* *Ongoing monitoring of SEWPAC conditions is being undertaken.*
3.3	Non-compliance with Environmental Management Plan requirements.	2	3	6	Low	Environmental consultant appointed to advise on EMP issues.	*The TPRC has prepared an audit of all actions required under the EMP confirming all actions are on schedule.* *Implementation of the recommended mitigation actions is ongoing.*
3.4	Delays achieving environmental, planning and development Approvals which impact cashflow.	2	3	6	Low	Develop and maintain the Project Program to ensure sufficient approval periods are allowed. Close liaison with approval authorities including the City of Wanneroo and Water Corporation officers to maintain strong knowledge of approval requirements and build relationships.	*The recommended mitigation action is being implemented in accordance with the Project Program.* *In addition to the lodgement of subdivision applications ongoing liaison with the WAPC and referral authorities is being undertaken.* *This action is considered to represent good project management practice and continued implementation is supported.*
3.5	Delays in commencing and undertaking. Tamala Park LSP Amendment process for Catalina Grove precinct may impact sales releases.	2	3	6	Low	Develop program for approvals for first Phase 1 - the Catalina Grove Precinct consistent with Project Program. Provide advice for key items to be included for Local Structure Plan amendment for the Catalina Grove Precinct. Construct Connolly Drive intersection prior to LSP approval.	*The recommended mitigation action has been implemented with discussions with the City of Wanneroo and WAPC.*

Ranking:
*High Risk = 15 – over
*Medium Risk = 7 – 14
*Low Risk = 0 – 6

3.6	City of Wanneroo scheme contributions higher than forecast.	2	3	6	Low	Continue to adequately budget for scheme contributions. Continue discussions with City of Wanneroo on key infrastructure items and administration of scheme contributions.	*The recommended mitigation action has been implemented with discussions with the City of Wanneroo.* *The Project Budget accounts for scheme contributions requirement.* *Agreement reached with MRWA on Neerabup Road Underpass.*
3.7	Beach access road from Catalina Beach is not agreed to by Statutory Authorities	2	3	6	Low	Submit environmental and planning applications to relevant authorities. Continue to engage with WAPC and City of Wanneroo regarding access.	*Discussions initiated with the City of Wanneroo and WAPC.*
3.8	Delay in obtaining Subdivision Approval for the first stage of Catalina Beach. A delay in obtaining subdivision approval will impact on the commencement of sales in the Catalina Beach Precinct which will impact the Project's cashflow.	2	3	6	Low	A subdivision application has been lodged for the initial stages of the Catalina Beach Precinct, approval anticipated June 2016. Meetings with the City of Wanneroo and the Department of Planning have reduced the risk of the subdivision approval being delayed or any unreasonable conditions being imposed on the TPRC.	*The recommended mitigation action has been implemented with discussions with the City of Wanneroo and WAPC.* *Subdivision approval obtained, modification to approval expected in June 2016.*

ENGINEERING AND CONSTRUCTION							
	RISK	**LIKELIHOOD**	**CONSEQUENCE**	**OVERALL**	**RANKING ***	**MITIGATION**	**TPRC COMMENT**
4.1	Non-compliance with Work Health and Safety Requirements leads to serious injury and/or death. Potential for Worksafe investigation or claim for damages due to incident. WHS acts or omissions which result in, or have the potential to result in, serious personal injury and/or death that could be dealt with as: • An indictable offence; or • A breach of law that has a civil (not criminal) penalty.	2	4	8	Medium	SPG to provide TPRC: • Evidence that SPG's WHS Management System satisfies the best intentions of the *Occupational Safety and Health Act (WA) 1984* ("Act") and *Occupational Safety and Health Regulations (WA) 1996* ("Regulations"); • Evidence of implementation of the SPG WHS Contractor Management Procedure, which includes: ▪ WHS prequalification process; ▪ Copies of any 2nd Party (Principal Contractor) audit reports conducted on the Project site (at the request of TPRC); ▪ Evidence that a project specific risk identification workshop has been undertaken in conjunction with the Principal Contractor (at the request of TPRC), including a summary of session outcomes; and • Regular reporting of WHS leading and lagging indicators (including contractor WHS non-conformances and areas for improvement, and incidents and hazards).	*The TPRC's contractors are qualified in managing safe working practices.* *There are regular site meetings where site safety is discussed and safe working practices confirmed and site inspections undertaken to monitor the site and site works.* *The SPG's mitigation actions are supported and being monitored by the TPRC.*
4.2	Delays and increased cost of key infrastructure items including pump stations, underpasses and overpasses presents a future cashflow risk.	2	3	6	Low	Engage with the City of Wanneroo, Main Roads WA and Service Authorities early to ensure infrastructure requirements are known and adequately budgeted for.	*Allowances for infrastructure items have been provided for within the TPRC budget in accordance with advice from relevant servicing authorities.* *Liaison with servicing authorities has been undertaken to ensure infrastructure items are included within capital works programming of relevant authorities.* *Continued implementation of the above actions is supported.*
4.3	Delays to clearances leads to delay in settlements.	2	3	6	Low	Preparation of clearance request documentation and submission to statutory authorities in accordance with the Project Program. Close liaison with relevant officers of clearance authorities to ensure consensus agreement exists in regards to condition requirements. Deposited plans, covenant and noise & fire notifications to be created and lodged early in the process.	*The recommended mitigation action has been implemented via the preparation of clearance packages and liaison with clearance authorities.* *The clearances process is closely monitored by the SPG and the TPRC.*

Ranking:
*High Risk = 15 – over
*Medium Risk = 7 – 14
*Low Risk = 0 – 6

STAKEHOLDERS

	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
5.1	The potential impacts from the landfill operations include contamination of the TPRC's landholding from contaminated groundwater or a gas leak which could provide a significant safety risk to the public.	2	5	10	Medium	SPG is not aware of any management issues with the MRC landfill and have sighted a letter dated April 2014 advising that the groundwater sampled within Catalina had normal levels of contaminants. The MRC's website states their Environmental Management System is certified by NCS International as being compliant with ISO14001 Environmental Management. Mitigation measures consist of providing purchasers with adequate information on landfill timing and impacts on request, ensuring an adequate buffer is maintained between the landfill operations and residential development, monitoring any odour complaints from residents and liaising with the Mindarie Regional Council to ensure Risk Management Plans and Environmental Management Plans are in place and complied with.	*Staging has been devised to maintain separation from the landfill site during initial phases of development.* *There is ongoing liaison with MRC regarding landfill operations and potential impacts.* *Continued implementation of the recommended mitigation actions is supported.*
5.2	Delay in provision of services within Catalina including shopping and schools.	3	2	6	Low	Engage with local schools in Clarkson and Mindarie and provide information to residents regarding existing local services. Engage with the Department of Education regarding the timing of the Catalina Primary School site. Provide budget for the landscaping of the local oval to commence in FYE 2018.	*Proposed mitigation measures are included in the TPRC Annual Plan 2015/2016 approved by Council.* *There is on-going liaison with service agencies to ensure timely provision of necessary services.*
5.3	Adverse community reaction to ongoing development due to nuisance from construction activities.	2	3	6	Low	Undertake pro-active community engagement through support of community groups in order to garner support from community groups which can then be enlisted to support development should adverse publicity arise. Implement Dust Mitigation Strategy to ensure sites are being managed by the civil contractor, and where possible complete bulk earthworks during winter months.	*Implementation of recommended mitigation actions has commenced with appointment of the Community Development Manager, and the necessary community consultation strategies are being progressed.* *Review of scheduling earthworks adjacent to residential areas to occur in winter months to reduce dust and objections from residents. Consultation to be undertaken prior to commencement of works.*

MANAGEMENT

	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
6.1	TPRC project objectives not being met.	2	3	6	Low	Ensure TPRC approvals received for actions undertaken by project team and implementation of project are in accordance with TPRC approvals. Regularly review objectives of TPRC strategy documents and ensure implementation by project team.	*Implementation of the recommended mitigation action is occurring via all project planning, development and reporting processes.* *All project documentation and planning is reviewed by the SPG and TPRC to ensure adherence to the TPRC objectives.* *The recommended mitigation action represents good project management practice and its continued implementation is supported.*

Ranking:
*High Risk = 15 – over
*Medium Risk = 7 – 14
*Low Risk = 0 – 6

12.0 FINANCIAL PROJECTIONS

The financial projections in this LTFP have been developed in a format that conforms to the *Local Government (Financial Management) Regulations 1996* and the Australian Accounting Standards. This format has been chosen as it allows projections to feed into the statutory format of the Annual Budget and key performance measures into the LTFP to be compared with Annual Budgets and annual Financial Reports. The statutory schedules include:

- ⇨ Statement of Comprehensive Income;
- ⇨ Statement of Financial Position (Balance Sheet) and Equity Statement;
- ⇨ Statement of Cash Flows; and
- ⇨ Rate Setting Statement.

The Statement of Comprehensive income shows what is expected to happen during the year in terms of revenue, expenses, and other adjustments from all activities. A surplus is estimated for each year of the LTFP.

The Statement of Financial Position is a snap-shot of the expected financial position of the Regional Council at the end of the financial year. It reports what is expected to be owned (assets) and what is expected to be owed (liabilities). The bottom line “Net Assets” represents the net worth of the Council. The assets and liabilities are separated into current and non-current. Current means those assets or liabilities which will fall due in the next 12 months. Non-current refers to assets and liabilities that are recoverable or which fall due over a longer period than 12 months.

The Statement of Cash Flows shows what is expected to happen during the year in terms of cash. The net cash provided by operating activities shows how much cash is expected to remain after paying for the services provided to the community. This can be used to fund other activities such as capital works and infrastructure. The information in this statement assists in the assessment of the ability to generate cash flows and meet financial commitments as they fall due, including debt repayments.

The Closing Balance detailed in the Rate Setting Statement reveals the net surplus/deficit for each year. The surplus/deficit for each year has not been carried forward, but rather represents funds that are available to fund additional expenditure or funds required by the Shire to deliver a balanced budget.

The Statements are supported by schedules for:

- ⇨ Capital works;
- ⇨ Projects; and
- ⇨ Depreciation calculations.

13.0 CONCLUSION – IMPLEMENTATION AND REVIEW OF THE LTFP

The Council will consider the content of the LTFP when preparing the Annual Budget for 2017-18 and subsequent years, and it is expected that adopted budgets will be closely aligned with the proposals in the LTFP and assumptions underpinning this.

Some minor review of the LTFP will occur each year as budgets are prepared to account for performance information and changing circumstances.   However, a detailed review is planned for 2018-19 and a full review will be undertaken in 2020-21, in conjunction with formal review of the Strategic Community Plan.

The Council is confident that the LTFP will allow the Council to set priorities within its resourcing capabilities to sustainably deliver the projects and services required by the community.

APPENDIX 1

SCENARIO 1 (BASELINE)

COMPREHENSIVE INCOME STATEMENT

	2016/17 ADOPTED BUDGET	2017/18 PROPOSED ESTIMATES	2018/19 PROPOSED ESTIMATES	2019/20 PROPOSED ESTIMATES	2020/21 PROPOSED ESTIMATES	2021/22 PROPOSED ESTIMATES	2022/23 PROPOSED ESTIMATES	2023/24 PROPOSED ESTIMATES	2024/25 PROPOSED ESTIMATES	2025/26 PROPOSED ESTIMATES	2026/27 PROPOSED ESTIMATES	2027/28 PROPOSED ESTIMATES
EXPENDITURE	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Governance	(177,517)	(181,955)	(186,504)	(191,166)	(195,946)	(200,844)	(205,865)	(211,012)	(216,287)	(221,694)	(227,237)	(232,918)
Other Property and Services	(1,301,204)	(1,269,516)	(1,308,363)	(1,347,784)	(1,390,311)	(1,432,244)	(1,475,854)	(1,521,987)	(1,565,022)	(1,605,517)	(1,409,646)	(1,387,209)
	(1,478,721)	(1,451,471)	(1,494,867)	(1,538,951)	(1,586,256)	(1,633,089)	(1,681,719)	(1,732,999)	(1,781,310)	(1,827,211)	(1,636,883)	(1,620,127)
REVENUE												
General Purpose Funding	959,170	810,000	750,000	780,000	780,000	750,000	780,000	750,000	750,000	750,000	720,000	720,000
Other Property & Services	1,985	2,035	2,086	2,138	2,192	2,246	2,302	2,360	2,419	2,480	2,542	2,605
	961,155	812,035	752,086	782,138	782,192	752,246	782,302	752,360	752,419	752,480	722,542	722,605
Increase(Decrease)	(517,565)	(639,436)	(742,781)	(756,813)	(804,065)	(880,842)	(899,417)	(980,638)	(1,028,891)	(1,074,732)	(914,341)	(897,522)
DISPOSAL OF ASSETS												
Land	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	1,602	0	(3,400)	(1,575)	(3,500)	(1,654)	(3,800)	(1,736)	(3,900)	(1,823)	(4,200)	(1,914)
Furniture and Equipment	0	0	0	0	0	0	0	0	0	0	0	0
Gain (Loss) on Disposal	1,602	-	(3,400)	(1,575)	(3,500)	(1,654)	(3,800)	(1,736)	(3,900)	(1,823)	(4,200)	(1,914)
NET RESULT	**(515,963)**	**(639,436)**	**(746,181)**	**(758,388)**	**(807,565)**	**(882,496)**	**(903,217)**	**(982,375)**	**(1,032,791)**	**(1,076,555)**	**(918,541)**	**(899,436)**
OTHER COMPREHENSIVE INCOME	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	**(515,963)**	**(639,436)**	**(746,181)**	**(758,388)**	**(807,565)**	**(882,496)**	**(903,217)**	**(982,375)**	**(1,032,791)**	**(1,076,555)**	**(918,541)**	**(899,436)**

STATEMENT OF FINANCIAL POSITION

	ACTUAL	PROPOSED ESTIMATES											
	2015/16 $	2016/17 $	2017/18 $	2018/19 $	2019/20 $	2020/21 $	2021/22 $	2022/23 $	2023/24 $	2024/25 $	2025/26 $	2026/27 $	2027/28 $
Current assets													
Cash and cash equivalents	47,135,952	33,775,808	25,766,424	23,045,351	22,625,624	21,477,582	20,168,705	19,852,912	17,822,674	16,857,828	15,913,197	13,612,863	0
Trade and other receivables	404,508	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	0
Total current assets	**47,540,460**	**34,161,966**	**26,152,582**	**23,431,509**	**23,011,782**	**21,863,740**	**20,554,863**	**20,239,070**	**18,208,832**	**17,243,986**	**16,299,355**	**13,999,021**	**0**
Non-current assets													
Inventories	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	0
Property, plant,furniture and equipment	131,368	159,235	164,272	224,658	208,268	212,400	194,190	187,525	178,483	173,991	163,942	174,636	162,278
Total non-current assets	**1,931,368**	**1,959,235**	**1,964,272**	**2,024,658**	**2,008,268**	**2,012,400**	**1,994,190**	**1,987,525**	**1,978,483**	**1,973,991**	**1,963,942**	**1,974,636**	**162,278**
Total assets	**49,471,828**	**36,121,201**	**28,116,855**	**25,456,168**	**25,020,050**	**23,876,139**	**22,549,053**	**22,226,595**	**20,187,315**	**19,217,977**	**18,263,297**	**15,973,657**	**162,278**
Current liabilities													
Trade and other payables	73,175	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	0
Provisions	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	0
Total current liabilities	194,606	156,231	156,231	156,231	156,231	156,231	156,231	156,231	156,231	156,231	**156,231**	**156,231**	**0**
Non-current liabilities													
Provisions	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	0
Total non-current liabilities	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**0**
Total liabilities	**251,258**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**0**
Net assets	**49,220,570**	**35,908,318**	**27,903,972**	**25,243,285**	**24,807,167**	**23,663,256**	**22,336,170**	**22,013,712**	**19,974,432**	**19,005,094**	**18,050,414**	**15,760,774**	**162,278**
Equity													
Retained surplus	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780
Contributed Equity	47,839,437	34,527,185	26,522,839	23,862,152	23,426,034	22,282,123	20,955,037	20,632,579	18,593,299	17,623,961	16,669,281	14,379,641	(1,218,855)
Revaluation Surplus	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Total equity	**49,220,570**	**35,908,318**	**27,903,972**	**25,243,285**	**24,807,167**	**23,663,256**	**22,336,170**	**22,013,712**	**19,974,432**	**19,005,094**	**18,050,414**	**15,760,774**	**162,278**

STATEMENT OF CHANGES IN EQUITY

	ACTUAL	PROPOSED ESTIMATES											
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Retained surplus													
Balance as at 1 July	0	0	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive Income	499,845	(515,963)	(639,436)	(746,181)	(758,388)	(807,565)	(882,496)	(903,217)	(982,375)	(1,032,791)	(1,076,555)	(918,541)	(899,436)
Distribution to Members	(499,845)	515,963	639,436	746,181	758,388	807,565	882,496	903,217	982,375	1,032,791	1,076,555	918,541	899,436
Balance as at 30 June	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Contributed Equity													
Balance as at 1 July	48,086,747	49,214,217	35,901,965	27,897,619	25,236,932	24,800,814	23,656,903	22,329,817	22,007,359	19,968,079	18,998,741	18,044,061	15,754,421
Distribution to Members - Retained Surplus	499,845	(515,963)	(639,436)	(746,181)	(758,388)	(807,565)	(882,496)	(903,217)	(982,375)	(1,032,791)	(1,076,555)	(918,541)	(899,436)
Members Contributions/Return of Capital/ Distribution of Profits	627,625	(12,796,289)	(7,364,910)	(1,914,506)	322,270	(336,346)	(444,590)	580,759	(1,056,905)	63,453	121,875	(1,371,099)	(14,692,707)
Balance as at 30 June	**49,214,217**	**35,901,965**	**27,897,619**	**25,236,932**	**24,800,814**	**23,656,903**	**22,329,817**	**22,007,359**	**19,968,079**	**18,998,741**	**18,044,061**	**15,754,421**	**162,278**
Revaluation Surplus													
Balance as at 1 July	7,517	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Changes in Revaluation of Non - Current Assets	(1,164)	0	0	0	0	0	0	0	0	0	0	0	(6,353)
Balance as at 30 June	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**0**
Total equity	**49,220,570**	**35,908,318**	**27,903,972**	**25,243,285**	**24,807,167**	**23,663,256**	**22,336,170**	**22,013,712**	**19,974,432**	**19,005,094**	**18,050,414**	**15,760,774**	**162,278**

STATEMENT OF CASH FLOWS

	2016/17 ANNUAL BUDGET	2017/18 PROPOSED ESTIMATES	2018/19 PROPOSED ESTIMATES	2019/20 PROPOSED ESTIMATES	2020/21 PROPOSED ESTIMATES	2021/22 PROPOSED ESTIMATES	2022/23 PROPOSED ESTIMATES	2023/24 PROPOSED ESTIMATES	2024/25 PROPOSED ESTIMATES	2025/26 PROPOSED ESTIMATES	2026/27 PROPOSED ESTIMATES	2027/28 PROPOSED ESTIMATES
Cash Flows from operating activities												
PAYMENTS												
Employee Costs	(776,878)	(774,489)	(797,322)	(824,405)	(852,415)	(881,385)	(911,347)	(942,336)	(974,386)	(1,007,535)	(1,041,820)	(1,198,712)
Materials & Contracts												
Professional Consulting Fees	0	0	0	0	0	0	0	0	0	0	0	0
Other	(504,430)	(449,165)	(460,394)	(471,904)	(483,701)	(495,794)	(508,189)	(520,893)	(533,916)	(547,264)	(313,756)	(289,649)
Utilities	(18,000)	(6,450)	(6,611)	(6,777)	(6,946)	(7,120)	(7,298)	(7,480)	(7,667)	(7,859)	(8,055)	(8,257)
Insurance	(17,756)	(18,200)	(18,655)	(19,121)	(19,599)	(20,089)	(20,592)	(21,106)	(21,634)	(22,175)	(22,729)	(23,298)
Goods and Services Tax	0	0	0	0	0	0	0	0	0	0	0	0
Other	(179,007)	(181,955)	(186,504)	(191,166)	(195,946)	(200,844)	(205,865)	(211,012)	(216,287)	(221,694)	(227,237)	(232,918)
	(1,496,071)	**(1,430,258)**	**(1,469,486)**	**(1,513,373)**	**(1,558,608)**	**(1,605,232)**	**(1,653,290)**	**(1,702,827)**	**(1,753,890)**	**(1,806,527)**	**(1,613,597)**	**(1,752,833)**
RECEIPTS												
Contributions and Donations Reimbursements	1,985	2,035	2,086	2,138	2,192	2,246	2,302	2,360	2,419	2,480	2,542	388,763
Interest Received	977,520	810,000	750,000	780,000	780,000	750,000	780,000	750,000	750,000	750,000	720,000	720,000
	979,505	**812,035**	**752,086**	**782,138**	**782,192**	**752,246**	**782,302**	**752,360**	**752,419**	**752,480**	**722,542**	**1,108,763**
Net Cash flows from Operating Activities	**(516,566)**	**(618,223)**	**(717,400)**	**(731,235)**	**(776,416)**	**(852,986)**	**(870,988)**	**(950,467)**	**(1,001,471)**	**(1,054,047)**	**(891,056)**	**(644,070)**
Cash flows from investing activities												
Payments												
Development of Land for Resale	(32,546,354)	(43,078,460)	(32,508,559)	(31,207,957)	(31,929,763)	(29,159,084)	(27,511,572)	(30,420,128)	(24,395,326)	(27,203,990)	(4,707,032)	(945,299)
Purchase Buildings	(3,000)	0	(50,000)	0	(1,000)	0	0	(1,000)	0	0	0	0
Purchase Plant and Equipment	(65,016)	(26,250)	(68,267)	(27,563)	(71,680)	(28,941)	(75,264)	(30,388)	(79,027)	(31,907)	(82,979)	(33,502)
Purchase Furniture and Equipment	(22,000)	0	(16,000)	0	(10,000)	0	0	(10,000)	0	0	(10,000)	0
	(32,636,370)	**(43,104,710)**	**(32,642,826)**	**(31,235,520)**	**(32,012,443)**	**(29,188,025)**	**(27,586,836)**	**(30,461,516)**	**(24,474,353)**	**(27,235,897)**	**(4,800,011)**	**(978,801)**
Receipts												
Disposal of Furniture and Equipment	42,727	0	45,100	16,800	47,400	17,640	49,700	18,522	52,200	19,448	54,800	20,421
Contributions from Other Parties												
	42,727	**0**	**45,100**	**16,800**	**47,400**	**17,640**	**49,700**	**18,522**	**52,200**	**19,448**	**54,800**	**20,421**
Net cash flows from investing activities	**(32,593,643)**	**(43,104,710)**	**(32,597,726)**	**(31,218,720)**	**(31,965,043)**	**(29,170,385)**	**(27,537,136)**	**(30,442,994)**	**(24,422,153)**	**(27,216,449)**	**(4,745,211)**	**(958,381)**
Cash flows from financing activities												
Income Sale of Lots -Subdivision	26,283,529	39,982,275	40,311,104	47,163,210	50,659,512	56,394,894	60,520,159	64,388,159	49,472,070	78,332,404	29,338,882	0
Income Other -Subdivision	4,794,250	0	5,492,286	5,521,508	17,041,585	11,390,238	1,615,614	0	0	0	0	0
Contribution to be Returned	(327,714)	(268,725)	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0
Profit Distributions	(11,000,000)	(4,000,000)	(15,000,000)	(21,000,000)	(36,000,000)	(39,000,000)	(34,000,000)	(35,000,000)	(25,000,000)	(51,000,000)	(26,000,000)	(12,010,413)
Net cash flows from financing activities	**19,750,065**	**35,713,550**	**30,594,053**	**31,530,227**	**31,593,417**	**28,714,494**	**28,092,331**	**29,363,223**	**24,458,779**	**27,325,865**	**3,335,933**	**(12,010,413)**
Net (decrease)/increase in cash held	**(13,360,144)**	**(8,009,384)**	**(2,721,073)**	**(419,727)**	**(1,148,042)**	**(1,308,877)**	**(315,793)**	**(2,030,238)**	**(964,845)**	**(944,631)**	**(2,300,334)**	**(13,612,864)**
Cash at the Beginning of Reporting Period	**47,135,952**	**33,775,808**	**25,766,424**	**23,045,351**	**22,625,624**	**21,477,582**	**20,168,705**	**19,852,912**	**17,822,674**	**16,857,828**	**15,913,197**	**13,612,863**
Rounding												
Cash at the End of Reporting Period	**33,775,808**	**25,766,424**	**23,045,351**	**22,625,624**	**21,477,582**	**20,168,705**	**19,852,912**	**17,822,674**	**16,857,828**	**15,913,197**	**13,612,863**	**(0)**

RATE SETTING STATEMENT

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	ANNUAL	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
	BUDGET	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES
REVENUE	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
General Purpose Funding	959,170	810,000	750,000	780,000	780,000	750,000	780,000	750,000	750,000	750,000	720,000	720,000
Other Property and Services	1,985	2,035	2,086	2,138	2,192	2,246	2,302	2,360	2,419	2,480	2,542	2,605
	$961,155	**$812,035**	**$752,086**	**$782,138**	**$782,192**	**$752,246**	**$782,302**	**$752,360**	**$752,419**	**$752,480**	**$722,542**	**$722,605**
LESS EXPENDITURE												
Governance	(177,517)	(181,955)	(186,504)	(191,166)	(195,946)	(200,844)	(205,865)	(211,012)	(216,287)	(221,694)	(227,237)	(232,918)
Other Property & Services	(1,301,204)	(1,269,516)	(1,308,363)	(1,347,784)	(1,390,311)	(1,432,244)	(1,475,854)	(1,521,987)	(1,565,022)	(1,605,517)	(1,409,646)	(1,387,209)
	(1,478,721)	**(1,451,471)**	**(1,494,867)**	**(1,538,951)**	**(1,586,256)**	**(1,633,089)**	**(1,681,719)**	**(1,732,999)**	**(1,781,310)**	**(1,827,211)**	**(1,636,883)**	**(1,620,127)**
Increase(Decrease)	**(517,565)**	**(639,436)**	**(742,781)**	**(756,813)**	**(804,065)**	**(880,842)**	**(899,417)**	**(980,638)**	**(1,028,891)**	**(1,074,732)**	**(914,341)**	**(897,522)**
ADD												
Book Value of Assets Sold Written Back	41,125	0	48,500	18,375	50,900	19,294	53,500	20,258	56,100	21,271	59,000	22,335
Provision for Employee Entitlements	0	0	0	0	0	0	0	0	0	0	0	0
Income Sale of Lots -Subdivision	26,283,529	39,982,275	40,311,104	47,163,210	50,659,512	56,394,894	60,520,159	64,388,159	49,472,070	78,332,404	29,338,882	0
Income Other -Subdivision	4,794,250	0	5,492,286	5,521,508	17,041,585	11,390,238	1,615,614	0	0	0	0	0
Profit/Loss on the Disposal of Assets	1,602	-	(3,400)	(1,575)	(3,500)	(1,654)	(3,800)	(1,736)	(3,900)	(1,823)	(4,200)	(1,914)
Depreciation Written Back	21,024	21,212	25,381	25,578	27,649	27,856	28,429	30,171	27,420	20,685	23,286	23,525
Provision for Audit Fees	0	0	0	0	0	0	0	0	0	0	0	0
	$31,141,530	**$40,003,487**	**$45,873,871**	**$52,727,096**	**$67,776,146**	**$67,830,628**	**$62,213,902**	**$64,436,852**	**$49,551,690**	**$78,372,537**	**$29,416,968**	**$43,945**
Sub Total	**$30,623,965**	**$39,364,052**	**$45,131,090**	**$51,970,283**	**$66,972,081**	**$66,949,786**	**$61,314,485**	**$63,456,214**	**$48,522,799**	**$77,297,805**	**$28,502,626**	**(853,576)**
LESS CAPITAL PROGRAMME												
Purchase Land & Buildings	(3,000)	0	(50,000)	0	(1,000)	0	0	(1,000)	0	0	0	0
Development of Land for Resale	(32,546,354)	(43,078,460)	(32,508,559)	(31,207,957)	(31,929,763)	(29,159,084)	(27,511,572)	(30,420,128)	(24,395,326)	(27,203,990)	(4,707,032)	(945,299)
Purchase Plant and Equipment	(65,016)	(26,250)	(68,267)	(27,563)	(71,680)	(28,941)	(75,264)	(30,388)	(79,027)	(31,907)	(82,979)	(33,502)
Purchase Furniture and Equipment	(22,000)	0	(16,000)	0	(10,000)	0	0	(10,000)	0	0	(10,000)	0
Contribution Refund	(327,714)	(268,725)	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0
Profit Distributions	(11,000,000)	(4,000,000)	(15,000,000)	(21,000,000)	(36,000,000)	(39,000,000)	(34,000,000)	(35,000,000)	(25,000,000)	(51,000,000)	(26,000,000)	(12,010,413)
Contribution Returned	0	0	0	0	0	0	0	0	0	0	0	0
	(43,964,084)	**(47,373,435)**	**(47,852,163)**	**(52,390,010)**	**(68,120,123)**	**(68,258,663)**	**(61,630,279)**	**(65,486,452)**	**(49,487,644)**	**(78,242,436)**	**(30,802,960)**	**(12,989,214)**
ABNORMAL ITEMS												
Rounding	0	0	0	0	0	0	0	0	0	0	0	0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub Total	**(13,340,119)**	**(8,009,384)**	**(2,721,073)**	**(419,727)**	**(1,148,042)**	**(1,308,877)**	**(315,793)**	**(2,030,238)**	**(964,845)**	**(944,631)**	**(2,300,334)**	**(13,842,791)**
LESS FUNDING FROM												
Opening Funds	47,345,854	34,005,735	25,996,351	23,275,278	22,855,551	21,707,509	20,398,632	20,082,839	18,052,601	17,087,756	16,143,125	13,842,791
Closing Funds (surplus/deficit)	(34,005,735)	(25,996,351)	(23,275,278)	(22,855,551)	(21,707,509)	(20,398,632)	(20,082,839)	(18,052,601)	(17,087,756)	(16,143,125)	(13,842,791)	0
	$13,340,119	**$8,009,384**	**$2,721,073**	**$419,727**	**$1,148,042**	**$1,308,877**	**$315,793**	**$2,030,238**	**$964,845**	**944631**	**$2,300,334**	**$13,842,791**
TO BE MADE UP FROM RATES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

APPENDIX 2

SCENARIO 2 (COST GEARED)

COMPREHENSIVE INCOME STATEMENT

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	ADOPTED BUDGET	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES
EXPENDITURE	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Governance	(177,517)	(181,955)	(186,504)	(191,166)	(195,946)	(200,844)	(205,865)	(211,012)	(216,287)	(221,694)	(227,237)	(232,918)
Other Property and Services	(1,301,204)	(1,269,516)	(1,308,363)	(1,347,784)	(1,390,311)	(1,432,244)	(1,475,854)	(1,521,987)	(1,565,022)	(1,605,517)	(1,409,646)	(1,387,209)
	(1,478,721)	(1,451,471)	(1,494,867)	(1,538,951)	(1,586,256)	(1,633,089)	(1,681,719)	(1,732,999)	(1,781,310)	(1,827,211)	(1,636,883)	(1,620,127)
REVENUE												
General Purpose Funding	959,170	810,000	750,000	780,000	780,000	750,000	780,000	750,000	750,000	750,000	720,000	720,000
Other Property & Services	1,985	2,035	2,086	2,138	2,192	2,246	2,302	2,360	2,419	2,480	2,542	2,605
	961,155	812,035	752,086	782,138	782,192	752,246	782,302	752,360	752,419	752,480	722,542	722,605
Increase(Decrease)	(517,565)	(639,436)	(742,781)	(756,813)	(804,065)	(880,842)	(899,417)	(980,638)	(1,028,891)	(1,074,732)	(914,341)	(897,522)
DISPOSAL OF ASSETS												
Land	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	1,602	0	(3,400)	(1,575)	(3,500)	(1,654)	(3,800)	(1,736)	(3,900)	(1,823)	(4,200)	(1,914)
Furniture and Equipment	0	0	0	0	0	0	0	0	0	0	0	0
Gain (Loss) on Disposal	1,602	-	(3,400)	(1,575)	(3,500)	(1,654)	(3,800)	(1,736)	(3,900)	(1,823)	(4,200)	(1,914)
NET RESULT	**(515,963)**	**(639,436)**	**(746,181)**	**(758,388)**	**(807,565)**	**(882,496)**	**(903,217)**	**(982,375)**	**(1,032,791)**	**(1,076,555)**	**(918,541)**	**(899,436)**
OTHER COMPREHENSIVE INCOME	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	**(515,963)**	**(639,436)**	**(746,181)**	**(758,388)**	**(807,565)**	**(882,496)**	**(903,217)**	**(982,375)**	**(1,032,791)**	**(1,076,555)**	**(918,541)**	**(899,436)**

STATEMENT OF FINANCIAL POSITION

	ACTUAL	PROPOSED ESTIMATES											
	2015/16 $	2016/17 $	2017/18 $	2018/19 $	2019/20 $	2020/21 $	2021/22 $	2022/23 $	2023/24 $	2024/25 $	2025/26 $	2026/27 $	2027/28 $
Current assets													
Cash and cash equivalents	47,135,952	33,775,808	25,766,424	23,045,351	22,625,624	21,477,582	20,168,705	19,852,912	17,822,674	16,857,828	15,913,197	13,612,863	0
Trade and other receivables	404,508	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	0
Total current assets	**47,540,460**	**34,161,966**	**26,152,582**	**23,431,509**	**23,011,782**	**21,863,740**	**20,554,863**	**20,239,070**	**18,208,832**	**17,243,986**	**16,299,355**	**13,999,021**	**0**
Non-current assets													
Inventories	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	0
Property, plant,furniture and equipment	131,368	159,235	164,272	224,658	208,268	212,400	194,190	187,525	178,483	173,991	163,942	174,636	162,278
Total non-current assets	**1,931,368**	**1,959,235**	**1,964,272**	**2,024,658**	**2,008,268**	**2,012,400**	**1,994,190**	**1,987,525**	**1,978,483**	**1,973,991**	**1,963,942**	**1,974,636**	**162,278**
Total assets	**49,471,828**	**36,121,201**	**28,116,855**	**25,456,168**	**25,020,050**	**23,876,139**	**22,549,053**	**22,226,595**	**20,187,315**	**19,217,977**	**18,263,297**	**15,973,657**	**162,278**
Current liabilities													
Trade and other payables	73,175	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	0
Provisions	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	0
Total current liabilities	194,606	156,231	156,231	156,231	156,231	156,231	156,231	156,231	156,231	156,231	**156,231**	**156,231**	**0**
Non-current liabilities													
Provisions	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	0
Total non-current liabilities	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**0**
Total liabilities	**251,258**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**0**
Net assets	**49,220,570**	**35,908,318**	**27,903,972**	**25,243,285**	**24,807,167**	**23,663,256**	**22,336,170**	**22,013,712**	**19,974,432**	**19,005,094**	**18,050,414**	**15,760,774**	**162,278**
Equity													
Retained surplus	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780
Contributed Equity	47,839,437	34,527,185	26,522,839	23,862,152	23,426,034	22,282,123	20,955,037	20,632,579	18,593,299	17,623,961	16,669,281	14,379,641	(1,218,855)
Revaluation Surplus	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Total equity	**49,220,570**	**35,908,318**	**27,903,972**	**25,243,285**	**24,807,167**	**23,663,256**	**22,336,170**	**22,013,712**	**19,974,432**	**19,005,094**	**18,050,414**	**15,760,774**	**162,278**

STATEMENT OF CHANGES IN EQUITY

	ACTUAL	PROPOSED ESTIMATES											
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Retained surplus													
Balance as at 1 July	0	0	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive Income	499,845	(515,963)	(639,436)	(746,181)	(758,388)	(807,565)	(882,496)	(903,217)	(982,375)	(1,032,791)	(1,076,555)	(918,541)	(899,436)
Distribution to Members	(499,845)	515,963	639,436	746,181	758,388	807,565	882,496	903,217	982,375	1,032,791	1,076,555	918,541	899,436
Balance as at 30 June	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Contributed Equity													
Balance as at 1 July	48,086,747	49,214,217	35,901,965	27,243,451	24,995,361	24,704,012	23,397,588	22,135,739	21,538,856	20,151,158	19,662,090	17,919,293	15,279,863
Distribution to Members - Retained Surplus	499,845	(515,963)	(639,436)	(746,181)	(758,388)	(807,565)	(882,496)	(903,217)	(982,375)	(1,032,791)	(1,076,555)	(918,541)	(899,436)
Members Contributions/Return of Capital/ Distribution of Profits	627,625	(12,796,289)	(8,019,078)	(1,501,909)	467,039	(498,859)	(379,353)	306,334	(405,323)	543,723	(666,242)	(1,720,889)	(14,218,149)
Balance as at 30 June	**49,214,217**	**35,901,965**	**27,243,451**	**24,995,361**	**24,704,012**	**23,397,588**	**22,135,739**	**21,538,856**	**20,151,158**	**19,662,090**	**17,919,293**	**15,279,863**	**162,278**
Revaluation Surplus													
Balance as at 1 July	7,517	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Changes in Revaluation of Non - Current Assets	(1,164)	0	0	0	0	0	0	0	0	0	0	0	(6,353)
Balance as at 30 June	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**0**
Total equity	**49,220,570**	**35,908,318**	**27,249,804**	**25,001,714**	**24,710,365**	**23,403,941**	**22,142,092**	**21,545,209**	**20,157,511**	**19,668,443**	**17,925,646**	**15,286,216**	**162,278**

STATEMENT OF CASH FLOWS

	2016/17 ANNUAL BUDGET	2017/18 PROPOSED ESTIMATES	2018/19 PROPOSED ESTIMATES	2019/20 PROPOSED ESTIMATES	2020/21 PROPOSED ESTIMATES	2021/22 PROPOSED ESTIMATES	2022/23 PROPOSED ESTIMATES	2023/24 PROPOSED ESTIMATES	2024/25 PROPOSED ESTIMATES	2025/26 PROPOSED ESTIMATES	2026/27 PROPOSED ESTIMATES	2027/28 PROPOSED ESTIMATES
Cash Flows from operating activities												
PAYMENTS												
Employee Costs	(776,878)	(774,489)	(797,322)	(824,405)	(852,415)	(881,385)	(911,347)	(942,336)	(974,386)	(1,007,535)	(1,041,820)	(1,198,712)
Materials & Contracts												
Professional Consulting Fees	0	0	0	0	0	0	0	0	0	0	0	0
Other	(504,430)	(449,165)	(460,394)	(471,904)	(483,701)	(495,794)	(508,189)	(520,893)	(533,916)	(547,264)	(313,756)	(289,649)
Utilities	(18,000)	(6,450)	(6,611)	(6,777)	(6,946)	(7,120)	(7,298)	(7,480)	(7,667)	(7,859)	(8,055)	(8,257)
Insurance	(17,756)	(18,200)	(18,655)	(19,121)	(19,599)	(20,089)	(20,592)	(21,106)	(21,634)	(22,175)	(22,729)	(23,298)
Goods and Services Tax	0	0	0	0	0	0	0	0	0	0	0	0
Other	(179,007)	(181,955)	(186,504)	(191,166)	(195,946)	(200,844)	(205,865)	(211,012)	(216,287)	(221,694)	(227,237)	(232,918)
	(1,496,071)	**(1,430,258)**	**(1,469,486)**	**(1,513,373)**	**(1,558,608)**	**(1,605,232)**	**(1,653,290)**	**(1,702,827)**	**(1,753,890)**	**(1,806,527)**	**(1,613,597)**	**(1,752,833)**
RECEIPTS												
Contributions and Donations Reimbursements	1,985	2,035	2,086	2,138	2,192	2,246	2,302	2,360	2,419	2,480	2,542	388,763
Interest Received	977,520	810,000	750,000	780,000	780,000	750,000	780,000	750,000	750,000	750,000	720,000	720,000
	979,505	**812,035**	**752,086**	**782,138**	**782,192**	**752,246**	**782,302**	**752,360**	**752,419**	**752,480**	**722,542**	**1,108,763**
Net Cash flows from Operating Activities	**(516,566)**	**(618,223)**	**(717,400)**	**(731,235)**	**(776,416)**	**(852,986)**	**(870,988)**	**(950,467)**	**(1,001,471)**	**(1,054,047)**	**(891,056)**	**(644,070)**
Cash flows from investing activities												
Payments												
Development of Land for Resale	(32,546,354)	(43,732,628)	(34,203,390)	(33,563,563)	(34,899,397)	(32,451,331)	(31,321,336)	(35,492,090)	(29,228,121)	(32,582,331)	(5,849,848)	(1,288,656)
Purchase Buildings	(3,000)	0	(50,000)	0	(1,000)	0	0	(1,000)	0	0	0	0
Purchase Plant and Equipment	(65,016)	(26,250)	(68,267)	(27,563)	(71,680)	(28,941)	(75,264)	(30,388)	(79,027)	(31,907)	(82,979)	(33,502)
Purchase Furniture and Equipment	(22,000)	0	(16,000)	0	(10,000)	0	0	(10,000)	0	0	(10,000)	0
	(32,636,370)	**(43,758,878)**	**(34,337,657)**	**(33,591,126)**	**(34,982,077)**	**(32,480,272)**	**(31,396,600)**	**(35,533,478)**	**(29,307,148)**	**(32,614,238)**	**(5,942,827)**	**(1,322,158)**
Receipts												
Disposal of Furniture and Equipment	42,727	0	45,100	16,800	47,400	17,640	49,700	18,522	52,200	19,448	54,800	20,421
Contributions from Other Parties												
	42,727	**0**	**45,100**	**16,800**	**47,400**	**17,640**	**49,700**	**18,522**	**52,200**	**19,448**	**54,800**	**20,421**
Net cash flows from investing activities	**(32,593,643)**	**(43,758,878)**	**(34,292,557)**	**(33,574,326)**	**(34,934,677)**	**(32,462,632)**	**(31,346,900)**	**(35,514,956)**	**(29,254,948)**	**(32,594,790)**	**(5,888,027)**	**(1,301,738)**
Cash flows from financing activities												
Income Sale of Lots -Subdivision	26,283,529	39,982,275	40,153,991	46,123,355	48,551,428	52,988,340	55,747,465	58,111,703	43,785,135	67,922,628	25,131,908	0
Income Other -Subdivision	4,794,250	0	5,756,827	6,061,738	18,956,790	13,154,276	1,923,647	0	0	0	0	0
Contribution to be Returned	(327,714)	(268,725)	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0
Profit Distributions	(11,000,000)	(4,000,000)	(13,000,000)	(18,000,000)	(33,000,000)	(34,000,000)	(26,000,000)	(23,000,000)	(14,000,000)	(36,000,000)	(21,000,000)	(11,192,498)
Net cash flows from financing activities	**19,750,065**	**35,713,550**	**32,701,481**	**34,030,602**	**34,400,538**	**32,071,978**	**31,627,670**	**35,086,767**	**29,771,844**	**31,916,089**	**4,128,959**	**(11,192,498)**
Net (decrease)/increase in cash held	**(13,360,144)**	**(8,663,552)**	**(2,308,476)**	**(274,958)**	**(1,310,555)**	**(1,243,640)**	**(590,218)**	**(1,378,656)**	**(484,575)**	**(1,732,748)**	**(2,650,124)**	**(13,138,306)**
Cash at the Beginning of Reporting Period	**47,135,952**	**33,775,808**	**25,112,256**	**22,803,780**	**22,528,822**	**21,218,267**	**19,974,627**	**19,384,409**	**18,005,753**	**17,521,177**	**15,788,429**	**13,138,305**
Rounding												
Cash at the End of Reporting Period	**33,775,808**	**25,112,256**	**22,803,780**	**22,528,822**	**21,218,267**	**19,974,627**	**19,384,409**	**18,005,753**	**17,521,177**	**15,788,429**	**13,138,305**	**(0)**

RATE SETTING STATEMENT

	2016/17 ANNUAL BUDGET	2017/18 PROPOSED ESTIMATES	2018/19 PROPOSED ESTIMATES	2019/20 PROPOSED ESTIMATES	2020/21 PROPOSED ESTIMATES	2021/22 PROPOSED ESTIMATES	2022/23 PROPOSED ESTIMATES	2023/24 PROPOSED ESTIMATES	2024/25 PROPOSED ESTIMATES	2025/26 PROPOSED ESTIMATES	2026/27 PROPOSED ESTIMATES	2027/28 PROPOSED ESTIMATES
REVENUE	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
General Purpose Funding	959,170	810,000	750,000	780,000	780,000	750,000	780,000	750,000	750,000	750,000	720,000	720,000
Other Property and Services	1,985	2,035	2,086	2,138	2,192	2,246	2,302	2,360	2,419	2,480	2,542	2,605
	$961,155	**$812,035**	**$752,086**	**$782,138**	**$782,192**	**$752,246**	**$782,302**	**$752,360**	**$752,419**	**$752,480**	**$722,542**	**$722,605**
LESS EXPENDITURE												
Governance	(177,517)	(181,955)	(186,504)	(191,166)	(195,946)	(200,844)	(205,865)	(211,012)	(216,287)	(221,694)	(227,237)	(232,918)
Other Property & Services	(1,301,204)	(1,269,516)	(1,308,363)	(1,347,784)	(1,390,311)	(1,432,244)	(1,475,854)	(1,521,987)	(1,565,022)	(1,605,517)	(1,409,646)	(1,387,209)
	(1,478,721)	**(1,451,471)**	**(1,494,867)**	**(1,538,951)**	**(1,586,256)**	**(1,633,089)**	**(1,681,719)**	**(1,732,999)**	**(1,781,310)**	**(1,827,211)**	**(1,636,883)**	**(1,620,127)**
Increase(Decrease)	**(517,565)**	**(639,436)**	**(742,781)**	**(756,813)**	**(804,065)**	**(880,842)**	**(899,417)**	**(980,638)**	**(1,028,891)**	**(1,074,732)**	**(914,341)**	**(897,522)**
ADD												
Book Value of Assets Sold Written Back	41,125	0	48,500	18,375	50,900	19,294	53,500	20,258	56,100	21,271	59,000	22,335
Provision for Employee Entitlements	0	0	0	0	0	0	0	0	0	0	0	0
Income Sale of Lots -Subdivision	26,283,529	39,982,275	40,153,991	46,123,355	48,551,428	52,988,340	55,747,465	58,111,703	43,785,135	67,922,628	25,131,908	0
Income Other -Subdivision	4,794,250	0	5,756,827	6,061,738	18,956,790	13,154,276	1,923,647	0	0	0	0	0
Profit/Loss on the Disposal of Assets	1,602	-	(3,400)	(1,575)	(3,500)	(1,654)	(3,800)	(1,736)	(3,900)	(1,823)	(4,200)	(1,914)
Depreciation Written Back	21,024	21,212	25,381	25,578	27,649	27,856	28,429	30,171	27,420	20,685	23,286	23,525
Provision for Audit Fees	0	0	0	0	0	0	0	0	0	0	0	0
	$31,141,530	**$40,003,487**	**$45,981,299**	**$52,227,471**	**$67,583,267**	**$66,188,112**	**$57,749,241**	**$58,160,396**	**$43,864,755**	**$67,962,761**	**$25,209,994**	**$43,945**
Sub Total	**$30,623,965**	**$39,364,052**	**$45,238,518**	**$51,470,658**	**$66,779,202**	**$65,307,270**	**$56,849,824**	**$57,179,758**	**$42,835,864**	**$66,888,029**	**$24,295,652**	**(853,576)**
LESS CAPITAL PROGRAMME												
Purchase Land & Buildings	(3,000)	0	(50,000)	0	(1,000)	0	0	(1,000)	0	0	0	0
Development of Land for Resale	(32,546,354)	(43,732,628)	(34,203,390)	(33,563,563)	(34,899,397)	(32,451,331)	(31,321,336)	(35,492,090)	(29,228,121)	(32,582,331)	(5,849,848)	(1,288,656)
Purchase Plant and Equipment	(65,016)	(26,250)	(68,267)	(27,563)	(71,680)	(28,941)	(75,264)	(30,388)	(79,027)	(31,907)	(82,979)	(33,502)
Purchase Furniture and Equipment	(22,000)	0	(16,000)	0	(10,000)	0	0	(10,000)	0	0	(10,000)	0
Contribution Refund	(327,714)	(268,725)	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0
Profit Distributions	(11,000,000)	(4,000,000)	(13,000,000)	(18,000,000)	(33,000,000)	(34,000,000)	(26,000,000)	(23,000,000)	(14,000,000)	(36,000,000)	(21,000,000)	(11,192,498)
Contribution Returned	0	0	0	0	0	0	0	0	0	0	0	0
	(43,964,084)	**(48,027,603)**	**(47,546,994)**	**(51,745,616)**	**(68,089,757)**	**(66,550,910)**	**(57,440,043)**	**(58,558,414)**	**(43,320,439)**	**(68,620,777)**	**(26,945,776)**	**(12,514,656)**
ABNORMAL ITEMS												
Rounding	0	0	0	0	0	0	0	0	0	0	0	0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub Total	**(13,340,119)**	**(8,663,552)**	**(2,308,476)**	**(274,958)**	**(1,310,555)**	**(1,243,640)**	**(590,218)**	**(1,378,656)**	**(484,575)**	**(1,732,748)**	**(2,650,124)**	**(13,368,233)**
LESS FUNDING FROM												
Opening Funds	47,345,854	34,005,735	25,342,183	23,033,707	22,758,749	21,448,194	20,204,554	19,614,336	18,235,680	17,751,105	16,018,357	13,368,233
Closing Funds (surplus/deficit)	(34,005,735)	(25,342,183)	(23,033,707)	(22,758,749)	(21,448,194)	(20,204,554)	(19,614,336)	(18,235,680)	(17,751,105)	(16,018,357)	(13,368,233)	0
	$13,340,119	**$8,663,552**	**$2,308,476**	**$274,958**	**$1,310,555**	**$1,243,640**	**$590,218**	**$1,378,656**	**$484,575**	**1732748**	**$2,650,124**	**$13,368,233**
TO BE MADE UP FROM RATES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

APPENDIX 3

SCENARIO 3 (INCOME GEARED)

COMPREHENSIVE INCOME STATEMENT

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	ADOPTED BUDGET	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES
EXPENDITURE	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Governance	(177,517)	(181,955)	(186,504)	(191,166)	(195,946)	(200,844)	(205,865)	(211,012)	(216,287)	(221,694)	(227,237)	(232,918)
Other Property and Services	(1,301,204)	(1,269,516)	(1,308,363)	(1,347,784)	(1,390,311)	(1,432,244)	(1,475,854)	(1,521,987)	(1,565,022)	(1,605,517)	(1,409,646)	(1,387,209)
	(1,478,721)	(1,451,471)	(1,494,867)	(1,538,951)	(1,586,256)	(1,633,089)	(1,681,719)	(1,732,999)	(1,781,310)	(1,827,211)	(1,636,883)	(1,620,127)
REVENUE												
General Purpose Funding	959,170	810,000	750,000	780,000	780,000	750,000	780,000	750,000	750,000	750,000	720,000	720,000
Other Property & Services	1,985	2,035	2,086	2,138	2,192	2,246	2,302	2,360	2,419	2,480	2,542	2,605
	961,155	812,035	752,086	782,138	782,192	752,246	782,302	752,360	752,419	752,480	722,542	722,605
Increase(Decrease)	(517,565)	(639,436)	(742,781)	(756,813)	(804,065)	(880,842)	(899,417)	(980,638)	(1,028,891)	(1,074,732)	(914,341)	(897,522)
DISPOSAL OF ASSETS												
Land	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	1,602	0	(3,400)	(1,575)	(3,500)	(1,654)	(3,800)	(1,736)	(3,900)	(1,823)	(4,200)	(1,914)
Furniture and Equipment	0	0	0	0	0	0	0	0	0	0	0	0
Gain (Loss) on Disposal	1,602	-	(3,400)	(1,575)	(3,500)	(1,654)	(3,800)	(1,736)	(3,900)	(1,823)	(4,200)	(1,914)
NET RESULT	**(515,963)**	**(639,436)**	**(746,181)**	**(758,388)**	**(807,565)**	**(882,496)**	**(903,217)**	**(982,375)**	**(1,032,791)**	**(1,076,555)**	**(918,541)**	**(899,436)**
OTHER COMPREHENSIVE INCOME	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	**(515,963)**	**(639,436)**	**(746,181)**	**(758,388)**	**(807,565)**	**(882,496)**	**(903,217)**	**(982,375)**	**(1,032,791)**	**(1,076,555)**	**(918,541)**	**(899,436)**

STATEMENT OF FINANCIAL POSITION

	ACTUAL	PROPOSED ESTIMATES											
	2015/16 $	2016/17 $	2017/18 $	2018/19 $	2019/20 $	2020/21 $	2021/22 $	2022/23 $	2023/24 $	2024/25 $	2025/26 $	2026/27 $	2027/28 $
Current assets													
Cash and cash equivalents	47,135,952	33,775,808	25,273,131	23,172,730	22,402,583	21,549,948	20,813,309	19,520,417	18,529,691	16,840,080	15,948,678	13,901,174	0
Trade and other receivables	404,508	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	386,158	0
Total current assets	**47,540,460**	**34,161,966**	**25,659,289**	**23,558,888**	**22,788,741**	**21,936,106**	**21,199,467**	**19,906,575**	**18,915,849**	**17,226,238**	**16,334,836**	**14,287,332**	**0**
Non-current assets													
Inventories	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	0
Property, plant,furniture and equipment	131,368	159,235	164,272	224,658	208,268	212,400	194,190	187,525	178,483	173,991	163,942	174,636	162,278
Total non-current assets	**1,931,368**	**1,959,235**	**1,964,272**	**2,024,658**	**2,008,268**	**2,012,400**	**1,994,190**	**1,987,525**	**1,978,483**	**1,973,991**	**1,963,942**	**1,974,636**	**162,278**
Total assets	**49,471,828**	**36,121,201**	**27,623,562**	**25,583,547**	**24,797,009**	**23,948,505**	**23,193,657**	**21,894,100**	**20,894,332**	**19,200,229**	**18,298,778**	**16,261,968**	**162,278**
Current liabilities													
Trade and other payables	73,175	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	0
Provisions	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	121,431	0
Total current liabilities	194,606	156,231	156,231	156,231	156,231	156,231	156,231	156,231	156,231	156,231	**156,231**	**156,231**	**0**
Non-current liabilities													
Provisions	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	56,652	0
Total non-current liabilities	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**56,652**	**0**
Total liabilities	**251,258**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**212,883**	**0**
Net assets	**49,220,570**	**35,908,318**	**27,410,679**	**25,370,664**	**24,584,126**	**23,735,622**	**22,980,774**	**21,681,217**	**20,681,449**	**18,987,346**	**18,085,895**	**16,049,085**	**162,278**
Equity													
Retained surplus	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780	1,374,780
Contributed Equity	47,839,437	34,527,185	26,029,546	23,989,531	23,202,993	22,354,489	21,599,641	20,300,084	19,300,316	17,606,213	16,704,762	14,667,952	(1,218,855)
Revaluation Surplus	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Total equity	**49,220,570**	**35,908,318**	**27,410,679**	**25,370,664**	**24,584,126**	**23,735,622**	**22,980,774**	**21,681,217**	**20,681,449**	**18,987,346**	**18,085,895**	**16,049,085**	**162,278**

STATEMENT OF CHANGES IN EQUITY

	ACTUAL	PROPOSED ESTIMATES											
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Retained surplus													
Balance as at 1 July	0	0	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive Income	499,845	(515,963)	(639,436)	(746,181)	(758,388)	(807,565)	(882,496)	(903,217)	(982,375)	(1,032,791)	(1,076,555)	(918,541)	(899,436)
Distribution to Members	(499,845)	515,963	639,436	746,181	758,388	807,565	882,496	903,217	982,375	1,032,791	1,076,555	918,541	899,436
Balance as at 30 June	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Contributed Equity													
Balance as at 1 July	48,086,747	49,214,217	35,901,965	27,404,326	25,364,311	24,577,773	23,729,269	22,974,421	21,674,864	20,675,096	18,980,993	18,079,542	16,042,732
Distribution to Members - Retained Surplus	499,845	(515,963)	(639,436)	(746,181)	(758,388)	(807,565)	(882,496)	(903,217)	(982,375)	(1,032,791)	(1,076,555)	(918,541)	(899,436)
Members Contributions/Return of Capital/ Distribution of Profits	627,625	(12,796,289)	(7,858,203)	(1,293,834)	(28,150)	(40,939)	127,648	(396,340)	(17,393)	(661,312)	175,104	(1,118,269)	(14,981,018)
Balance as at 30 June	**49,214,217**	**35,901,965**	**27,404,326**	**25,364,311**	**24,577,773**	**23,729,269**	**22,974,421**	**21,674,864**	**20,675,096**	**18,980,993**	**18,079,542**	**16,042,732**	**162,278**
Revaluation Surplus													
Balance as at 1 July	7,517	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Changes in Revaluation of Non - Current Assets	(1,164)	0	0	0	0	0	0	0	0	0	0	0	(6,353)
Balance as at 30 June	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**6,353**	**0**
Total equity	**49,220,570**	**35,908,318**	**27,410,679**	**25,370,664**	**24,584,126**	**23,735,622**	**22,980,774**	**21,681,217**	**20,681,449**	**18,987,346**	**18,085,895**	**16,049,085**	**162,278**

STATEMENT OF CASH FLOWS

	2016/17 ANNUAL BUDGET	2017/18 PROPOSED ESTIMATES	2018/19 PROPOSED ESTIMATES	2019/20 PROPOSED ESTIMATES	2020/21 PROPOSED ESTIMATES	2021/22 PROPOSED ESTIMATES	2022/23 PROPOSED ESTIMATES	2023/24 PROPOSED ESTIMATES	2024/25 PROPOSED ESTIMATES	2025/26 PROPOSED ESTIMATES	2026/27 PROPOSED ESTIMATES	2027/28 PROPOSED ESTIMATES
Cash Flows from operating activities												
PAYMENTS												
Employee Costs	(776,878)	(774,489)	(797,322)	(824,405)	(852,415)	(881,385)	(911,347)	(942,336)	(974,386)	(1,007,535)	(1,041,820)	(1,198,712)
Materials & Contracts												
Professional Consulting Fees	0	0	0	0	0	0	0	0	0	0	0	0
Other	(504,430)	(449,165)	(460,394)	(471,904)	(483,701)	(495,794)	(508,189)	(520,893)	(533,916)	(547,264)	(313,756)	(289,649)
Utilities	(18,000)	(6,450)	(6,611)	(6,777)	(6,946)	(7,120)	(7,298)	(7,480)	(7,667)	(7,859)	(8,055)	(8,257)
Insurance	(17,756)	(18,200)	(18,655)	(19,121)	(19,599)	(20,089)	(20,592)	(21,106)	(21,634)	(22,175)	(22,729)	(23,298)
Goods and Services Tax	0	0	0	0	0	0	0	0	0	0	0	0
Other	(179,007)	(181,955)	(186,504)	(191,166)	(195,946)	(200,844)	(205,865)	(211,012)	(216,287)	(221,694)	(227,237)	(232,918)
	(1,496,071)	**(1,430,258)**	**(1,469,486)**	**(1,513,373)**	**(1,558,608)**	**(1,605,232)**	**(1,653,290)**	**(1,702,827)**	**(1,753,890)**	**(1,806,527)**	**(1,613,597)**	**(1,752,833)**
RECEIPTS												
Contributions and Donations Reimbursements	1,985	2,035	2,086	2,138	2,192	2,246	2,302	2,360	2,419	2,480	2,542	388,763
Interest Received	977,520	810,000	750,000	780,000	780,000	750,000	780,000	750,000	750,000	750,000	720,000	720,000
	979,505	**812,035**	**752,086**	**782,138**	**782,192**	**752,246**	**782,302**	**752,360**	**752,419**	**752,480**	**722,542**	**1,108,763**
Net Cash flows from Operating Activities	**(516,566)**	**(618,223)**	**(717,400)**	**(731,235)**	**(776,416)**	**(852,986)**	**(870,988)**	**(950,467)**	**(1,001,471)**	**(1,054,047)**	**(891,056)**	**(644,070)**
Cash flows from investing activities												
Payments												
Development of Land for Resale	(32,546,354)	(43,824,819)	(32,960,260)	(31,804,083)	(32,692,592)	(30,107,299)	(28,681,484)	(31,875,666)	(25,664,398)	(29,349,788)	(5,529,950)	(954,587)
Purchase Buildings	(3,000)	0	(50,000)	0	(1,000)	0	0	(1,000)	0	0	0	0
Purchase Plant and Equipment	(65,016)	(26,250)	(68,267)	(27,563)	(71,680)	(28,941)	(75,264)	(30,388)	(79,027)	(31,907)	(82,979)	(33,502)
Purchase Furniture and Equipment	(22,000)	0	(16,000)	0	(10,000)	0	0	(10,000)	0	0	(10,000)	0
	(32,636,370)	**(43,851,069)**	**(33,094,527)**	**(31,831,646)**	**(32,775,272)**	**(30,136,240)**	**(28,756,748)**	**(31,917,054)**	**(25,743,425)**	**(29,381,695)**	**(5,622,929)**	**(988,089)**
Receipts												
Disposal of Furniture and Equipment	42,727	0	45,100	16,800	47,400	17,640	49,700	18,522	52,200	19,448	54,800	20,421
Contributions from Other Parties												
	42,727	**0**	**45,100**	**16,800**	**47,400**	**17,640**	**49,700**	**18,522**	**52,200**	**19,448**	**54,800**	**20,421**
Net cash flows from investing activities	**(32,593,643)**	**(43,851,069)**	**(33,049,427)**	**(31,814,846)**	**(32,727,872)**	**(30,118,600)**	**(28,707,048)**	**(31,898,532)**	**(25,691,225)**	**(29,362,247)**	**(5,568,129)**	**(967,669)**
Cash flows from financing activities												
Income Sale of Lots -Subdivision	26,283,529	40,235,341	42,313,310	52,353,493	58,546,692	67,801,017	75,696,755	83,883,209	67,016,377	110,531,431	42,414,630	0
Income Other -Subdivision	4,794,250	0	5,562,453	5,576,931	17,212,641	11,504,568	1,631,831	0	0	0	0	0
Contribution to be Returned	(327,714)	(268,725)	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0
Profit Distributions	(11,000,000)	(4,000,000)	(16,000,000)	(26,000,000)	(43,000,000)	(49,000,000)	(49,000,000)	(52,000,000)	(42,000,000)	(81,000,000)	(38,000,000)	(12,289,436)
Net cash flows from financing activities	**19,750,065**	**35,966,616**	**31,666,426**	**31,775,933**	**32,651,653**	**30,234,947**	**28,285,144**	**31,858,273**	**25,003,086**	**29,524,892**	**4,411,681**	**(12,289,436)**
Net (decrease)/increase in cash held	**(13,360,144)**	**(8,502,677)**	**(2,100,401)**	**(770,147)**	**(852,635)**	**(736,639)**	**(1,292,892)**	**(990,726)**	**(1,689,610)**	**(891,402)**	**(2,047,504)**	**(13,901,175)**
Cash at the Beginning of Reporting Period	**47,135,952**	**33,775,808**	**25,273,131**	**23,172,730**	**22,402,583**	**21,549,948**	**20,813,309**	**19,520,417**	**18,529,691**	**16,840,080**	**15,948,678**	**13,901,174**
Rounding												
Cash at the End of Reporting Period	**33,775,808**	**25,273,131**	**23,172,730**	**22,402,583**	**21,549,948**	**20,813,309**	**19,520,417**	**18,529,691**	**16,840,080**	**15,948,678**	**13,901,174**	**(0)**

RATE SETTING STATEMENT

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	ANNUAL BUDGET	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES
REVENUE	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
General Purpose Funding	959,170	810,000	750,000	780,000	780,000	750,000	780,000	750,000	750,000	750,000	720,000	720,000
Other Property and Services	1,985	2,035	2,086	2,138	2,192	2,246	2,302	2,360	2,419	2,480	2,542	2,605
	$961,155	**$812,035**	**$752,086**	**$782,138**	**$782,192**	**$752,246**	**$782,302**	**$752,360**	**$752,419**	**$752,480**	**$722,542**	**$722,605**
LESS EXPENDITURE												
Governance	(177,517)	(181,955)	(186,504)	(191,166)	(195,946)	(200,844)	(205,865)	(211,012)	(216,287)	(221,694)	(227,237)	(232,918)
Other Property & Services	(1,301,204)	(1,269,516)	(1,308,363)	(1,347,784)	(1,390,311)	(1,432,244)	(1,475,854)	(1,521,987)	(1,565,022)	(1,605,517)	(1,409,646)	(1,387,209)
	(1,478,721)	**(1,451,471)**	**(1,494,867)**	**(1,538,951)**	**(1,586,256)**	**(1,633,089)**	**(1,681,719)**	**(1,732,999)**	**(1,781,310)**	**(1,827,211)**	**(1,636,883)**	**(1,620,127)**
Increase(Decrease)	**(517,565)**	**(639,436)**	**(742,781)**	**(756,813)**	**(804,065)**	**(880,842)**	**(899,417)**	**(980,638)**	**(1,028,891)**	**(1,074,732)**	**(914,341)**	**(897,522)**
ADD												
Book Value of Assets Sold Written Back	41,125	0	48,500	18,375	50,900	19,294	53,500	20,258	56,100	21,271	59,000	22,335
Provision for Employee Entitlements	0	0	0	0	0	0	0	0	0	0	0	0
Income Sale of Lots -Subdivision	26,283,529	40,235,341	42,313,310	52,353,493	58,546,692	67,801,017	75,696,755	83,883,209	67,016,377	110,531,431	42,414,630	0
Income Other -Subdivision	4,794,250	0	5,562,453	5,576,931	17,212,641	11,504,568	1,631,831	0	0	0	0	0
Profit/Loss on the Disposal of Assets	1,602	-	(3,400)	(1,575)	(3,500)	(1,654)	(3,800)	(1,736)	(3,900)	(1,823)	(4,200)	(1,914)
Depreciation Written Back	21,024	21,212	25,381	25,578	27,649	27,856	28,429	30,171	27,420	20,685	23,286	23,525
Provision for Audit Fees	0	0	0	0	0	0	0	0	0	0	0	0
	$31,141,530	**$40,256,553**	**$47,946,244**	**$57,972,802**	**$75,834,382**	**$79,351,081**	**$77,406,715**	**$83,931,902**	**$67,095,997**	**$110,571,564**	**$42,492,716**	**$43,945**
Sub Total	**$30,623,965**	**$39,617,118**	**$47,203,463**	**$57,215,989**	**$75,030,317**	**$78,470,239**	**$76,507,298**	**$82,951,264**	**$66,067,106**	**$109,496,832**	**$41,578,374**	**(853,576)**
LESS CAPITAL PROGRAMME												
Purchase Land & Buildings	(3,000)	0	(50,000)	0	(1,000)	0	0	(1,000)	0	0	0	0
Development of Land for Resale	(32,546,354)	(43,824,819)	(32,960,260)	(31,804,083)	(32,692,592)	(30,107,299)	(28,681,484)	(31,875,666)	(25,664,398)	(29,349,788)	(5,529,950)	(954,587)
Purchase Plant and Equipment	(65,016)	(26,250)	(68,267)	(27,563)	(71,680)	(28,941)	(75,264)	(30,388)	(79,027)	(31,907)	(82,979)	(33,502)
Purchase Furniture and Equipment	(22,000)	0	(16,000)	0	(10,000)	0	0	(10,000)	0	0	(10,000)	0
Contribution Refund	(327,714)	(268,725)	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0
Profit Distributions	(11,000,000)	(4,000,000)	(16,000,000)	(26,000,000)	(43,000,000)	(49,000,000)	(49,000,000)	(52,000,000)	(42,000,000)	(81,000,000)	(38,000,000)	(12,289,436)
Contribution Returned	0	0	0	0	0	0	0	0	0	0	0	0
	(43,964,084)	**(48,119,794)**	**(49,303,864)**	**(57,986,136)**	**(75,882,952)**	**(79,206,878)**	**(77,800,191)**	**(83,941,990)**	**(67,756,716)**	**(110,388,234)**	**(43,625,878)**	**(13,277,525)**
ABNORMAL ITEMS												
Rounding	0	0	0	0	0	0	0	0	0	0	0	0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub Total	**(13,340,119)**	**(8,502,677)**	**(2,100,401)**	**(770,147)**	**(852,635)**	**(736,639)**	**(1,292,892)**	**(990,726)**	**(1,689,610)**	**(891,402)**	**(2,047,504)**	**(14,131,102)**
LESS FUNDING FROM												
Opening Funds	47,345,854	34,005,735	25,503,058	23,402,657	22,632,510	21,779,875	21,043,236	19,750,344	18,759,618	17,070,008	16,178,606	14,131,102
Closing Funds (surplus/deficit)	(34,005,735)	(25,503,058)	(23,402,657)	(22,632,510)	(21,779,875)	(21,043,236)	(19,750,344)	(18,759,618)	(17,070,008)	(16,178,606)	(14,131,102)	0
	$13,340,119	**$8,502,677**	**$2,100,401**	**$770,147**	**$852,635**	**$736,639**	**$1,292,892**	**$990,726**	**$1,689,610**	**891402**	**$2,047,504**	**$14,131,102**
TO BE MADE UP FROM RATES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

APPENDIX 4

CAPITAL WORKS PROGRAM

Scenario 1

CAPITAL WORKS PROGRAM

PLANT ITEM DESCRIPTION	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	EXPENDITURE											
OTHER PROPERTY AND SERVICES												
Motor Vehicle CEO	$65,016	$0	$68,267	$0	$71,680	$0	$75,264	$0	$79,027	$0	$82,979	$0
Motor Vehicle Works	$0	$26,250	$0	$27,563	$0	$28,941	$0	$30,388	$0	$31,907	$0	$33,502
TOTAL EXPENDITURE	**$65,016**	**$26,250**	**$68,267**	**$27,563**	**$71,680**	**$28,941**	**$75,264**	**$30,388**	**$79,027**	**$31,907**	**$82,979**	**$33,502**

FUNDING SOURCES	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	REVENUE											
PROCEEDS SALE OF PLANT	$42,727	$0	$45,100	$16,800	$47,400	$17,640	$49,700	$18,522	$52,200	$19,448	$54,800	$20,421
COUNCIL FUNDS	$22,289	$26,250	$23,167	$10,763	$24,280	$11,301	$25,564	$11,866	$26,827	$12,459	$28,179	$13,081
TOTAL FUNDING	**$65,016**	**$26,250**	**$68,267**	**$27,563**	**$71,680**	**$28,941**	**$75,264**	**$30,388**	**$79,027**	**$31,907**	**$82,979**	**$33,502**

LAND AND BUILDINGS ITEM DESCRIPTION	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	EXPENDITURE											
OTHER PROPERTY AND SERVICES												
Refurbishment Works Office	$3,000	$0	$50,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
TOTAL EXPENDITURE	**$3,000**	**$0**	**$50,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

FUNDING SOURCES	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	REVENUE											
COUNCIL FUNDS	$3,000	$0	$50,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
TOTAL FUNDING	**$3,000**	**$0**	**$50,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

CAPITAL WORKS PROGRAM

FURNITURE AND EQUIPMENT ITEM DESCRIPTION	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	EXPENDITURE											
OTHER PROPERTY AND SERVICES												
General Office Equipment	$0	$0	$10,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Office Furniture CEO	$0	$0	$5,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Computer Equipment	$20,000	$0	$0	$0	$10,000	$0	$0	$10,000	$0	$0	$10,000	$0
Telephones	$2,000	$0	$0	$0	$1,000	$0	$0	$1,000	$0	$0	$0	$0
TV Conference Room	$0	$0	$1,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
TOTAL EXPENDITURE	**$22,000**	**$0**	**$16,000**	**$0**	**$11,000**	**$0**	**$0**	**$11,000**	**$0**	**$0**	**$10,000**	**$0**

FUNDING SOURCES	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	REVENUE											
COUNCIL FUNDS	$22,000	$0	$16,000	$0	$11,000	$0	$0	$11,000	$0	$0	$10,000	$0
TOTAL FUNDING	**$22,000**	**$0**	**$16,000**	**$0**	**$11,000**	**$0**	**$0**	**$11,000**	**$0**	**$0**	**$10,000**	**$0**

APPENDIX 5

DEPRECIATION SCHEDULES

Scenario 1

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2016-17

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	101,260	9,085	42,727	153,072
Assets Acquired during the year	3,000	22,000	65,016	90,016
Assets Disposed during the year	0	0	(42,727)	(42,727)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**104,260**	**31,085**	**65,016**	**200,361**
Depreciation at the beginning of the year	(16,617)	(5,087)	0	(21,704)
Depreciation Expense Raised	(2,607)	(5,415)	(13,003)	(21,024)
Depreciation Expense Written Back on Disposals	0	0	1,602	1,602
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(19,224)**	**(10,502)**	**(11,401)**	**(41,126)**
Net Asset Values at the end of the year	**85,037**	**20,583**	**53,615**	**159,235**

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2017-18

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	104,260	31,085	65,016	200,361
Assets Acquired during the year	0	0	26,250	26,250
Assets Disposed during the year	0	0	0	0
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**104,260**	**31,085**	**91,266**	**226,611**
Depreciation at the beginning of the year	(19,224)	(10,502)	(11,401)	(41,126)
Depreciation Expense Raised	(2,607)	(4,663)	(13,943)	(21,212)
Depreciation Expense Written Back on Disposals	0	0	0	0
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(21,830)**	**(15,165)**	**(25,344)**	**(62,339)**
Net Asset Values at the end of the year	**82,430**	**15,921**	**65,922**	**164,272**

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2018-19

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	104,260	31,085	91,266	226,611
Assets Acquired during the year	50,000	16,000	68,267	134,267
Assets Disposed during the year	0	0	(65,016)	(65,016)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**154,260**	**47,085**	**94,517**	**295,862**
Depreciation at the beginning of the year	(21,830)	(15,165)	(25,344)	(62,339)
Depreciation Expense Raised	(3,857)	(7,063)	(14,462)	(25,381)
Depreciation Expense Written Back on Disposals	0	0	16,516	16,516
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(25,687)**	**(22,227)**	**(23,290)**	**(71,203)**
Net Asset Values at the end of the year	**128,574**	**24,858**	**71,227**	**224,659**

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2019-20

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	154,260	47,085	94,517	295,862
Assets Acquired during the year	0	0	27,563	27,563
Assets Disposed during the year	0	0	(26,250)	(26,250)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**154,260**	**47,085**	**95,830**	**297,175**
Depreciation at the beginning of the year	(25,687)	(22,227)	(23,290)	(71,203)
Depreciation Expense Raised	(3,857)	(7,063)	(14,659)	(25,578)
Depreciation Expense Written Back on Disposals	0	0	7,875	7,875
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(29,543)**	**(29,290)**	**(30,073)**	**(88,906)**
Net Asset Values at the end of the year	**124,717**	**17,795**	**65,757**	**208,269**

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2020-21

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	154,260	47,085	95,830	297,175
Assets Acquired during the year	0	11,000	71,680	82,680
Assets Disposed during the year	0	0	(68,267)	(68,267)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**154,260**	**58,085**	**99,243**	**311,588**
Depreciation at the beginning of the year	(29,543)	(29,290)	(30,073)	(88,906)
Depreciation Expense Raised	(3,857)	(8,713)	(15,079)	(27,649)
Depreciation Expense Written Back on Disposals	0	0	17,367	17,367
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(33,400)**	**(38,003)**	**(27,786)**	**(99,188)**
Net Asset Values at the end of the year	**120,861**	**20,082**	**71,457**	**212,400**

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2021-22

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	154,260	58,085	99,243	311,588
Assets Acquired during the year	0	0	28,941	28,941
Assets Disposed during the year	0	0	(27,563)	(27,563)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**154,260**	**58,085**	**100,621**	**312,966**
Depreciation at the beginning of the year	(33,400)	(38,003)	(27,786)	(99,188)
Depreciation Expense Raised	(3,857)	(8,713)	(15,287)	(27,856)
Depreciation Expense Written Back on Disposals	0	0	8,269	8,269
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(37,256)**	**(46,716)**	**(34,804)**	**(118,775)**
Net Asset Values at the end of the year	**117,004**	**11,370**	**65,817**	**194,191**

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2022-23

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	154,260	58,085	100,621	312,966
Assets Acquired during the year	0	0	75,264	75,264
Assets Disposed during the year	0	0	(71,680)	(71,680)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**154,260**	**58,085**	**104,205**	**316,550**
Depreciation at the beginning of the year	(37,256)	(46,716)	(34,804)	(118,775)
Depreciation Expense Raised	(3,857)	(8,713)	(15,860)	(28,429)
Depreciation Expense Written Back on Disposals	0	0	18,180	18,180
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(41,113)**	**(55,428)**	**(32,484)**	**(129,024)**
Net Asset Values at the end of the year	**113,148**	**2,657**	**71,722**	**187,526**

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2023-24

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	154,260	58,085	104,205	316,550
Assets Acquired during the year	0	11,000	30,388	41,388
Assets Disposed during the year	0	0	(28,941)	(28,941)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**154,260**	**69,085**	**105,652**	**328,997**
Depreciation at the beginning of the year	(41,113)	(55,428)	(32,484)	(129,024)
Depreciation Expense Raised	(3,857)	(10,363)	(15,952)	(30,171)
Depreciation Expense Written Back on Disposals	0	0	8,683	8,683
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(44,969)**	**(65,791)**	**(39,752)**	**(150,512)**
Net Asset Values at the end of the year	**109,291**	**3,294**	**65,900**	**178,485**

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2024-25

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	154,260	69,085	105,652	328,997
Assets Acquired during the year	0	0	79,027	79,027
Assets Disposed during the year	0	0	(75,264)	(75,264)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**154,260**	**69,085**	**109,415**	**332,760**
Depreciation at the beginning of the year	(44,969)	(65,791)	(39,752)	(150,512)
Depreciation Expense Raised	(3,857)	(3,294)	(20,269)	(27,420)
Depreciation Expense Written Back on Disposals	0	0	19,164	19,164
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(48,826)**	**(69,085)**	**(40,858)**	**(158,768)**
Net Asset Values at the end of the year	**105,435**	**0**	**68,557**	**173,992**

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2025-26

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	154,260	69,085	109,415	332,760
Assets Acquired during the year	0	0	31,907	31,907
Assets Disposed during the year	0	0	(30,388)	(30,388)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**154,260**	**69,085**	**110,934**	**334,279**
Depreciation at the beginning of the year	(48,826)	(69,085)	(40,858)	(158,768)
Depreciation Expense Raised	(3,857)	0	(16,828)	(20,685)
Depreciation Expense Written Back on Disposals	0	0	9,117	9,117
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(52,682)**	**(69,085)**	**(48,569)**	**(170,335)**
Net Asset Values at the end of the year	**101,578**	**0**	**62,365**	**163,944**

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2026-27

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	154,260	69,085	110,934	334,279
Assets Acquired during the year	0	10,000	82,979	92,979
Assets Disposed during the year	0	0	(79,027)	(79,027)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**154,260**	**79,085**	**114,886**	**348,231**
Depreciation at the beginning of the year	(52,682)	(69,085)	(48,569)	(170,335)
Depreciation Expense Raised	(3,857)	(1,977)	(17,452)	(23,286)
Depreciation Expense Written Back on Disposals	0	0	20,027	20,027
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(56,539)**	**(71,062)**	**(45,994)**	**(173,594)**
Net Asset Values at the end of the year	**97,722**	**8,023**	**68,892**	**174,637**

TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2027-28

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	$	$	$	$
Asset Balance at the beginning of the year	154,260	79,085	114,886	348,231
Assets Acquired during the year	0	0	33,502	33,502
Assets Disposed during the year	0	0	(31,907)	(31,907)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	**154,260**	**79,085**	**116,481**	**349,826**
Depreciation at the beginning of the year	(56,539)	(71,062)	(45,994)	(173,594)
Depreciation Expense Raised	(3,857)	(1,977)	(17,691)	(23,525)
Depreciation Expense Written Back on Disposals	0	0	9,572	9,572
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	**(60,395)**	**(73,039)**	**(54,113)**	**(187,547)**
Net Asset Values at the end of the year	**93,865**	**6,046**	**62,368**	**162,279**

APPENDIX 6

12 YEAR FINANCIAL PLAN

Scenario 1

Tamala Park Regional Council Details By function Under The Following Programme Titles And Type Of Activities Within The Programme	Adopted Budget 2016-2017		Proposed Estimates 2017-2018		Proposed Estimates 2018-2019		Proposed Estimates 2019-2020		Proposed Estimates 2020-2021		Proposed Estimates 2021-2022		Proposed Estimates 2022-2023		Proposed Estimates 2023-2024		Proposed Estimates 2024-2025		Proposed Estimates 2025-2026		Proposed Estimates 2026-2027		Proposed Estimates 2027-2028	
	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure
Proceeds Sale of Assets																								
00000 Proceeds Sale of Assets - Motor Vehicle CEO	($42,727)	$0	$0	$0	($45,100)	$0	$0	$0	($47,400)	$0	$0	$0	($49,700)	$0	$0	$0	($52,200)	$0	$0	$0	($54,800)	$0	$0	$0
00000 Proceeds Sale of Assets - Work Vehicle	$0	$0	$0	$0	$0	$0	($16,800)	$0	$0	$0	($17,640)	$0	$0	$0	($18,522)	$0	$0	$0	($19,448)	$0	$0	$0	($20,421)	$0
Written Down Value																								
00000 Written Down Value - Motor Vehicle CEO	$0	$41,125	$0	$0	$0	$48,500	$0	$0	$0	$50,900	$0	$0	$0	$53,500	$0	$0	$0	$56,100	$0	$0	$0	$59,000	$0	$0
00000 Written Down Value -Work Vehicle	$0	$0	$0	$0	$0	$0	$0	$18,375	$0	$0	$0	$19,294	$0	$0	$0	$20,258	$0	$0	$0	$21,271	$0	$0	$0	$22,335
Sub Total - GAIN/LOSS ON DISPOSAL OF ASSET	($42,727)	$41,125	$0	$0	($45,100)	$48,500	($16,800)	$18,375	($47,400)	$50,900	($17,640)	$19,294	($49,700)	$53,500	($18,522)	$20,258	($52,200)	$56,100	($19,448)	$21,271	($54,800)	$59,000	($20,421)	$22,335
Total - GAIN/LOSS ON DISPOSAL OF ASSET	($42,727)	$41,125	$0	$0	($45,100)	$48,500	($16,800)	$18,375	($47,400)	$50,900	($17,640)	$19,294	($49,700)	$53,500	($18,522)	$20,258	($52,200)	$56,100	($19,448)	$21,271	($54,800)	$59,000	($20,421)	$22,335
ABNORMAL ITEMS																								
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub Total - ABNORMAL ITEMS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total - ABNORMAL ITEMS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total - OPERATING STATEMENT	($42,727)	$41,125	$0	$0	($45,100)	$48,500	($16,800)	$18,375	($47,400)	$50,900	($17,640)	$19,294	($49,700)	$53,500	($18,522)	$20,258	($52,200)	$56,100	($19,448)	$21,271	($54,800)	$59,000	($20,421)	$22,335
OTHER GENERAL PURPOSE FUNDING																								
OPERATING EXPENDITURE																								
Sub Total - OTHER GENERAL PURPOSE FUNDING OP/EXP	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
OPERATING INCOME																								
I032030 · Interest on Investment	($959,170)	$0	($810,000)	$0	($750,000)	$0	($780,000)	$0	($780,000)	$0	($750,000)	$0	($780,000)	$0	($750,000)	$0	($750,000)	$0	($750,000)	$0	($720,000)	$0	($720,000)	$0
I032020 · Contributions	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub Total - OTHER GENERAL PURPOSE FUNDING OP/INC	($959,170)	$0	($810,000)	$0	($750,000)	$0	($780,000)	$0	($780,000)	$0	($750,000)	$0	($780,000)	$0	($750,000)	$0	($750,000)	$0	($750,000)	$0	($720,000)	$0	($720,000)	$0
Total - OTHER GENERAL PURPOSE FUNDING	($959,170)	$0	($810,000)	$0	($750,000)	$0	($780,000)	$0	($780,000)	$0	($750,000)	$0	($780,000)	$0	($750,000)	$0	($750,000)	$0	($750,000)	$0	($720,000)	$0	($720,000)	$0
Total - GENERAL PURPOSE FUNDING	($959,170)	$0	($810,000)	$0	($750,000)	$0	($780,000)	$0	($780,000)	$0	($750,000)	$0	($780,000)	$0	($750,000)	$0	($750,000)	$0	($750,000)	$0	($720,000)	$0	($720,000)	$0
GOVERNANCE																								
MEMBERS OF COUNCIL																								
OPERATING EXPENDITURE																								
E041005 · Chairman Allowance	$0	$19,864	$0	$20,361	$0	$20,870	$0	$21,391	$0	$21,926	$0	$22,474	$0	$23,036	$0	$23,612	$0	$24,202	$0	$24,807	$0	$25,428	$0	$26,063
E041010 · Deputy Chair Allowance	$0	$4,966	$0	$5,090	$0	$5,217	$0	$5,348	$0	$5,482	$0	$5,619	$0	$5,759	$0	$5,903	$0	$6,051	$0	$6,202	$0	$6,357	$0	$6,516
E041018 · Composite Allowance	$0	$130,687	$0	$133,954	$0	$137,303	$0	$140,736	$0	$144,254	$0	$147,860	$0	$151,557	$0	$155,346	$0	$159,229	$0	$163,210	$0	$167,290	$0	$171,473
E041019 · Alternative Member Meeting Fee	$0	$2,000	$0	$2,050	$0	$2,101	$0	$2,154	$0	$2,208	$0	$2,263	$0	$2,319	$0	$2,377	$0	$2,437	$0	$2,498	$0	$2,560	$0	$2,624
E041020 · Conference Expenses	$0	$10,000	$0	$10,250	$0	$10,506	$0	$10,769	$0	$11,038	$0	$11,314	$0	$11,597	$0	$11,887	$0	$12,184	$0	$12,489	$0	$12,801	$0	$13,121
E041025 · Training	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E041030 · Other Costs	$0	$10,000	$0	$10,250	$0	$10,506	$0	$10,769	$0	$11,038	$0	$11,314	$0	$11,597	$0	$11,887	$0	$12,184	$0	$12,489	$0	$12,801	$0	$13,121
Sub Total - MEMBERS OF COUNCIL OP/EXP	$0	$177,517	$0	$181,955	$0	$186,504	$0	$191,166	$0	$195,946	$0	$200,844	$0	$205,865	$0	$211,012	$0	$216,287	$0	$221,694	$0	$227,237	$0	$232,918
OPERATING INCOME																								
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub Total - MEMBERS OF COUNCIL OP/INC	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total - GOVERNANCE	$0	$177,517	$0	$181,955	$0	$186,504	$0	$191,166	$0	$195,946	$0	$200,844	$0	$205,865	$0	$211,012	$0	$216,287	$0	$221,694	$0	$227,237	$0	$232,918
Total - GOVERNANCE	$0	$177,517	$0	$181,955	$0	$186,504	$0	$191,166	$0	$195,946	$0	$200,844	$0	$205,865	$0	$211,012	$0	$216,287	$0	$221,694	$0	$227,237	$0	$232,918
OTHER PROPERTY AND SERVICES																								
SALARIES AND WAGES																								
OPERATING EXPENDITURE																								
New · Gross Total Salaries and Wages	$0	$610,598	$0	$628,916	$0	$647,784	$0	$670,456	$0	$693,922	$0	$718,209	$0	$743,347	$0	$769,364	$0	$796,292	$0	$824,162	$0	$853,007	$0	$882,863
New · Gross Total Salaries and Wages Allocated	$0	($610,598)	$0	($628,916)	$0	($647,784)	$0	($670,456)	$0	($693,922)	$0	($718,209)	$0	($743,347)	$0	($769,364)	$0	($796,292)	$0	($824,162)	$0	($853,007)	$0	($882,863)
Sub Total - SALARIES AND WAGES OP/EXP	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total - SALARIES AND WAGES	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Tamala Park Regional Council

Details By function Under The Following Programme Titles
And Type Of Activites Within The Programme

	Adopted Budget 2016-2017		Proposed Estimates 2017-2018		Proposed Estimates 2018-2019		Proposed Estimates 2019-2020		Proposed Estimates 2020-2021		Proposed Estimates 2021-2022		Proposed Estimates 2022-2023		Proposed Estimates 2023-2024		Proposed Estimates 2024-2025		Proposed Estimates 2025-2026		Proposed Estimates 2026-2027		Proposed Estimates 2027-2028	
	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure
UNCLASSIFIED																								
OPERATING EXPENDITURE																								
Administration																								
E145005 · Salaries - Basic Costs	$0	$610,598	$0	$628,916	$0	$647,784	$0	$670,456	$0	$693,922	$0	$718,209	$0	$743,347	$0	$769,364	$0	$796,292	$0	$824,162	$0	$853,007	$0	$882,863
E145007 · Salaries Occ. Superannuation	$0	$58,007	$0	$59,747	$0	$61,539	$0	$63,693	$0	$65,923	$0	$68,230	$0	$70,618	$0	$73,090	$0	$75,648	$0	$78,295	$0	$81,036	$0	$83,872
E145009 · Salaries WALGS Superannuation	$0	$5,356	$0	$5,517	$0	$5,682	$0	$5,881	$0	$6,087	$0	$6,300	$0	$6,521	$0	$6,749	$0	$6,985	$0	$7,229	$0	$7,483	$0	$7,744
E145006 · Parental Leave	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E145011 · Advertising Staff Vacancies	$0	$5,253	$0	$5,384	$0	$5,519	$0	$5,657	$0	$5,798	$0	$5,943	$0	$6,092	$0	$6,244	$0	$6,400	$0	$6,560	$0	$6,724	$0	$6,893
E145015 · Insurance W/comp.	$0	$14,262	$0	$14,618	$0	$14,984	$0	$15,358	$0	$15,742	$0	$16,136	$0	$16,539	$0	$16,953	$0	$17,377	$0	$17,811	$0	$18,256	$0	$18,713
E145017 · Medical Exam. Costs	$0	$315	$0	$323	$0	$331	$0	$339	$0	$348	$0	$357	$0	$366	$0	$375	$0	$384	$0	$394	$0	$403	$0	$414
E145019 · Staff Training & Dev.	$0	$5,253	$0	$5,384	$0	$5,519	$0	$5,657	$0	$5,798	$0	$5,943	$0	$6,092	$0	$6,244	$0	$6,400	$0	$6,560	$0	$6,724	$0	$6,893
E145020 · Conference Expenses	$0	$15,759	$0	$16,153	$0	$16,557	$0	$16,971	$0	$17,395	$0	$17,830	$0	$18,276	$0	$18,733	$0	$19,201	$0	$19,681	$0	$20,173	$0	$20,678
E145021 · Telephone - Staff Reimbursement	$0	$735	$0	$754	$0	$773	$0	$792	$0	$812	$0	$832	$0	$853	$0	$874	$0	$896	$0	$918	$0	$941	$0	$965
E145024 · Travel Expenses CEO	$0	$10,506	$0	$10,769	$0	$11,038	$0	$11,314	$0	$11,597	$0	$11,887	$0	$12,184	$0	$12,489	$0	$12,801	$0	$13,121	$0	$13,449	$0	$13,785
E145025 · Other Accom & Property Costs	$0	$36,772	$0	$37,691	$0	$38,633	$0	$39,599	$0	$40,589	$0	$41,604	$0	$42,644	$0	$43,710	$0	$44,803	$0	$45,923	$0	$47,071	$0	$48,248
E145027 · Advertising General	$0	$15,759	$0	$16,153	$0	$16,557	$0	$16,971	$0	$17,395	$0	$17,830	$0	$18,276	$0	$18,733	$0	$19,201	$0	$19,681	$0	$5,000	$0	$3,000
E145029 · Advertising Public/Statutory	$0	$15,759	$0	$16,153	$0	$16,557	$0	$16,971	$0	$17,395	$0	$17,830	$0	$18,276	$0	$18,733	$0	$19,201	$0	$19,681	$0	$5,000	$0	$3,000
E145031 · Graphics Consumables	$0	$5,253	$0	$5,384	$0	$5,519	$0	$5,657	$0	$5,798	$0	$5,943	$0	$6,092	$0	$6,244	$0	$6,400	$0	$6,560	$0	$1,000	$0	$1,025
E145033 · Photocopying	$0	$2,627	$0	$2,692	$0	$2,760	$0	$2,829	$0	$2,899	$0	$2,972	$0	$3,046	$0	$3,122	$0	$3,200	$0	$3,280	$0	$3,362	$0	$3,446
E145037 · Postage, Courier & Freight	$0	$1,261	$0	$1,292	$0	$1,325	$0	$1,358	$0	$1,392	$0	$1,426	$0	$1,462	$0	$1,499	$0	$1,536	$0	$1,575	$0	$1,614	$0	$1,654
E145039 · Printing	$0	$5,253	$0	$5,384	$0	$5,519	$0	$5,657	$0	$5,798	$0	$5,943	$0	$6,092	$0	$6,244	$0	$6,400	$0	$6,560	$0	$6,724	$0	$6,893
E145043 · Stationery	$0	$2,101	$0	$2,154	$0	$2,208	$0	$2,263	$0	$2,319	$0	$2,377	$0	$2,437	$0	$2,498	$0	$2,560	$0	$2,624	$0	$2,690	$0	$2,757
E145045 · Other Admin Expenses	$0	$15,759	$0	$16,153	$0	$16,557	$0	$16,971	$0	$17,395	$0	$17,830	$0	$18,276	$0	$18,733	$0	$19,201	$0	$19,681	$0	$20,173	$0	$20,678
E145047 · Office Telephones & Faxes	$0	$3,152	$0	$3,231	$0	$3,311	$0	$3,394	$0	$3,479	$0	$3,566	$0	$3,655	$0	$3,747	$0	$3,840	$0	$3,936	$0	$4,035	$0	$4,136
E145049 · Mobil Phones, Pages, Radios	$0	$2,101	$0	$2,154	$0	$2,208	$0	$2,263	$0	$2,319	$0	$2,377	$0	$2,437	$0	$2,498	$0	$2,560	$0	$2,624	$0	$2,690	$0	$2,757
E145053 · Bank Charges	$0	$2,101	$0	$2,154	$0	$2,208	$0	$2,263	$0	$2,319	$0	$2,377	$0	$2,437	$0	$2,498	$0	$2,560	$0	$2,624	$0	$2,690	$0	$2,757
E145055 · Credit Charges	$0	$210	$0	$215	$0	$221	$0	$226	$0	$232	$0	$238	$0	$244	$0	$250	$0	$256	$0	$262	$0	$269	$0	$276
E145056 · Interest on Overdraft	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E145057 · Audit Fees	$0	$8,456	$0	$8,668	$0	$8,884	$0	$9,106	$0	$9,334	$0	$9,567	$0	$9,807	$0	$10,052	$0	$10,303	$0	$10,561	$0	$10,825	$0	$11,095
E145059 · Membership Fees	$0	$7,500	$0	$7,688	$0	$7,880	$0	$8,077	$0	$8,279	$0	$8,486	$0	$8,698	$0	$8,915	$0	$9,138	$0	$9,366	$0	$9,601	$0	$9,841
E145061 · Legal Expenses (General)	$0	$30,000	$0	$30,750	$0	$31,519	$0	$32,307	$0	$33,114	$0	$33,942	$0	$34,791	$0	$35,661	$0	$36,552	$0	$37,466	$0	$10,000	$0	$5,000
E145069 · Valuation Fees	$0	$50,000	$0	$51,250	$0	$52,531	$0	$53,845	$0	$55,191	$0	$56,570	$0	$57,985	$0	$59,434	$0	$60,920	$0	$62,443	$0	$3,000	$0	$1,000
E145075 · Promotions	$0	$15,000	$0	$15,375	$0	$15,759	$0	$16,153	$0	$16,557	$0	$16,971	$0	$17,395	$0	$17,830	$0	$18,276	$0	$18,733	$0	$5,000	$0	$5,125
E145077 · Business Hospitality Expenses	$0	$10,000	$0	$10,250	$0	$10,506	$0	$10,769	$0	$11,038	$0	$11,314	$0	$11,597	$0	$11,887	$0	$12,184	$0	$12,489	$0	$3,000	$0	$3,075
E145079 · Consultancy	$0	$20,000	$0	$20,500	$0	$21,013	$0	$21,538	$0	$22,076	$0	$22,628	$0	$23,194	$0	$23,774	$0	$24,368	$0	$24,977	$0	$15,000	$0	$15,375
E145082 · Lawyers	$0	$30,000	$0	$30,750	$0	$31,519	$0	$32,307	$0	$33,114	$0	$33,942	$0	$34,791	$0	$35,661	$0	$36,552	$0	$37,466	$0	$10,000	$0	$10,250
E145083 · Research	$0	$30,000	$0	$30,750	$0	$31,519	$0	$32,307	$0	$33,114	$0	$33,942	$0	$34,791	$0	$35,661	$0	$36,552	$0	$37,466	$0	$10,000	$0	$10,250
E145100 · Safety Clothes and Equipment	$0	$1,000	$0	$1,025	$0	$1,051	$0	$1,077	$0	$1,104	$0	$1,131	$0	$1,160	$0	$1,189	$0	$1,218	$0	$1,249	$0	$300	$0	$308
E145086 · Probity Auditor	$0	$20,000	$0	$20,500	$0	$21,013	$0	$21,538	$0	$22,076	$0	$22,628	$0	$23,194	$0	$23,774	$0	$24,368	$0	$24,977	$0	$5,000	$0	$3,000
E145087 · Computer Software Mtce	$0	$5,000	$0	$5,125	$0	$5,253	$0	$5,384	$0	$5,519	$0	$5,657	$0	$5,798	$0	$5,943	$0	$6,092	$0	$6,244	$0	$6,400	$0	$6,560
E145088 · Accounting Management	$0	$52,531	$0	$53,845	$0	$55,191	$0	$56,570	$0	$57,985	$0	$59,434	$0	$60,920	$0	$62,443	$0	$64,004	$0	$65,604	$0	$67,244	$0	$20,000
E145089 · Computer Software Purchase	$0	$50,000	$0	$6,250	$0	$6,406	$0	$6,566	$0	$6,731	$0	$6,899	$0	$7,071	$0	$7,248	$0	$7,429	$0	$7,615	$0	$7,805	$0	$8,001
E145091 · Computer Sundries	$0	$5,000	$0	$5,125	$0	$5,253	$0	$5,384	$0	$5,519	$0	$5,657	$0	$5,798	$0	$5,943	$0	$6,092	$0	$6,244	$0	$6,400	$0	$6,560
E145092 · Data Communication Links	$0	$5,500	$0	$5,638	$0	$5,778	$0	$5,923	$0	$6,071	$0	$6,223	$0	$6,378	$0	$6,538	$0	$6,701	$0	$6,869	$0	$7,040	$0	$7,216
E145093 · Internet Provider Costs	$0	$10,500	$0	$10,763	$0	$11,032	$0	$11,307	$0	$11,590	$0	$11,880	$0	$12,177	$0	$12,481	$0	$12,793	$0	$13,113	$0	$13,441	$0	$13,777
E145094 · Plant & Equipment Purchase Non-Capital	$0	$2,000	$0	$2,050	$0	$2,101	$0	$2,154	$0	$2,208	$0	$2,263	$0	$2,319	$0	$2,377	$0	$2,437	$0	$2,498	$0	$2,560	$0	$2,624
E145095 · Furniture & Equipment Purchase	$0	$5,000	$0	$5,125	$0	$5,253	$0	$5,384	$0	$5,519	$0	$5,657	$0	$5,798	$0	$5,943	$0	$6,092	$0	$6,244	$0	$6,400	$0	$6,560
E145097 · Hire of Equipment	$0	$2,000	$0	$2,050	$0	$2,101	$0	$2,154	$0	$2,208	$0	$2,263	$0	$2,319	$0	$2,377	$0	$2,437	$0	$2,498	$0	$2,560	$0	$2,624
E145099 · Vehicle Operating Expense	$0	$15,759	$0	$16,153	$0	$16,557	$0	$16,971	$0	$17,395	$0	$17,830	$0	$18,276	$0	$18,733	$0	$19,201	$0	$19,681	$0	$20,173	$0	$20,678
E145013 ·Fringe Benefit Tax -Motor Vehicle	$0	$10,506	$0	$10,769	$0	$11,038	$0	$11,314	$0	$11,597	$0	$11,887	$0	$12,184	$0	$12,489	$0	$12,801	$0	$13,121	$0	$13,449	$0	$13,785
E145101 · Consumable Stores	$0	$1,000	$0	$1,025	$0	$1,051	$0	$1,077	$0	$1,104	$0	$1,131	$0	$1,160	$0	$1,189	$0	$1,218	$0	$1,249	$0	$1,280	$0	$1,312
E145103 · Newspapers & Periodicals	$0	$200	$0	$205	$0	$210	$0	$215	$0	$221	$0	$226	$0	$232	$0	$238	$0	$244	$0	$250	$0	$256	$0	$262
E145100 · Safety Clothes and Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E145105 · Publications & Brochures	$0	$500	$0	$513	$0	$525	$0	$538	$0	$552	$0	$566	$0	$580	$0	$594	$0	$609	$0	$624	$0	$640	$0	$656
E145107 · Subscriptions	$0	$1,000	$0	$1,025	$0	$1,051	$0	$1,077	$0	$1,104	$0	$1,131	$0	$1,160	$0	$1,189	$0	$1,218	$0	$1,249	$0	$1,280	$0	$1,312
E145109 · Parking Expenses	$0	$315	$0	$323	$0	$331	$0	$339	$0	$348	$0	$357	$0	$366	$0	$375	$0	$384	$0	$394	$0	$403	$0	$414
E145111 · Plans	$0	$1,500	$0	$1,538	$0	$1,576	$0	$1,615	$0	$1,656	$0	$1,697	$0	$1,740	$0	$1,783	$0	$1,828	$0	$1,873	$0	$1,000	$0	$1,025
E145113 · Emergency Services	$0	$10,000	$0	$10,250	$0	$10,506	$0	$10,769	$0	$11,038	$0	$11,314	$0	$11,597	$0	$11,887	$0	$12,184	$0	$12,489	$0	$5,000	$0	$1,000
E145117 · Electricity	$0	$18,000	$0	$6,450	$0	$6,611	$0	$6,777	$0	$6,946	$0	$7,120	$0	$7,298	$0	$7,480	$0	$7,667	$0	$7,859	$0	$8,055	$0	$8,257
E145119 · Professional Indemnity	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E145121 · Insurance - Public Liability	$0	$5,253	$0	$5,384	$0	$5,519	$0	$5,657	$0	$5,798	$0	$5,943	$0	$6,092	$0	$6,244	$0	$6,400	$0	$6,560	$0	$6,724	$0	$6,893
E145123 · Insurance - Property (ISR)	$0	$1,997	$0	$2,047	$0	$2,098	$0	$2,150	$0	$2,204	$0	$2,259	$0	$2,316	$0	$2,373	$0	$2,433	$0	$2,494	$0	$2,556	$0	$2,620
E145126 · Insurance - Personal Accident	$0	$5,253	$0	$5,384	$0	$5,519	$0	$5,657	$0	$5,798	$0	$5,943	$0	$6,092	$0	$6,244	$0	$6,400	$0	$6,560	$0	$6,724	$0	$6,893
E145127 · Insurance - Other	$0	$5,253	$0	$5,384	$0	$5,519	$0	$5,657	$0	$5,798	$0	$5,943	$0	$6,092	$0	$6,244	$0	$6,400	$0	$6,560	$0	$6,724	$0	$6,893
E145222 · Depreciation	$0	$21,024	$0	$21,212	$0	$25,381	$0	$25,578	$0	$27,649	$0	$27,856	$0	$28,429	$0	$30,171	$0	$27,420	$0	$20,685	$0	$23,286	$0	$23,525
E145405 · TPG Syrinx Component	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E145451 · GST management	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E145452 · Recruitment_Human Resources	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
0000000- Record Management Consultancy	$0	$10,000																						
Sub Total - UNCLASSIFIED OP/EXP	$0	$1,301,204	$0	$1,269,516	$0	$1,308,363	$0	$1,347,784	$0	$1,390,311	$0	$1,432,244	$0	$1,475,854	$0	$1,521,987	$0	$1,565,022	$0	$1,605,517	$0	$1,409,646	$0	$1,387,209
OPERATING INCOME																								
I145010 · Reimbursements	($1,985)	$0	($2,035)	$0	($2,086)	$0	($2,138)	$0	($2,192)	$0	($2,246)	$0	($2,302)	$0	($2,360)	$0	($2,419)	$0	($2,480)	$0	($2,542)	$0	($2,605)	$0
I05 · Contribution- Parental Leave	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub Total - UNCLASSIFIED OP/INC	($1,985)	$0	($2,035)	$0	($2,086)	$0	($2,138)	$0	($2,192)	$0	($2,246)	$0	($2,302)	$0	($2,360)	$0	($2,419)	$0	($2,480)	$0	($2,542)	$0	($2,605)	$0
Total - UNCLASSIFIED	($1,985)	$1,301,204	($2,035)	$1,269,516	($2,086)	$1,308,363	($2,138)	$1,347,784	($2,192)	$1,390,311	($2,246)	$1,432,244	($2,302)	$1,475,854	($2,360)	$1,521,987	($2,419)	$1,565,022	($2,480)	$1,605,517	($2,542)	$1,409,646	($2,605)	$1,387,209
Total - OTHER PROPERTY AND SERVICES	($1,985)	$1,301,204	($2,035)	$1,269,516	($2,086)	$1,308,363	($2,138)	$1,347,784	($2,192)	$1,390,311	($2,246)	$1,432,244	($2,302)	$1,475,854	($2,360)	$1,521,987	($2,419)	$1,565,022	($2,480)	$1,605,517	($2,542)	$1,409,646	($2,605)	$1,387,209

Tamala Park Regional Council

Details By function Under The Following Programme Titles
And Type Of Activities Within The Programme

	Adopted Budget 2016-2017		Proposed Estimates 2017-2018		Proposed Estimates 2018-2019		Proposed Estimates 2019-2020		Proposed Estimates 2020-2021		Proposed Estimates 2021-2022	
	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure
MEMBERS EQUITY												
EXPENDITURE												
Contribution Refund	$0	$327,714	$0	$268,725	$0	$209,337	$0	$154,491	$0	$107,680	$0	$70,638
Capital Returns	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Profit Distributions	$0	$11,000,000	$0	$4,000,000	$0	$15,000,000	$0	$21,000,000	$0	$36,000,000	$0	$39,000,000
Development Costs Apartments	$0	$0										
Sub Total - MEMBERS EQUITY	$0	$11,327,714	$0	$4,268,725	$0	$15,209,337	$0	$21,154,491	$0	$36,107,680	$0	$39,070,638
INCOME												
I145011 - Income Sale on Lots	($26,283,529)	$0	($39,982,275)	$0	($40,311,104)	$0	($47,163,210)	$0	($50,659,512)	$0	($56,394,894)	$0
I145012 - Income Other	($4,794,250)	$0	$0	$0	($5,492,286)	$0	($5,521,508)	$0	($17,041,585)	$0	($11,390,238)	$0
I000000 - Income Other Proceeds Proceeds Telethon Home	$0	$0										
I000000 - Income Other Access Fees for Lot 1 McAllister	$0	$0										
I000000 - Income Other Proceeds Sale of Apartments	$0	$0										
Sub Total - MEMBERS EQUITY	($31,077,779)	$0	($39,982,275)	$0	($45,803,390)	$0	($52,684,718)	$0	($67,701,097)	$0	($67,785,132)	$0
Total - MEMBERS EQUITY	($31,077,779)	$11,327,714	($39,982,275)	$4,268,725	($45,803,390)	$15,209,337	($52,684,718)	$21,154,491	($67,701,097)	$36,107,680	($67,785,132)	$39,070,638
Total - MEMBERS EQUITY	($31,077,779)	$11,327,714	($39,982,275)	$4,268,725	($45,803,390)	$15,209,337	($52,684,718)	$21,154,491	($67,701,097)	$36,107,680	($67,785,132)	$39,070,638
SURPLUS												
New (Surplus) / Deficit - Brought Forward	($47,345,854)	$0	($34,005,735)	$0	($25,996,351)	$0	($23,275,278)	$0	($22,855,551)	$0	($21,707,509)	$0
New (Surplus) / Deficit - Carried Forward	$0	$34,005,735	$0	$25,996,351	$0	$23,275,278	$0	$22,855,551	$0	$21,707,509	$0	$20,398,632
Sub Total - SURPLUS C/FWD	($47,345,854)	$34,005,735	($34,005,735)	$25,996,351	($25,996,351)	$23,275,278	($23,275,278)	$22,855,551	($22,855,551)	$21,707,509	($21,707,509)	$20,398,632
Total - SURPLUS	($47,345,854)	$34,005,735	($34,005,735)	$25,996,351	($25,996,351)	$23,275,278	($23,275,278)	$22,855,551	($22,855,551)	$21,707,509	($21,707,509)	$20,398,632
DEPRECIATION												
New - Depreciation Written Back	$0	($21,024)	$0	($21,212)	$0	($25,381)	$0	($25,578)	$0	($27,649)	$0	($27,856)
New - Employee Provisions	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New - Prov for Audit Fees	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New - Book Value of Assets Written Back	$0	($41,125)	$0	$0	$0	($48,500)	$0	($18,375)	$0	($50,900)	$0	($19,294)
Sub Total - DEPRECIATION WRITTEN BACK	$0	($62,149)	$0	($21,212)	$0	($73,881)	$0	($43,953)	$0	($78,549)	$0	($47,150)
Total - DEPRECIATION	$0	($62,149)	$0	($21,212)	$0	($73,881)	$0	($43,953)	$0	($78,549)	$0	($47,150)
FURNITURE AND EQUIPMENT												
OTHER PROPERTY AND SERVICES												
EXPENDITURE												
E168561 - Photocopier	$0	$0										
E168563 - Computer	$0	$0										
E168513 - General Office Equipment	$0	$0	$0	$0	$0	$10,000	$0	$0	$0	$0	$0	$0
E168516 - Office Furniture CEO	$0	$0	$0	$0	$0	$5,000	$0	$0	$0	$0	$0	$0
E168517 - Computer Equipment	$0	$20,000	$0	$0	$0	$0	$0	$0	$0	$10,000	$0	$0
E168519 - Phones	$0	$2,000										
E168518 - Microwave Oven	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E168524 - Sony Bravia Conference Room TV	$0	$0	$0	$0	$0	$1,000	$0	$0	$0	$0	$0	$0
Sub Total - CAPITAL WORKS	$0	$22,000	$0	$0	$0	$16,000	$0	$0	$0	$10,000	$0	$0
Total- OTHER PROPERTY AND SERVICES	$0	$22,000	$0	$0	$0	$16,000	$0	$0	$0	$10,000	$0	$0
Total - FURNITURE AND EQUIPMENT	$0	$22,000	$0	$0	$0	$16,000	$0	$0	$0	$10,000	$0	$0
LAND AND BUILDINGS												
OTHER PROPERTY AND SERVICES												
EXPENDITURE												
E168521 - Refurbishment works office (shelving etc)	$0	$3,000	$0	$0	$0	$50,000	$0	$0	$0	$0	$0	$0
E168519 - Phones	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,000	$0	$0
E168523 - Elect_Comp Equipmen	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub Total - CAPITAL WORKS	$0	$3,000	$0	$0	$0	$50,000	$0	$0	$0	$1,000	$0	$0
Total - OTHER PROPERTY AND SERVICES	$0	$3,000	$0	$0	$0	$50,000	$0	$0	$0	$1,000	$0	$0
Total - LAND AND BUILDINGS	$0	$3,000	$0	$0	$0	$50,000	$0	$0	$0	$1,000	$0	$0
PLANT AND EQUIPMENT												
OTHER PROPERTY AND SERVICES												
EXPENDITURE												
0000000 Motor Vehicle - CEO	$0	$65,016	$0	$0	$0	$68,267	$0	$0	$0	$71,680	$0	$0
0000000 Work Vehicle	$0	$0	$0	$26,250	$0	$0	$0	$27,563	$0	$0	$0	$28,941
Sub Total - CAPITAL WORKS	$0	$65,016	$0	$26,250	$0	$68,267	$0	$27,563	$0	$71,680	$0	$28,941
Total - OTHER PROPERTY AND SERVICES	$0	$65,016	$0	$26,250	$0	$68,267	$0	$27,563	$0	$71,680	$0	$28,941
Total - PLANT AND EQUIPMENT	$0	$65,016	$0	$26,250	$0	$68,267	$0	$27,563	$0	$71,680	$0	$28,941

	Proposed Estimates 2022-2023		Proposed Estimates 2023-2024		Proposed Estimates 2024-2025		Proposed Estimates 2025-2026		Proposed Estimates 2026-2027		Proposed Estimates 2027-2028	
	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure
MEMBERS EQUITY					$0							
					$0							
EXPENDITURE					$0							
					$0							
Contribution Refund	$0	$43,442	$0	$24,936	$0	$13,291	$0	$6,539	$0	$2,949	$0	$0
Capital Returns	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Profit Distributions	$0	$34,000,000	$0	$35,000,000	$0	$25,000,000	$0	$51,000,000	$0	$26,000,000	$0	$12,010,413
Development Costs Apartments							$0	$0	$0	$0	$0	$0
							$0	$0	$0	$0	$0	$0
Sub Total - MEMBERS EQUITY	$0	$34,043,442	$0	$35,024,936	$0	$25,013,291	$0	$51,006,539	$0	$26,002,949	$0	$12,010,413
INCOME												
I145011 - Income Sale on Lots	($60,520,159)	$0	($64,388,159)	$0	($49,472,070)	$0	($78,332,404)	$0	($29,338,882)	$0	$0	$0
I145012 - Income Other	($1,615,614)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
I000000 - Income Other Proceeds Proceeds Telethon Home												
I000000 - Income Other Access Fees for Lot 1 McAllister												
I000000 - Income Other Proceeds Sale of Apartments												
Sub Total - MEMBERS EQUITY	($62,135,773)	$0	($64,388,159)	$0	($49,472,070)	$0	($78,332,404)	$0	($29,338,882)	$0	$0	$0
Total - MEMBERS EQUITY	($62,135,773)	$34,043,442	($64,388,159)	$35,024,936	($49,472,070)	$25,013,291	($78,332,404)	$51,006,539	($29,338,882)	$26,002,949	$0	$12,010,413
Total - MEMBERS EQUITY	($62,135,773)	$34,043,442	($64,388,159)	$35,024,936	($49,472,070)	$25,013,291	($78,332,404)	$51,006,539	($29,338,882)	$26,002,949	$0	$12,010,413
SURPLUS												
New (Surplus) / Deficit - Brought Forward	($20,398,632)	$0	($20,082,839)	$0	($18,052,601)	$0	($17,087,756)	$0	($16,143,125)	$0	($13,842,791)	$0
New (Surplus) / Deficit - Carried Forward	$0	$20,082,839	$0	$18,052,601	$0	$17,087,756	$0	$16,143,125	$0	$13,842,791	$0	$0
Sub Total - SURPLUS C/FWD	($20,398,632)	$20,082,839	($20,082,839)	$18,052,601	($18,052,601)	$17,087,756	($17,087,756)	$16,143,125	($16,143,125)	$13,842,791	($13,842,791)	$0
Total - SURPLUS	($20,398,632)	$20,082,839	($20,082,839)	$18,052,601	($18,052,601)	$17,087,756	($17,087,756)	$16,143,125	($16,143,125)	$13,842,791	($13,842,791)	$0
DEPRECIATION												
New - Depreciation Written Back	$0	($28,429)	$0	($30,171)	$0	($27,420)	$0	($20,685)	$0	($23,286)	$0	($23,525)
New - Employee Provisions	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New - Prov for Audit Fees	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New - Book Value of Assets Written Back	$0	($53,500)	$0	($20,258)	$0	($56,100)	$0	($21,271)	$0	($59,000)	$0	($22,335)
Sub Total - DEPRECIATION WRITTEN BACK	$0	($81,929)	$0	($50,429)	$0	($83,520)	$0	($41,956)	$0	($82,286)	$0	($45,860)
Total - DEPRECIATION	$0	($81,929)	$0	($50,429)	$0	($83,520)	$0	($41,956)	$0	($82,286)	$0	($45,860)
FURNITURE AND EQUIPMENT												
OTHER PROPERTY AND SERVICES												
EXPENDITURE												
E168561 - Photocopier												
E168563 - Computer												
E168513 - General Office Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E168516 - Office Furniture CEO	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E168517 - Computer Equipment	$0	$0	$0	$10,000	$0	$0	$0	$0	$0	$10,000	$0	$0
E168519 - Phones												
E168518 - Microwave Oven	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E168524 - Sony Bravia Conference Room TV	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub Total - CAPITAL WORKS	$0	$0	$0	$10,000	$0	$0	$0	$0	$0	$10,000	$0	$0
Total- OTHER PROPERTY AND SERVICES	$0	$0	$0	$10,000	$0	$0	$0	$0	$0	$10,000	$0	$0
Total - FURNITURE AND EQUIPMENT	$0	$0	$0	$10,000	$0	$0	$0	$0	$0	$10,000	$0	$0
LAND AND BUILDINGS												
OTHER PROPERTY AND SERVICES												
EXPENDITURE												
E168521 - Refurbishment works office (shelving etc)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E168519 - Phones	$0	$0	$0	$1,000	$0	$0	$0	$0	$0	$0	$0	$0
E168523 - Elect_Comp Equipmen	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub Total - CAPITAL WORKS	$0	$0	$0	$1,000	$0	$0	$0	$0	$0	$0	$0	$0
Total - OTHER PROPERTY AND SERVICES	$0	$0	$0	$1,000	$0	$0	$0	$0	$0	$0	$0	$0
Total - LAND AND BUILDINGS	$0	$0	$0	$1,000	$0	$0	$0	$0	$0	$0	$0	$0
PLANT AND EQUIPMENT												
OTHER PROPERTY AND SERVICES												
EXPENDITURE												
0000000 Motor Vehicle - CEO	$0	$75,264	$0	$0	$0	$79,027	$0	$0	$0	$82,979	$0	$0
0000000 Work Vehicle	$0	$0	$0	$30,388	$0	$0	$0	$31,907	$0	$0	$0	$33,502
Sub Total - CAPITAL WORKS	$0	$75,264	$0	$30,388	$0	$79,027	$0	$31,907	$0	$82,979	$0	$33,502
Total - OTHER PROPERTY AND SERVICES	$0	$75,264	$0	$30,388	$0	$79,027	$0	$31,907	$0	$82,979	$0	$33,502
Total - PLANT AND EQUIPMENT	$0	$75,264	$0	$30,388	$0	$79,027	$0	$31,907	$0	$82,979	$0	$33,502

Tamala Park Regional Council

Details By function Under The Following Programme Titles
And Type Of Activities Within The Programme

	Adopted Budget 2016-2017		Proposed Estimates 2017-2018		Proposed Estimates 2018-2019		Proposed Estimates 2019-2020		Proposed Estimates 2020-2021		Proposed Estimates 2021-2022		Proposed Estimates 2022-2023		Proposed Estimates 2023-2024		Proposed Estimates 2024-2025		Proposed Estimates 2025-2026		Proposed Estimates 2026-2027		Proposed Estimates 2027-2028	
	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure
INFRASTRUCTURE ASSETS - OTHER																								
Land Development Costs																								
New-Land & Special Sites Development	$0	$49,657	$0	$10,780,560	$0	$1,316,052	$0	$538,435	$0	$0	$0	$50,000	$0	$0	$0	$50,000	$0	$0	$0	$0	$0	$0	$0	$0
99.4 · Land Develop - Consultants	$0	$675,204	$0	$614,907	$0	$589,552	$0	$559,161	$0	$552,439	$0	$562,037	$0	$520,013	$0	$562,489	$0	$288,474	$0	$223,853	$0	$0	$0	$0
99.5 · Land Develop - Landscape	$0	$6,807,816	$0	$3,489,325	$0	$7,602,306	$0	$8,107,158	$0	$2,652,912	$0	$1,368,828	$0	$1,518,643	$0	$1,505,441	$0	$1,479,333	$0	$918,927	$0	$95,999	$0	$0
99.1 · Land Develop - Infrastructure	$0	$1,474,031	$0	$7,534,721	$0	$446,395	$0	($2,762,914)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
99.9 · Land Develop - Precinct 1 Bulk	$0	$3,770,383	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
99.2 · Land Develop - Lot Production	$0	$10,717,375	$0	$13,631,578	$0	$14,691,050	$0	$16,002,505	$0	$17,551,386	$0	$16,867,755	$0	$15,808,816	$0	$18,394,597	$0	$14,079,321	$0	$16,294,879	$0	$624,224	$0	$0
99.6 · Land Develop - Admin Land Dev	$0	$1,075,117	$0	$1,037,397	$0	$1,038,597	$0	$1,059,097	$0	$997,660	$0	$983,232	$0	$964,863	$0	$944,359	$0	$922,650	$0	$911,885	$0	$425,355	$0	$0
New-Community Development	$0	$192,500	$0	$192,500	$0	$192,500	$0	$192,500	$0	$192,500	$0	$192,500	$0	$192,500	$0	$192,500	$0	$192,500	$0	$192,500	$0	$192,500	$0	$0
New-Contingency	$0	$1,483,907	$0	$1,994,692	$0	$1,444,903	$0	$1,339,041	$0	$1,245,365	$0	$1,127,934	$0	$1,079,573	$0	$1,203,698	$0	$910,975	$0	$957,195	$0	$66,904	$0	$0
New-finance	$0	$1,600,000	$0	($1,500,000)	$0	($200,000)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	($1,508,599)	$0	$0
Debtors /Creditors Movement	$0	$165,944	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Consultancy																								
-Env Innovation Consultancies																								
E145441 · Sustainability Assessment System	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E145448 · EPBC Act Management	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
-Admin-Operational Consultancies																								
E145451 · GST management	$0	$20,000	$0	$20,000	$0	$20,000	$0	$20,000	$0	$20,000	$0	$20,000	$0	$20,000	$0	$20,000	$0	$20,000	$0	$20,000	$0	$20,000	$0	$20,000
E145453 · GST Margin Scheme Consultancy	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
E145452 · Recruitment_Human Resources	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$0
Property Development Services																								
-Property Admin and Approvals																								
E145041 · Signage/Decals	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$0
E145042 · Branding/Marketing	$0	$10,000	$0	$10,000	$0	$10,000	$0	$10,000	$0	$10,000	$0	$10,000	$0	$10,000	$0	$10,000	$0	$10,000	$0	$10,000	$0	$10,000	$0	$0
-Mtce Services-Land																								
E145204 · Fences/Walls	$0	$20,000	$0	$3,000	$0	$3,000	$0	$3,000	$0	$3,000	$0	$3,000	$0	$3,000	$0	$3,000	$0	$3,000	$0	$3,000	$0	$3,000	$0	$0
E145206 · MtceServices-Land	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$5,000	$0	$0
-Sales Expenditure																								
E145216 · Direct Selling Expenses	$0	$3,805,686	$0	$4,598,467	$0	$4,721,466	$0	$5,528,621	$0	$8,118,305	$0	$7,392,335	$0	$6,801,267	$0	$6,940,766	$0	$5,884,123	$0	$7,054,893	$0	$4,762,649	$0	$925,299
E145218 · Sales and Marketing	$0	$663,734	$0	$656,313	$0	$617,738	$0	$596,353	$0	$571,196	$0	$566,463	$0	$577,897	$0	$578,278	$0	$589,950	$0	$601,858	$0	$0	$0	$0
-Other Expenditure																								
E145029 · Advertising Public/Statutory	$0	$0																						
E145061 · Legal Expenses (General)	$0	$0																						
E145086 · Probity Auditor	$0	$0																						
0000000- Donation to Telethon	$0	$0																						
Sub Total - CAPITAL WORKS	$0	$32,546,354	$0	$43,078,460	$0	$32,508,559	$0	$31,207,957	$0	$31,929,763	$0	$29,159,084	$0	$27,511,572	$0	$30,420,128	$0	$24,395,326	$0	$27,203,990	$0	$4,707,032	$0	$945,299
Total - OTHER	$0	$32,546,354	$0	$43,078,460	$0	$32,508,559	$0	$31,207,957	$0	$31,929,763	$0	$29,159,084	$0	$27,511,572	$0	$30,420,128	$0	$24,395,326	$0	$27,203,990	$0	$4,707,032	$0	$945,299
Total - INFRASTRUCTURE ASSETS - OTHER	$0	$32,546,354	$0	$43,078,460	$0	$32,508,559	$0	$31,207,957	$0	$31,929,763	$0	$29,159,084	$0	$27,511,572	$0	$30,420,128	$0	$24,395,326	$0	$27,203,990	$0	$4,707,032	$0	$945,299
GRAND TOTALS	($79,427,515)	$79,427,515	($74,800,045)	$74,800,045	($72,596,927)	$72,596,927	($76,758,934)	$76,758,934	($91,386,240)	$91,386,240	($90,262,527)	$90,262,527	($83,366,407)	$83,366,408	($85,241,880)	$85,241,880	($68,329,290)	$68,329,290	($96,192,088)	$96,192,088	($46,259,349)	$46,259,348	($14,585,817)	$14,585,816
		($0)		($0)		($0)		$0		$0		($0)		$0		$0		$0		$0		($0)		($0)

Appendix 9.12

Satterley

1 September 2016

Mr Tony Arias
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6018

Dear Tony

CATALINA: Stage 17A Recommendation

The Tamala Park Regional Council meeting held on 16 June 2016, received the Satterley Property Group Project Budget for FYE2017.

The Annual Budget included the following key sales and settlement targets:

- Sale of 119 lots,
- Titles for 68 lots,
- Settlement of 93 lots.

WA Market Update

WA property market conditions remain tough and highly competitive, with shallow market confidence continuing to be a factor impacting the local real estate market. Western Australia's population growth has slowed in the wake of falling commodity prices, which has seen the price of iron ore drop 60% since last year and record its lowest level this decade in July 2015.

The state's dependency on the mining sector has drastically effected interstate migration numbers into WA, contributed by a slump in employment and as a result effecting the local residential market.

Catalina Sales

Sales activities at Catalina Estate this financial year for the two months to 28 August 2016, have yielded 19 net sales and 13 settlements.

Satterley Property Group Pty Ltd.18 Bowman Street, South Perth, WA 6151. PO Box 410, South Perth, WA 6951. P: (08) 9368 9000 F: (08) 9368 9003 W: www.satterley.com.au ABN 38 009 054 979
Licensee: Satterley Property Group Pty Ltd. (Inc in WA). Trading as Satterley Real Estate.

Competition amongst developer estates operating in the northern corridor remains highly competitive. There is a lack of urgency from prospective buyers and visitations to the sales office and display villages remain consistently low.

Overall builder activity has decreased and there has been a reduction in interest from builders wanting to participate in exclusive lot allocations. The majority of enquiry is for regular shaped lots with a tendency away from rear-loaded, odd shaped or truncated lots.

Currently the standard 375sqm and 450sqm lots remain most popular with 'squat' lots maintaining demand. Pressure remains on pricing, as the amount of available stock in the corridor increases.

The sales team continues to actively promote the estate with a significant focus on networking and partnering with key project homes builders through home and land packaging. Consistent sales service is being provided to builder sales reps through visits to local display villages and group presentations at builder sales meetings.

Sales Strategies

The current level of stock on the market has dropped to 22 lots as at 28 August 2016. Fifteen of these lots are considered aged stock, having been on the market between 6 months to 2 years.

A stock level trigger of 35 lots exists for all stages within Catalina Central. To address the lower than anticipated level of stock Satterley Property Group has undertaken a review of the project approvals and stock level triggers and identified an opportunity to bring forward Stage 17A.

Stage 17A civil construction was forecast in the FYE17 budget to commence in March 2017 and construction being completed and titles achieved in August 2017. Sales from Stage 17A were budgeted to commence in April 2017. Stage 17A is located within Catalina Central, directly south of Stage 18A and near the Stage 13 POS.

The table below highlights the level of sales activity against budget over the past four months.

Month	Budget	Actual	Variance
May 2016	5	7	+2
June 2016	5	9	+4
July 2016	9	9	Nil
August 2016	6	10	+4
TOTAL	25	35	+10

Sales achieved in May and June 2016 resulted in 16 sales being achieved against a budget of 10 sales.

The FYE17 budget currently has 15 sales scheduled from July 2016 and August 2016 from Catalina Central. The actual sales achieved in July and August period have netted 19 sales.

This has resulted in the opening stock level for the FYE17 period being six lots less, combined with the four sales ahead of FYE17 budget; the overall position is the project is tracking 10 sales ahead of budget over the past four months.

Recent good level of sales has resulted in selling out of core products including the 375sqm and 450sqm lots. Stage 17A will include ten 375sqm lots and eleven 475sqm lots.

There are currently eight purchasers registered on the database waiting for a lot of either 375sqm or 450sqm lots within the Catalina estate.

The revenue of 25 lots in Stage 17A is $7.60 million based on a pro-rata basis (stage reduced from 31 to 25 lots to remove 10m frontage lots), SPG anticipate 8 lots from Stage 17A to settle in FYE2017.

The sale of lots in Stage 17A will contribute to achieving up to 119 sales for FYE17. In order to maintain competitive with competing estates, the Satterley Property Group believe the quality product of 375sqm and 450sqm lots to be provided to the general public.

The approved FYE17 budget has a gross revenue target of $27.7 million based on 93 settlements.

Satterley Property Group recognises the current shortfall in stock and will continue to monitor the approach taken to achieve the project performance in light of softening market conditions to maintain market share.

Budget Implications for FYE 17

The Satterley Property Group believes 119 net sales are achievable. The impact of bringing forward the proposed Stage 17A civil construction has the following direct impact on the FYE17 budget:

Catalina | Stage 17A Snapshot

ITEM	FORECAST	FY2017 APPROVED BUDGET	VARIANCE
Sales - Stage 17A	24	18	6
Settlements - Stage 17A	8	-	8
Titles - Stage 17A	25	-	25
Gross lot income - Stage 17A	$2.5m	-	$2.5m
Civil works - Stage 17A	$1.5m	$0.7m	($0.8m)

- Overall sales demand expected to remain unchanged – Stage 17A sales increase replaces budgeted sales for older stock
- Overall settlements remain unchanged from budget, with a circa $0.3m increase in lot income expected from higher settlement values of stage 17A lots vs. existing stock
- Distribution forecast expected to remain unchanged from FY2017 approved budget of $11m

The FYE2017 budget currently shows $628k being expensed within FYE17 and $799k being expensed in FYE18 with the works budgeted to commence in March 2017 and be completed in August 2017.

Recommendation

Satterley Property Group provides the following recommendations to achieve the FYE17 sales target:

- Approve the Stage 17A Civil Construction being brought forward from March 2017 to October 2016, showing the full construction expense of $1.42 million within FYE2017, to facilitate the Stage 17A release of 25 lots to the general public.

Should you require any further clarification please contact the undersigned.

Yours sincerely

Aaron Grant
Project Director

Appendix 9.13

Catalina

LIFE & STYLE

Catalina Sustainability Initiatives Plan - Review

July 2016 – Rev D

Catalina Sustainability Initiatives Paper

Contents

Introduction

Since 2011, the SIP has been annually reviewed by SPG. The SIP was reviewed at the TPRC August 2015 Council meeting where it was decided the following initiatives were to be implemented:

- Completion of Shared Bore Trial for Stages 4, 5 & 7;
- Solar Panel Rebate;
- Fibre Optic Service;
- Community Development;
- Waste Recycling;
- Sustainable Housing through Design Guidelines;
- Dwelling Densities;
- Sustainable landscaping including native, lower water using plants, native seed collection and propagation and use of site mulch
- Civil and Landscape Construction initiatives.

Each of the previously approved initiatives is currently in various stages of implementation.

Two of TPRC's fundamental objectives promote the balance of environmental issues and the commitment to development that demonstrates best practices. In order to facilitate the achievement of TPRC's objectives, the Satterley Property Group has undertaken a review of the SIP to determine if opportunities for improvement to current practices are now available.

The following review provides a number of recommendations regarding previously approved and implemented initiatives and new initiatives.

Background

The Catalina Sustainability Initiatives Plan (SIP) was prepared by Satterley Property Group in March 2011 and reviewed by Active Sustainability in September 2011. The SIP provided a detailed analysis of sustainability initiatives which may be considered for implementation at Catalina to set the project's sustainability objectives. The TPRC Council received the SIP in December 2011 and approved implementation of specific elements of the SIP at the same meeting.

Competitor Review

Catalina is implementing a high standard of environmental initiatives. The initiatives being implemented exceed those at the majority of competing developments in Beaumaris, Burns Beach and Jindalee. Generally sustainability initiatives at these developments consist of community development, retention of vegetation, environmentally friendly front landscaping and a fibre optic service. The Projects have EnviroDevelopment certification ratings ranging from 1 leaf to 6 leaves and average 2.8 leaves. Four of Catalina's competitors in the northern corridor have EnviroDevelement ratings.

A summary of these ratings is shown in the table below.

Project	Developer	Leaves	Ecosystems	Waste	Energy	Materials Water	Water	Community
Alkimos Beach	LendLease / Landcorp	6	Yes	Yes	Yes	Yes	Yes	Yes
Trinity	LWP	2	Yes	No	No	No	No	Yes
Carpricorn Village	Carricorn Village JV	2	Yes	No	No	No	No	Yes
Shorehaven	Peet	1	No	No	No	No	Yes	No
Average / Total		2.8	3	1	1	1	2	3

Alkimos Beach, a joint venture between Landcorp and Lendlease, has received a 6 leaf EnviroDevelopment rating, being the market leader in both Perth and the north-west corridor. The Alkimos Beach development includes an Energy Smart Home Package which includes the following:

- A cash rebate of $2,500 upon installation of a 1kW or greater solar panel system;
- A cash rebate of $1,500 towards a solar hot water system (gas boosted);
- In home energy display valued at approximately $200;
- A cash rebate of $750 towards energy efficient television, refridgerators and washing machines
- A cash rebate of $300 towards an LED light upgrade
- Efficient airconditioning rebate valued at approximately $750;
- Front landscaping package to the value of $2,500.

Allara, a joint venture between Landcorp and Satterley in Eglinton, commenced in November 2014 and also includes a sustainability package summarised as follows:

- Smart thermostat to provide energy efficient air conditioning value valued at $300;
- Energy monitors and smart meters valued at $366;
- LED lights valued at $500;
- Photo voltaic cells to the value of $2,600;
- Waterwise front landscaping to the value of $3,500.

Allara has not yet obtained EnviroDevelopment certification. They are currently working to achieve accreditation and are considering initiatives including; a centralized recycling centres, compost facilities, centralized green waste collection, inclusion of recycling bins in POS areas.

There are also many other developments in the northern coastal corridor that do not have Enviro Development ratings.

The Table included in **Annexure 1** shows the known sustainability initiatives being implemented in competing estates and their FYE 16 Sales. Sales do not appear to be negatively affected in Estates including Alkimos Beach, where sustainability measures have been mandated. Last financial year, Alkimos outperformed Catalina in terms of sales.

Trialled Initiatives

Shared / Community Bore

A shared bore trial has been implemented on 72 traditional lots in Stages 4, 5 & 7 as well as on the Lot 248 group housing site in Stage 4. The cost allocated to implement the shared bore trial for 72 homes was approximately $250,000 over the three stages. The current cost to install a shared bore is $3,500 per lot.

The shared bores have received positive feedback from residents who have benefited from reduced watering costs and an additional day of permitted watering during the summer months. The shared bore trial was well received by the majority of owners whom have connected to the shared bore initiative successfully.

It is noted that there have been issues with homeowners connecting to a shared bore including, not wanting to connect and administration and implementation of the shared bore agreements. It was also found that installation of bore infrastructure (pipes) was problematic due to site constraints including location of essential service infrastructure.

It is worth noting that bores are dependent upon rainwater to recharge groundwater supplies. If rainwater level in Perth continue to decline, the ongoing use of bores may not be possible. Water Corporation have expressed reliance upon bores beyond 2030 may be problematic.

Based on the cost to install bores, the potential maintenance issues, potential administration issues, the Water Corporation's sustainability ranking for shared bores and future limitations of using bores, it is recommended that TPRC consider alternatives to shared bores including initiatives to conserve water.

Recommendation: SPG recommend no further trial of the shared bore scheme and consider alternative, more sustainable, more cost effective water savings initiatives.

Solar

The provision of the solar panel rebate allows purchasers of all lots within Catalina to claim a $2,000 rebate on the basis they complete their home, install solar panels with a minimum 1.5 kw convertor and claim the rebate within 18 months of settlement for a single storey home or 24 months for a two storey home.

To date 163 purchasers have claimed the rebate out of the 681 homes that have been completed indicating a take up rate of 24%. Some recently completed homes are still eligible to obtain the rebate, which could increase this take up rate.

A sample of the rebates claimed showed the size of the solar systems installed ranged from 1.5 kw to 5.0 kw with the average size being 3.0 kw. A 3.0 kw system will generally provide sufficient power for a small home compared to a 4.5kw to 6kw system for a larger home.

The size and cost of systems currently being installed is very similar in size and cost to systems being installed 12 months ago.

Based on a 1.5 kw system being installed, the estimated savings to purchasers is in the order of $540 per annum which feeds back an estimated 341 kWh per annum into the grid. This is a significant saving providing an affordable living option for owners which also reduces greenhouse gas emissions by approximately 1.4 tonnes per annum per home. Applying this across the 163 homes with solar panels installed to date results in a total reduction in greenhouse gas emissions of 228.2 tonnes per annum.

Based on the take up rate of 24%, the ongoing power savings for purchasers, the cost of installation and the reduction in greenhouse gas emissions it is recommended that the solar rebate of $2,000 per lot is maintained for future stage releases. SPG propose including promoting the rebate upon approval of building design concepts and ongoing, after sales communications with purchasers to remind them of their entitlement to the rebate. The Satterley Property Group are in the process of establishing automated notifications to purchasers within the Catalina Estate including an email sent to owners five months after settlement advising them to consider applying for their rebates.

Recommendation: It is recommended that the solar rebate of $2,000 per lot is maintained for future stage releases.

Waterwise Landscape Packages

Purchasers of lots sold within public releases of the Catalina Estate are eligible for installation of the front Waterwise Landscape Package provided they have completed construction of their home within 18 months for a single storey home or 24 months for a double storey home.

The Waterwise Landscape Package includes a number of waterwise initiatives within the front landscape package including:

- native plants with reduced water requirements;
- fully automated waterwise irrigation system (to turf areas and garden beds), including a rain sensor and ‘drip circle' to trees;
- Soil preparation, fertiliser application and additives to enhance moisture retention abilities;
- Subsurface irrigation of garden beds to reduce water loss and minimise potential bore water staining.

The cost to implement the Waterwise Landscape Packages is approximately $5,000 + GST per lot for lots contained within the public releases. There is currently an allowance within the budget for water wise landscape packages.

The waterwise landscaping packages are being progressively installed with landscaping in Stages 1 – 11 substantially completed.

The average front landscape package in Catalina has a turf to native shrubs ratio of 40:60 equating to 30-40m² native shrub planted areas per front garden. On average 25 native shrubs are installed per household resulting in the planting of approximately 7,500 native plants to date in front gardens. Landscaping sustainability benefits enjoyed by Catalina residents include:

- Increased habitat and foraging flora for West Australian endemic fauna;
- Decreased water consumption due to advanced SolarSync ET sensors fitted to every controller (previously utilized irrigation controller) which yield up to a 30% water saving;
- Decreased water consumption due to Hydrawise Irrigation Controllers which receive weather information from weather station and adjust sprinkler run times accordingly and yields up to a 30% water saving
- The use of sub-mulch in-line drip irrigation to shrub areas in front landscape packages allows increased watering efficiency by reducing run-off, evaporation and vandalism;

All street trees planted within Catalina are primary feeding plants for Carnaby’s Cockatoos.

Water sensitive native plants have also been selected for verges in medium density areas. In lieu of planting grass trees into residential lots, the grass tress have been planted into medium density verges in high profile locations.

During the April 2016 Council Meeting, TPRC resolved to appoint LD Totals to undertake front landscaping packages for a two year contract.

Recommendation: SPG recommends continuing waterwise front landscaping packages including Hydrawise 6 Zone Controller.

Fibre Optic Services

At its December 2011 Council Meeting the TPRC resolved to proceed with entering into an agreement with NBN Co. for the supply of fibre optic services through stages 1-6 of the Catalina development. In April 2014 the TPRC resolved to continue using NBN Co for the provision of fibre optic services for stages 7-18 of the Catalina development, covering all Urban zoned land in the Catalina Central precinct. An agreement with NBN Co. was subsequently entered into.

The NBN network provides many benefits for Purchasers including:

- work-life balance with the opportunity to work from home rather than from the office saving travel time and providing flexibility;
- small business opportunities where businesses can be established from home without the expense of renting an office;
- connecting with friends and family through high quality video conferencing;
- entertainment options such as video streaming and tv / movies on demand;
- a superior service for busy households where everyone can be online at the same time on multiple devices while still enjoying a high speed service;
- opportunity to sign up with all major Internet Service Providers, which isn't the case for the fibre optic service provided in some competing developments.

NBN Co. has provided a high standard of service to residents at Catalina. Residents have been able to connect to the internet immediately and are receiving a superior service to areas still serviced by copper.

The cost to install pit and pipes for NBN Co. is approximately $600 per lot these works are carried out by the civil contractor. As of 1 July 2015 NBN Co. revised their fees for any lots that are not subject to an existing agreement with NBN Co. These fees are as:

- a fibre deployment charge of $600 per lot payable by the developer;
- where NBN Co does not have backhaul available to connect a new development, an additional charge will be payable by the developer with the amount dependent on the amount of backhaul required;
- a one-time connection charge of $300 per home, which will be payable by homeowners when they initially connect to the internet.

There is provision within the Civil Contract to install the pit and pipes and a $600 per lot provision for the fibre deployment charge. NBN Co. is a commonwealth owned service provider and as such utilisation of their services is exempt from TPRC's standard procurement requirements.

Recommendation: SPG recommend that a new agreement to be entered into with NBN Co. for Catalina Beach

Community Development

Community development activities over the past 12 months included welcome events, street barbeque, walking group, community garden, community newsletter, online community noticeboard and the formation of a group to create a community garden.

The cost to complete community development work for the period 1 July 2015 to 31 April 2016 was $54,756.58 against an approved budget of $192,500 for 'Community Development'.

The community development work undertaken is beginning to show benefits for the Catalina community including:

- creating a forum for residents to interact with each other and obtain up to date information regarding community events through the Catalina online Noticeboard;
- creating a community where residents get the opportunity to meet their neighbours through the cheese and wine evening, walking groups and welcome day initiatives;
- creating a community that is aware of its environment through environmental walks with the Quinns Environmental Group.
- creation of a community garden where residents have an opportunity to cultivate vegetables, herbs and relationships.

Recommendation: SPG provide a Community Annual plan outlining community engagement initiatives to be undertaken over a twelve month period with a greater focus on large scale and inclusive events with a broad appeal.

Housing Construction

The Catalina Waste Management Program was approved at the February 2013 TPRC Committee meeting and has been extended to February 2017 with an option to extend the contract of the preferred contractor until February 2018.

The Program consists of Instant Waste Management providing recycling bins to participating builders. The builders place all of their waste in the bins before they are returned to Instant Waste Management's recycling plant in Bayswater where the waste is sorted into 5 different categories for recycling being timber, metal, concrete, sand and plasterboard.

The recycled material is being used for recycled bricks, concrete and asphalt with sand being tested and certified for use as clean fill in earthworks and civil works.

To date 3,478 tonnes of waste have been diverted from landfill and recycled at a rate of 95.32% of all materials. In order to offset the additional costs to builders, the TPRC provides a rebate of $900 (exc GST) per home to participating builders in Stages 1-13 and $750 (ex GST) for Stage 14 onwards. Feedback from participating builders is that the rebate is covering costs.

The Program is voluntary in public stages, however it has been mandated for builder releases from Stage 9 onwards and the 2nd display home village to increase the participation rate. It is receiving good feedback from builders who have participated to date and is achieving excellent recycling results.

A total of 153 homes are participating in the Program to date out of a total of 681 homes that have the opportunity to participate, indicating a participation rate of 22%. However, it has recently come to light that although 451 construction sites within the Catalina Estate have utilized the services of Instant Waste management (being 66.2% of homes) only a small percentage of the builders are utilizing the Catalina Portal when logging a request for a bin from Instant Waste Management. Due to builders failing to incorrectly follow the administrative system implemented for the project, the correct take up has not been reported and builders are not seeking rebates. SPG consider that additional communication should be provided to the builders to ensure they are aware of their Client's rebate entitlements and advising them of the administrative procedure they are require to follow to achieve the rebate. The Satterley Property Group shall also provide details of the rebate and instructions for establishing an account with instant waste management to builder who have a presence within the Estate.

The Satterley Property Group are in the process of establishing automated notifications to purchasers within the Catalina Estate including an email sent to owners five months after settlement reminding them to applying for their rebates. The Satterley Property Group are considering the inclusion of notification of all rebates available to residents upon approval of their building plans.

The Program is unique and provides excellent recycling rates, easy participation for builders and has received industry recognition for its achievements from the Housing Industry Association and the Master Builders Association. Additionally the Program ensures that builders contain their rubbish in a bin to reduce the amount of wind-blown rubbish on site.

Recommendation: SPG recommend that the Catalina Waste Management Program is continued and that it is reassessed in early 2017 with a recommendation presented at this time regarding the ongoing use of Instant Waste Management.

Sustainable Housing through Design Guidelines

The Catalina Design Guidelines were approved by the TPRC at the December 2011 Council meeting and modified at the February 2013 Council meeting. They include a number of recommendations for purchasers to reduce the consumption and cost of household energy and water. These recommendations include:

- installing high star rated electrical using appliances;
- installing a solar hot water system;
- installing an array of photovoltaic cells (rebate offered);
- incorporating shade devices that allow northern winter sun to living areas and prevent summer sun access;
- passive solar design by locating the dwelling's daytime living areas and their associated openings to a north facing aspect where practical;
- locating windows and doors in habitable rooms opposite each other to allow for ventilation through the dwelling from cooling summer breezes from the south-west.

The benefits of implementing these recommendations include a reduction in greenhouse gas production, lower power costs, cleaner air and a cooler home.

As the guidelines are only recommendations they are being incorporated into designs with mixed success. Design elements such as living and outdoor areas facing north and cross ventilation by placing windows and doors opposite each other, are being incorporated into the majority of designs. It is likely that this is due to there being little to no cost implications for these elements. Solar hot water systems and shade devices are generally not being included in building designs due to the higher cost involved with their installation.

To assist in the demonstration of the above initiatives, it was mandated that builders in the 2nd Catalina display home village proceed with at least three of these initiatives in each home.

As the Design Guidelines were approved in December 2011, it is recommended the Design Guidelines are reviewed by an Architect to incorporate new design trends. Including the use of double glazing and / or low-e glass, shade structures and roof insulation.

Glazing

Windows can be a major source of unwanted heat gain in summer and significant heat loss in winter. It is estimated that up to 40% of a home's heating energy can be lost and up to 87% of its heat gained through windows. Improving windows' thermal performance reduces energy costs, reduces dependence on air conditioning, and reduces greenhouse gas emissions. Incorporating passive solar principles at the design stage is the most cost effective way of achieving good thermal performance. The existing Design Guidelines seek to promote passive solar design however, additional recommendations may be incorporated into the Design Guidelines to further promote the use of thermally effective glazing.

Options include recommending the use of low-emissivity glass (low-e glass) and / or double glazing.

Low-e glass can reduce the amount of heat that is conducted through the glass by around 30% compared to ordinary glass. Low-e glass further improves thermal efficiency by cutting glare and preventing damage interior furnishing caused by ultra-violet rays. Low-e glass is approximately $80 / m² more expensive than standard glazing.

Double glazed windows are very energy efficient, as they can reduce heat loss or heat gain by almost 30% in comparison to single-glazed aluminium windows. Double glazing is approximately three to four times the cost of standard glazing and is more expensive than low-e glass.

Due to the additional costs associated with the installation of Low-e glass and double glazing, SPG consider that their use should be recommended rather than mandated through the design guidelines. The additional building costs associated with double glazing may be a deterrent for price sensitive purchasers.

Shading

Effective shading can block up to 90% of direct heat from the sun. By shading a building and its outdoor spaces, summer temperatures can be reduced, improve comfort and save energy. A variety of shading techniques can help, from fixed or adjustable shades to trees and vegetation, depending on the building's orientation.

The following table summarises the shade structure recommended by the federal government through their 'yourhome' website

Orientation	Suggested shading type
North	Fixed or adjustable horizontal shading above window and extending past it each side
East and west	Fixed or adjustable vertical louvres or blades; deep verandas or pergolas with deciduous vines
NE and NW	Adjustable shading or pergolas with deciduous vines to allow solar heating or verandas to exclude it
SE and SW	Planting: deciduous in cool climates, evergreen in hot climates

The Tamala Park Regional Council currently install 100 litre street trees as part of the front landscaping package (1 per lot or three per corner lot). The street trees selected are natives, require less water than non-native alternatives and upon maturation will provide shading of streets and homes. Tamala Park Regional Council are currently exploring opportunities for additional maintenance of street trees and the installation of additional, larger trees along selected streets.

SPG consider that the Design Guidelines be amended to recommend the use of shade structures around the home to mitigate the impacts of direct sun light on walls, windows and rooves. Also, the Design Guidelines may be amended to include an additional section to address landscaping. This component of the Design Guidelines would recommend that residents plant trees suitable for shading purposes noting that deciduous trees are not native / low water consuming.

Roof Insulation

Insulation acts as a barrier to heat flow and facilitates keeping a residence warm in winter and cool in summer reducing dependence upon air conditioning and therefore reducing greenhouse gas emissions. Use passive design techniques in conjunction with insulation. For example, if insulation is installed but the house is not properly shaded, built-up heat can be kept in by the insulation, creating an 'oven' effect. Draught sealing is also important, as draughts can account for up to 25% of heat loss from a home in winter.

SPG consider that the Design Guidelines should be amended to recommend the use of a minimum R4.1 roof insulation and R2.8 wall insulation. The cost of high energy efficient roof insulation is approximately $12 per metre. SPG do not support mandating the use of energy efficient roof insulation due to the additional costs that would be incurred by homeowners and the potential impact extra building costs may have on sales.

Other

As outlined in the 'Water' sections of this report, it is recommended that high WELS rated fixtures fittings and appliances be mandated within the Design Guidelines. The use of high rated WELs fixtures, fittings and appliances will have a substantial water savings benefit within homes. It is recommended that a $1,000 rebate is offered to offset costs for residents associated with purchasing higher WELS rated appliances.

It is recommended that AquaMonitors be supplied to residence enabling them to monitor water consumption in actual time.

It is also recommended that the use of energy efficient appliances be mandated within the Design Guidelines and the use of solar hot water systems also be mandated. The design guidelines should also be amended to recommend the installation of energy monitors. These actions will reduce energy and water and water consumption by up to 20% and achieve points towards the energy and water leaves of EnviroDevelopment.

Energy Futures Australia estimate that the rollout of 'smart meters' could result in a 4-10% energy savings.

Recommendation:

1) ***That separate guidelines be created for the Catalina Beach precinct to ensure a higher standard of housing and Catalina Grove to create a unique sense of place, to be reviewed by a qualified architect.***

2) ***Amending the Design Guidelines to mandate the use of water and energy efficient appliances and solar hot water and recommending the installation of energy monitors within the home.***

3) ***Third party review of the Design Guidelines to incorporate additional, trending sustainability measures including, the recommended use of double glazing / low-e glass,***

Dwelling Densities

The Catalina development has included a diversity of lot sizes, including a high proportion of small lots with an area of 180m² to 562m², compared to competing developments. Areas for small lot and higher density housing are detailed in the Catalina Built Form and Housing Strategy (September 2013). To date in FYE2016, a total of 14 Lots 250m² or less were created, representing 16.6% of the 84 Lots created.

Front loaded small lots with areas ranging from 200m² to 250m² have been constructed in Stage 15 providing new, affordable product to the market that can be delivered at a lower cost than rear loaded 225m² lots as there are no additional rear laneway costs.

- Small lots and medium density housing provide a number of benefits including:
- Low maintenance for residents;
- Affordable living for residents;
- Affordable homes creating a greater diversity of residents.
- Improves the viability of local and neighbourhood shops, resulting in shorter journeys to facilities and services;
- Greater opportunities for social interaction and support such as use of local parks due to smaller back yards;
- Greater opportunities for provision of social infrastructure due to a higher density of residents.

Opportunities for medium density lot with areas less than 180m² are currently being considered within Stage 16A, 16B and 18. Further, micro-lots with an area less than 100m² will be considered in the planning of Catalina Grove within a walkable catchment of the Clarkson Train Station. .

In addition to reviewing micro-lots, opportunities for medium density products with an area around 130m² are currently being explored within Stages 16A to 18B.

Recommendation: That TPRC continue to provide small lot and Medium Density Housing opportunities in accordance with the Catalina Built Form and Housing Strategy (September 2013) and continue to investigate new product types and builder partnerships.

Landscape Design and Construction

Landscape contracts have included some of the following sustainability initiatives:

- Reuse of limestone boulders and logs from on site;
- Propagation of native seeds taken from site for planting in conservation and open space areas;
- Use of site mulch from trees cleared during earthworks;
- Installation of solar lights in parks;
- Rehabilitation of Biodiversity Conservation Areas through weed management, fencing and planting of native species while minimising disturbance;
- Planting of native trees along streets and in parks that are a feeding habitat for Carnabys Cockatoo;
- Reuse of pots after trees and shrubs are planted;
- Recycling of material through Instant Waste Management.

Recommendation: SPG recommends that the existing landscape design and construction initiatives are continued

Fauna Relocation

Prior to the commencement of each earthworks stage at Catalina the TPRC undertakes best practice fauna relocation.

This involves trapping for Bandicoots and small marsupials, reptiles and subterranean fauna at regular intervals to maximise their performance. Trapping is augmented by significant site inspections looking for species which don't trap well and hand capturing for relocation. All native fauna is relocated to an appropriate Crown Reserve or National Park. There is strict recording of each specimen and photos taken at time of capture and release.

The program also includes the trapping / capture any introduced and non endemic species such as rabbits, foxes, feral cat, european rat and house mouse.

Trees are checked for Carnaby Black-Cockatoo nesting activity. Should nesting birds be observed, the zoologist is to provide advice on the expected duration of nesting and appropriate management responses and any active nests will be discussed with the Department of Environmental Regulation.

Opportunities exist to provide habitat for native fauna. The installation of nesting boxes and artificial hollows has been recommended by the UDIA. Satterley property group are supportive of this initiative. Further, it is recommended that dog and cat control signage be installed throughout the estate, particularly in areas with environmental significance.

Recommendation: SPG recommends that nesting boxes and artificial hollows be installed throughout BCA's and POS areas. SPG also recommends the installation of dog and cat control signage.

Flora Relocation

Prior to the commencement of each earthworks stage grass trees are relocated from areas of the land that are to be cleared. The grass trees are removed for reuse in landscape contracts in public open space and in road verges. The Fabronia hampeana (Priority 2 moss species) has been relocated from the Catalina Beach as part of the proposed earthworks in July 2015 and located within the Stage 10 Public Open Space.

Flora Revegetation Programs

The majority of the landscape species are native, low water use plants. In addition over 50% of plantings of trees and shrubs in street-scaping and other public areas comprise plant species which are primary feeding plants for Carnaby's Black Cockatoo.

The TPRC has also commenced the rehabilitation program for the Biodiversity Conservation Area (BCA), which is an important conservation area adjacent Marmion Avenue. The rehabilitation has included conservation fencing and control of unauthorised tracks. The southern BCA has been fenced and re-vegetation is scheduled to be completed in FYE 17.

The TPRC has collected seeds from uncleared areas on site and has undertaken a propagation program. These plants have then been used for tubestock planting in conservation and open space areas within the Catalina Estate.

Proposed Initiatives

Water Savings Fixtures Fitting and Appliances

Studies undertaken by the Water Corporation afford the highest sustainability score to water efficiency. Fortunately, consumer sentiment supports the need to reduce water consumption above all other means of conserving water supply.

In this regard, it is likely that the most substantial impact on water consumption may be achieved through controls implemented within individual homes throughout the Catalina Estate.

WELS is Australia's water efficiency labelling scheme. Labels show a star rating and water consumption of flow rate figure allowing the consumer to selected products based on water efficiencies. The lower the water consumption, the higher the star rating afforded to the fixture, fitting or appliance.

The following table summarises the water consumption for various fixtures fittings and appliances based on their star rating. It is worth noting that tap ware can obtain a maximum of 6 stars, toilets can achieve a maximum of 5 stars and showerheads can obtain a maximum of 3 stars.

Product Type	Units	1 Star	2 Star	3 Star	4 Star	5 Star	6 Star
Showers	Litres / Minute	>12 -16	>9-12	7.5 - 9			
Taps	Litres / Minute	>12 – 16	>9-12	>7.5 - 9	>6.5 – 6	>4.5-6	Less than 4.5
Toilets	Full Flush Litres / Flush	9.5 (max)	9.5 (max)	6.5 (max)	4.7 (max)		
	Half Flush Litres / Flush	4.5 (max)	4.5 (max)	3.5 (max)	3.2 (max)		
	Average Flush Litres / Flush	5.5 (max)	4.5 (max)	4 (max)	3.5 (max)	3 (with integrated basin)	

Currently, the Design Guidelines provide a number of 'Environmental Performance' recommendations to facilitate the conservation of energy including water. The current Design Guidelines 'recommend' the installation of high star rated electrical appliances and high star rated water appliances (including taps shower heads and toilets).

Subsequent to discussions with the UDIA regarding EnviroDevelopment accreditations, it has been expressed that in order to qualify for points necessary to achive the WaterLeaf additional water savings intiatives will be required. Given the limited shared bore trial, with the exception of water wise landscaping very few intiatives have been implemented to tagert water and energy savings.

Competitors to the Catalina Estate, including the Alkimos Beach Estate have mandated the use of fixtures, fittings and appliances through their design guidelines. Alkimos Beach subside the additional costs for appliances through an 'Energy Smart Home Package' to the value of $5,800 (which excludes landscaping packages). Currently, Alkimos Beach are outperforming the Catalina Estate in terms of sales year to date. However, there is considerably higher volumes of stock available within Alkimos Beach and their product is generally set at lower price point. Sales have not been affected by the mandating fixtures and fittings and offering a rebate for appliances within Alkimos Beach

Toilets, Showers and Taps

The following tables represents the potential water savings between a low rated fixtures and fittings and higher rated fixtures and fittings:

The Toilet	Average L / Flush	Per Day*	Per Year*
4 Star Rated Toilet	3.5L	17.5L	6,387.50L
1 Star Rated Toilet	5.5L	27.5L	10,037.5L
		Savings	3,650L

**Assumes 5 flushes per day*

The Shower	Average L / Minute	Per Day*	Per Year*
3 Star Rated	6.5L	26L	9,490L
1 Star Rated	16L	64L	23,360L
		Savings	13,870L

**Assumes 4 minute shower per day*

Sink Mixers	Average L / Minute	Per Day*	Per Year*
6 Star Rated	4L	40L	14,600L
1 Star Rated	16L	160L	58,400L
		Savings	43,800L

**Assumes 10 minute per day (washing hands, shaving, brushing teeth, dish washing etc.)*

The savings described above represents an approximate 35-48% reduction in the average water consumption per person within the dwelling.

- The approximate cost differential between a 3 star rated toilet and 4 star comparable toilet is $330.00.
- Given the diversity in product types available, it is difficult to quantify potential cost savings associated with the installation of a 3 star rated shower head above less efficient models. 3 Star rated shower heads range in value from $18 to over $500 depending on design aesthetic and quality.
- Although the range of taps available makes comparison difficult, the price difference between a comparable 1 star rated tap and a 6 star rated tap from the same low cost manufacturer is approximately $58.

Recommendation: SPG recommend mandating a high WELS rated fixtures and fittings through Design Guidelines and offering a rebate to subsidise additional costs otherwise borne by homebuilders.

Water Efficient Appliances

Washing Machines and Dishwashers

The following tables represents a possible saving in water consumption:

Washing Machine	Average L / Cycle	Per Week*	Per Year*
4 Star Rated	60L	240L	12,480L
2 Star Rated	130L	520L	27,040L
		Savings	14,560L

**Assumes 4 loads per week (sheets, lights, darks, towels)*

Dishwasher	Average L / Use	Per Week*	Per Year*
6 Star Rated	9.7L	48.5L	2,522L
2 Star Rated	18.6L	93L	4,836L
		Savings	2,314L

**Assumes 5 loads per week*

The savings described above represents an approximate 13.35% reduction in the average water consumption per person within the dwelling.

The approximate cost differential between a 3 star rated washing machine and 5 star comparable washing machine is $1,100.00 and the approximate cost differential between a 2 star rated dishwasher and 6 star comparable dishwasher is $900.00

Recommendation: SPG recommend mandating a minimum 4 Star WELS rated washing machine within the Design Guidelines for Catalina Beach. The Design Guidelines will form part of the contract and bind owners to install this fixture.

The Satterley Property Group recommend the implementation of a ***Water Wise Rebate*** for residents to offset the additional costs they will incur associated with purchasing water efficient appliances, fixtures and fittings. The proposed value of the rebate is $1,000. This represents approximately 42% of the additional costs to home owners to up-spec the fixtures fittings and appliances within their homes. Further, a number of residents may already own functional appliances that they would not otherwise replace.

The proposed rebate has been calculated to consider other expenses to be incurred by the TPRC in the delivery of Water Initiatives and to ensure a comparable spend to the previously approved bore trial.

Previously Approved Initiatives	Cost (ex GST, Per Lot)	Proposed Initiatives	Cost (ex GST, Per Lot)
Shared Bore	$3,500.00		
		Water Wise Rebate	$1,000.00
		Soil Moisture Sensors	$280.00
		AquaMonitor	$250.00
TOTAL	**$3,500.00**	**TOTAL**	**$1,530.00***

**This calculation does not include the cost of rubber mulch*

In order to qualify for the rebate, residents would be required to complete an application form attaching technical data for showerheads, toilets, taps, washing machine and dishwashers and receipts. SPG consider that the provided the TPRC offer a rebate, buyers within the Catalina Beach Estate will be less sensitive to the potential additional costs associated with the high rated appliance (to be off set by rebate). The mandated WELS rating would need to be set to ensure that design options are not too restructure in terms of selections for home builders (i.e. mandate 4 star toilet as only one 5 star rated toilet available). SPG consider that the success of this initiative will be underpinned by not being overly prescriptive with regards to design outcome.

The Satterley Property Group also supports the ongoing commitment to minimising water use associated with irrigation through the use of automated seasonal reticulation and water wise plant species selection within front landscaping packages. The use of rubber mulch will also have water savings benefits and reduce the need for ongoing application of degradable natural alternatives.

The success of the water conservation initiatives is underpinned by community consultation and education. The inclusion of an AquaMonitor within each home will ensure residents are aware of their water consumption.

The budget currently has funds available for a shared rebate. The total budget available for FYE 16 is $305,000 and $387,421 for FYE 17. The budget assumes an average expenditure per household of $2,750. It is recommended that this rebate be utilised to fund the proposed $1,000.00 water wise rebate, Aqua Monitors and Soil Moisture sensors with a combined total cost of $1,530.00.

Soil Moisture Sensors

Soil moisture sensors shut down irrigation when desired soil moisture levels have been reached. A probe is drilled into the surface and sits within the active root zone beneath the surface. The device is connected to an irrigation system controller and measures soil moisture content in the active root zone. The device functions by detecting the electrical conductivity of the soil. The measurement is taken before each scheduled irrigation event and the mechanism then bypasses the watering cycle if soil moisture is already above a user defined set point. Detection sensors identify the amount of water that a landscaped area requires. The amount of water saved is directly dependent on the weather and site conditions.

The reduction in unneeded landscape irrigation translates to reduced runoff resulting in a reduction in the overall burden placed on the stormwater conveyance system. As a result, fewer nutrients from fertilizers and chemicals from pesticides are carried off individual lots and landscaped areas.

Soil moisture sensor is considered to provide a more accurate representation of water requirements as the probe detects real time soil moisture. The soil moisture sensor can shut off the irrigation system when watering is not required.

The soil moisture sensor is not reliant on 'third-party' technologies. Also, the Hydrawise irrigation controller utilised in the front landscaping package is dependent on the homeowner having an available internet connection to provide the irrigation controls with weather information. In this regard, the soil moisture sensor would provide a contingency in the event of failed data readings or unavailability of an internet connection.

A compatible Soil Moisture Sensor can be installed on the Hydrawise Irrigation Control for $280.00 plus GST. The soil moisture sensor would ensure that irrespective of weather forecast watering would not occur if the soil was adequately saturated.

Recommendation: SPG recommend the use of a soil moisture sensor in conjunction with Hydrawise 6 Zone Controller in front landscape packages to be delivered at a cost of $280 per unit.

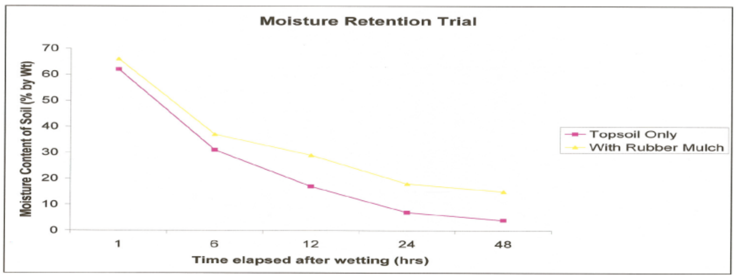
Rubber Mulch

The Water Corporation endorse the use of recycled Enduro Rubber Mulch. Rubber mulch was 2010 Save Water Awards finalist and has been afforded the Smart Approved Watermark. The product is made from 100% recycled tyres and is environmentally safe and sensitive (Save the Forest). Rubber mulch helps retain moisture around plants, is free draining, non-perishable and colour fast.

The benefits of rubber mulch include:

- Long lasting – approximately 10-20 years
- Retains water – approximate 10% savings
- Environmentally friend – 100% recycled rubber tyres and non-toxic
- Does not attract insects unlike woodchip mulch.

The manufactures of Enduro Rubber Mulch have undertaken soil moisture retention trials. The results of the trials are illustrated in the chart below and represent an approximate 10% reduction in water requirements.



Rubber mulch costs approximately $1,800 per tonne for black mulch or $3,000 for coloured mulch. The coverage is approximate 1.5m² per 20 kilograms. It is worth noting that the black product holds greater heat than the coloured options.

Currently, site mulch is used in landscaping. Satterley Property Group would support the application of site mulch during construction (first application). The continued onsite use of recycled vegetation debris is necessary to obtain points for the EnviroDevelopment Accreditation. These points comprise part of the 'Essential Requirements'.

The latest tendered rate for imported 'Amazon Sand Groper' mulch as $7.73m² (excludes application). Rubber mulch costs between $24.00 and $40.00 per m². Although the upfront costs are considerably higher, the ongoing maintenance costs for replacement and additional costs for application will be reduced.

Satterley Property Group consider that all available site mulch should be used in the first instance and used within areas of environmental significance when undertaken revegetation works and in areas of public open space. Preliminary advice from the City of Wanneroo suggests that the use of rubber mulch in public open space areas would not be supported due to the difficulties and expense associated with removing contaminants.

Due to the long wearing nature of rubber mulch, the environmental advantages associated with recycled rubber and water retention properties, SPG supports the use of rubber mulch in front landscaping packages. The rubber mulch would be installed as part of the front landscaping package with no additional cost to the home owners.

Recommendation: SPG recommend using rubber mulch throughout front landscaping packages.

Smart Controllers

Smart Controllers are a device that relay water usage information back to the homeowner. This information is available via a number of options including via an application, the internet or a device installed within the home. All these options only require an internet connection to receive the data.

The Hydrawise Smart Irrigation Controller has a flow meter device that is installed onto the water meter on a property and wirelessly relays the water usage information to the Hydrawise application on the owner's smart phone or tablet. The application is simply downloaded from the app store and the owner logs in and views the water consumption. The flow meter alerts the owner to broken pipes, spray heads and faulty wiring or valves. The Hydrawise interface allows you to view the water usage for each watering cycle and set up app notifications or SMS alerts or email alerts when a zone's water usage is abnormal. The information is also available via a normal internet browser.

Recommendation: SPG recommends and advising residents of the application they may log in to monitor their water use for irrigation purposes through the Hydrawise Irrigation Controls.

Education

Educating the community is a necessary aspect of the proposed water conservation program. The key goals of a community education are to inform and educate the:

- reasons water conservation is necessary,
- benefits of conserving water,
- liabilities of not conserving water, and
- actions needed to achieve the water conservation goals.

Community education regarding water use may obtain immediate behavioral changes. The Alliance of Water Efficiency reports that some utilities report residual water savings in the order of than 20%, after alerting and educating the public. Education yields greater water savings in the short term due to behavioral changes (shorter showers, less lawn watering, etc.). These behavioral changes decrease over time if regular communication is not maintained.

Under the UDIA’s EnviroDevelopment Accreditation cannot be achieved without communicating and educating the community regarding opportunities to conserve energy including water. An education program is essential to achieving EnviroDevelopment Accreditation.

Aquamonitor

The evolution of wireless household devices has resulted in a number of water usage monitors coming to the market. The Aquamonitor displays the water usage in real time inside the home or business on a display.

Mains water usage is monitored by attaching a Mains Sensor to an existing water meter. The sensor is powered by a single AA battery and sends flow information to the Display Screen every minute using a wireless connection.

It is designed for self-installation and does not need any plumbing changes for compatible meters. The sensor does not contact the water. It makes use of the ‘pulse output’ facility that is built-in to most water meters.

Aquamonitors are useful in the identification of water leaks around the house.

SPG are unaware of any competing estates offering residents an aquamonitor however, Energy Displays are offered at Allara and Alkimos Beach that measure energy (not water) consumption. As described above, education provides the greatest long term benefit for change. The proposed AquaMonitors have the ability to alter peoples habits regarding water use. Studies have found that education and changing water use behaviour can result in a 20% reduction in potable water consumption.

Although gifting residents an aquamonitor is unlikely to have significant impact on sales, the inclusion of the AquaMonitor is a bonus for residents and will not have a negative impact on sales however, will contribute to environmental accreditations that may have a positive market appeal.

It is recommended that that residents be offered the free aqua monitors upon approval of their building plans and offered a monitor at the time the construction of their home is complete. A register of all residents could be maintained within the Sales Office with each lot being assigned a monitor on the register to ensure multiple monitors are not provided to the same lot.

Given that TPRC will not be proceeding with the ongoing shared bore initiative, additional water saving initiatives are required to address this sustainability element. The discontion of the shared bore initiative has resulted in funds being available within the budget for alternative intiiatives including the supply of aquamonitors.

The Aquamonitor retails for $249.00 and is available from New South Wales with delivery within 8 weeks from date of order.

Recommendation: SPG recommend supplying an AquaMonitor for the mandatory use by all future residences within the Catalina Estate at a cost of $249.00 per unit.

Communication

TPRC continue to engage with the community through a number of means including community events and publications. It is recommended that behavioral changes that may reduce water consumption be communicated to residents through newsletters and at community events.

General Waste Recycling

The UDIA have expressed environmental advantages in conducting a biannual green waste collection. The participation in green waste collection program will contribute towards reduced fill and waste generated on site and will provide points to facilitate the Catalina Project obtaining a 'Waste' EnviroDevelopment leaf.

Given the extensive use of water wise plants within residential verges, and associated constraints for rubbish placement on verges, it is recommended that opportunities for a centralized green waste collection point be explored. The City of Wanneroo currently allow for one bulk collection of green waste per annum. It is proposed that ongoing discussion be conducted with the City to negotiate a second collection based on a centralized collection point. Preliminary discussions with the City of Wanneroo has resulted in support for this proposal.

Further, the introduction of a community composting facility within the community garden will reap environmental benefits and facilitate the self-sufficiency of the community garden Allara are currently exploring the installation of composting facilities in a centralised recycling point.

There would be no additional costs to purchaserers associated with these initiatives and no adverse impact to sales.

Recommendation: SPG Recommends:

- ***That opportunities for a biannual green waste collection be considered.***
- ***The installation of a communal composting facility within the community garden.***

Alternative Power Systems

Alkimos Beach project, is currently working with Synergy to store surplus PV energy and redraw at a lower cost than grid energy, through a community battery storage facility.

This trial has included liaison with Synergy, who are the electricity retailer for the site, project partners Lend Lease and LandCorp.

If successful, implementation of this system on a broader scale could result in significant savings to Developers by reducing grid connection costs and electrical infrastructure in addition to the savings experienced by consumers. Synergy has obtained $3.3 million to contribute towards the trial though the Australian Renewable Energy Agency.

Catalina project Engineers Cossill and Webley are currently working on this project and this initiative has been identified to have potential to be incorporated into the Catalina project and utilise the MRC landholdings as storage facility. The project team will explore the potential for battery storages facility to be commercially viable for TPRC.

Recommendation: SPG to provide a report for the December Council meeting to detail if the battery storage concept would be commercially viable and has the potential to deliver best practice in line with TPRC's objectives for innovations and sustainability to be considered for introduction into the Catalina estate.

Warm Asphalt

Utilising warm mix asphalt, to reduce the temperature asphalt is manufactured, delivered and placed, thereby reducing carbon dioxide emissions and fume emissions. SPG would recommend a trail in a small stage of development and if successful, continue to provide in future stages, including red asphalt for cycle paths in the Greenlink.

Recommendation: Satterley Property Group to provide a recommendation to TPRC for Warm Asphalt, Green concrete and recycled road base to be specified within the construction drawings for Stage 18B in March 2017, subject to approval from the City of Wanneroo.

Drainage

The existing strategy for management of stormwater runoff from public road reserves includes collection through kerbed roads and formal drainage entry pits with conveyance via a network of pipes to low point swales in areas of public open space. At the swale the stormwater is discharged through a gross pollutant trap structure into a vegetated swale which takes all runoff from a 1 in 1 year recurrence interval storm, the 1 in 1 area is planted with more tolerant plant species for frequent inundation, no POS credit is provided for this land. All runoff from site is infiltrated through the 1 in 1 year swale and adjoining public open space which together are designed to manage up to the 1 in 100 year recurrence storms.

An innovation the Catalina Team will progress is to replace the 1 in 1 year storm component of the swale in POS with alternative below ground storage structures, likely to be culverts with permeable bases to be located in road verges or under areas of public open space. This will reduce the land in POS areas given up as drainage swales for which no POS credit is given. This strategy will assist infiltration of stormwater runoff being provided higher in the catchment closer to the source, it will likely require less formal gross pollutant trap structures and reduce the area of land given up in POS which has limited public access and can be detrimental in appearance. The proposed strategy is more closely aligned to WSUD principles and best management practice. There will be additional cost in the provision of formal below ground structures however this can be offset with the land saving and increase in net residential yield.

Recommendation: SPG to provide a recommendation to TPRC in February 2017 to outline the costs and benefits in relation to implementing an underground storage facility with a permeable base within the Catalina Beach precinct to facilitate the 1 in 1 year storm event.

Recommendations

To facilitate the achievement of TPRC's objectives to balance economic, social and environmental issues; and to produce a quality development demonstrating the best urban design and development practice.

The Satterley Property Group recommend the following sustainability initiatives.

- SPG recommends the introduction of a $1,000 WaterWise Rebate premised on residents implementing the following:
  - Installing minimum 6 Star WELS rated taps as mandated within the Design Guidelines.
  - Installing minimum 3 Star WELS rated showerhead as mandated within the Design Guidelines.
  - Installing minimum 4 Star WELS rated toilet as mandated within the Design Guidelines.
  - Installing a minimum 6 Star WELS rated Dishwasher as mandated within the Design Guidelines.
  - Installing a minimum 4 Star WELS rated washing machine as mandated within the Design Guidelines.
- SPG recommend the Design Guidelines for Catalina Beach mandate minimum WELS rated appliances fixtures and fittings.
- SPG recommend trialing rubber mulch throughout front landscaping.
- SPG recommend continuing front landscaping packages including Hydrawise 6 Zone Controller a compatible soil moisture sensor at a cost of $280.00 per unit.
- SPG recommends providing all homes an AquaMonitor for connection to the water meter $249.00 per unit.
- SPG recommends that the solar rebate of $2,000 per lot is maintained for future stage releases.
- SPG Recommends that a new agreement to be entered into with NBN Co. for Catalina Beach
- SPG recommends that over the next 12 months community development initiatives are continued with a greater focus on large scale and inclusive events with a broad appeal.
- SPG recommends that the Catalina Waste Management Program is continued.
- SPG recommends that separate guidelines be created for the Catalina Beach precinct to ensure a higher standard of housing and Catalina Grove to create a unique sense of place to be reviewed by a qualified architect.
- SPG recommends that TPRC continue to provide small lot and Medium Density Housing opportunities in accordance with the Catalina Built Form and Housing Strategy (September 2013) and continue to investigate new product types and builder partnerships.
- SPG Recommends that Alternative Power Systems, Warm Asphalt and Sub-Surface Drainage Systems be further investigated.
- SPG Recommends that the existing landscape design and construction initiatives are continued
- SPG recommends that TPRC continue to pursue a six leaf EnviroDevelopment accreditation
- SPG recommends that nesting boxes and artificial hollows be installed throughout BCA's and POS areas. SPG also recommends the installation of dog and cat control signage.

- It is recommended that opportunities for a biannual green waste collection be considered. It is recommended that TPRC approve the installation of a communal composting facility within the community garden.
- SPG recommends that the Design Guidelines be amended to recommend the use of energy monitors
- SPG recommends amending the Design Guidelines to mandate the use of Solar Water Heating
- SPG recommends amending the design guidelines to manage the use energy efficient appliances.
- SPG to provide a recommendation to TPRC in February 2017 to outline the costs and benefits in relation to implementing an underground storage facility with a permeable base within the Catalina Beach precinct to facilitate the 1 in 1 year storm event.
- SPG to provide a recommendation to TPRC for Warm Asphalt, Green concrete and recycled road base to be specified within the construction drawings for Stage 18B in March 2017, subject to approval from the City of Wanneroo.
- SPG to provide a report for the December Council meeting to detail if the battery storage concept would be commercially viable and has the potential to deliver best practice in line with TPRC's objectives for innovations and sustainability to be considered for introduction into the Catalina estate.

Appendix 1 – Competitor Assessment

	FYE 2016 Sales	Shared Bore*	Solar Panel Rebate	Fibre Optic Service	Front Landscaping	Gas Boosted HWS	Energy Display	A/C Rebate**	LED's	Community Development	Waste Management	Design Guidelines	Dwelling Densities	Fixtures and Appliances	Rubber Mulch	Warm Asphalt	Battery Power	Waste Recycling	Education	Free WiFi
Allara	127		$2.6	$1.2	$3.5		$.36	x	$.5	x		x	x	$.3				x	x	
Burns Beach	41			x	x				Rec.	x		x	x	Rec						
Eden Beach	114			$1.2	$4							x	x							
Catalina	**127**	**$3.5**	**$2**	**$1.2**	**$5**					**x**	**$.75**	**x**	**x**							
Alkimos Beach	148		$2.5	x	$2.5	$1.5	$.2	$.75	$.3	x	x	x	x	$.75		trial ed	x	x	x	
Amberton	134				x							x	x							
Shorehaven	99	x	Rec		x				Rec	x		x	x	Rec						
Trinity	170			x	x					x		x	x						x	x

*Shared Bore was trialed and has now been discontinued at Catalina

$ denotes value of rebate (,000)

Rec = Recommended / Encouraged

Appendix 9.14

CATALINA

Display Villages Strategy

September 2016

Background

The TPRC has facilitated the creation of two Builders Display Villages in Catalina Central. The first Catalina Central display village (DV1) located on Nomad Drive consisting of 24 homesites has been approved to operate as a display village until 12 February 2016. After this time, the DV1 will be decommissioned as a Display Village with display homes to be sold and occupied for residential use.

Concurrent to the closure of Display Village 1, Display Village (DV2) on Vetter Road, consisting of 23 homesites, will open to the general public. DV2 is approved to remain operational until October 2018 when planning approval expires. (Location Plan - Annexure 1).

The land sales office located at 39 Aviator Boulevard continues to service the general public and display builders for both villages.

An additional three Builders Display Villages have been proposed throughout the Catalina Estate. Two within Catalina Beach and one within Catalina Grove.

Objective

The purpose of the Catalina Display Village Strategy is to provide for the clear direction to the TPRC for the creation and management of the Display Villages throughout the Catalina Estate.

This strategy provides options and recommendations for the following:

- Display Village 3 (DV3) proposed to be opened fourth quarter of 2018 (Catalina Beach)
- Display Village 4 (DV4) proposed to be opened second quarter of 2020 (Catalina Grove)
- Display Village 5 (DV5) proposed to be opened fourth quarter of 2021 (Catalina Beach)
- Proposed Sales Office locations and lifecycle

Benefits of Display Villages

The Display Villages provide an opportunity for the TPRC to demonstrate best practice in urban development and establish a benchmark for residential development throughout Catalina. Display home builders will demonstrate; effective use of lots, landscaping, sight lines, car park locations and movement networks. The demonstration of best practice design by the builders will have cumulative benefits throughout the Estate.

The initial allocation of a display village in the Catalina Beach precinct will provide an opportunity for early sales within the precinct with 15 lots planned for release to builders. The sale of these lots will activate the Catalina Beach precinct and provide concentrated construction and builder activity in a group of lots adjacent to Marmion Avenue.

Display villages increase prospective customer traffic and visitation to the estate creating a number of opportunities for Catalina and respective display builder alike to advertise the new village and homes contained within it. Builders typically advertise new display homes heavily and the estate would benefit from these initiatives. By renewing and providing additional display homes in the estate, prospective buyers and homebuilders are attracted to Catalina as a must visit destination for high quality display homes in the Northern corridor.

By facilitating Display Villages throughout Catalina, the estate remain a focus for builders looking to assist clients searching for a premium home address. Thus, increasing the exposure of Catalina to builder partners and ensuring that focus from builders on the estate remains constant.

A new display village will provide a number of marketing opportunities in a prime location. Examples of potential opportunities would be a display village launch event and new signage / branding to create awareness.

It is proposed that the future Catalina Beach display village be located in a prominent position within the estate, with high visibility to Marmion Avenue. The display village homes is intended as a catalyst for development of Catalina Beach by demonstrating a diverse selection of the latest designs from some of Perth's leading home builders. The display village will play a role in setting the tone for a high quality double storey builtform outcomes at Catalina Beach and clearly indicate to prospective purchasers the evolution and overall progression of the development.

Sustainability Initiatives

Design Guidelines

It is proposed that the Catalina Design Guidelines that will form part of the Display Builders contract and include a number of items for builders to reduce the consumption and cost of household energy and water.

Recommendations within the Design Guidelines include:

1) installing high star rated electrical and water using appliances;

2) installing a solar hot water system;

3) installing photovoltaic cells;

4) incorporating shade devices that allow northern winter sun to living areas and prevent summer sun access;

5) passive solar design by locating the dwelling's daytime living areas and their associated openings to a north facing aspect where practical;

6) locating windows and doors in habitable rooms opposite each other to allow for cross ventilation through the dwelling from cooling summer breezes from the south-west.

The benefits of implementing the recommendations identified within the Design Guidelines include a reduction in greenhouse gas production, lower power costs, cleaner air and a cooler home.

Recommendation:
It is proposed that to assist in the demonstration of the above Design Guidelines Recommendations, builders in the Catalina display villages are mandatorily required to proceed with all six these initiatives in each home.

Waste Management

The Catalina Waste Management Program consists of Instant Waste Management providing recycling bins to participating builders. The builders place all of their waste in the bins before they are returned to Instant Waste Management's recycling plant in Bayswater where the waste is sorted into 5 different categories for recycling being timber, metal, concrete, sand and plasterboard.

The recycled material is being used for recycled bricks, concrete and asphalt with sand being tested and certified for use as clean fill in earthworks and civil works.

To date 3,100 tonnes of waste have been diverted from landfill and recycled at a rate of 95% of all materials. In order to offset the additional costs to builders the TPRC provides a rebate of $900 (ex GST) per home to participating builders in stages 1-13 and $750 (ex GST) for stage 14 onwards.

The waste management program is unique and provides excellent recycling rates, easy participation for builders and has received industry recognition for its achievements from the Housing Industry Association and the Master Builders Association. Additionally the program ensures that builders contain their rubbish in a bin to reduce the amount of wind-blown rubbish on site.

Recommendation:
It is proposed that the waste management program will be mandated for all display villages to increase the participation rate.

Display Village – Locations and Program

Satterley Property Group has identified an opportunity for two display villages to be located within the Catalina Beach precinct. Display Village 3, also referred to as DV3, is proposed within Stage 25 and identifies 15 lots fronting Marmion Ave. (Annexure 1)

The second village in Catalina Beach, Display Village 5 (DV5), is proposed to be operational three years after DV3 opens, October 2021. DV5 would consist of 19 lots to cater for both single and double storey premium homes. The sites have been identified based on the following attributes:

- Highly visible site to Marmion Avenue traffic
- Sets the standard for quality two storey homes
- Major attractor for the Catalina Beach estate
- Achieves early build out framing the development
- Only active display village in the surrounding area
- Potential for Charity Home in 2018

Please find below the current timeframes for nearby display villages:

ESTATE	DEVELOPER	No. of Homes	COMMENCE	EXPIRES
Catalina DV1	TPRC	24	13 Feb 2014	12 Feb 2016
Catalina DV2	TPRC	24	13 Feb 2016	12 Oct 2018
Burns Beach	PEET	17	June 2016	June 2018
Beaumaris	Satterley	15	Nov 2016	Nov 2018
Catalina DV3*	**TPRC**	**15**	**13 Oct 2018**	**12 Oct 2021**

*Proposed Display Village at Catalina Beach

The nearest current display villages to the Catalina Estate are located at Burns Beach which is 3.7km from Catalina and Beaumaris estate is 4.6km.

The locality of the proposed Catalina DV3 and DV5 is superior to competing display villages within Beaumaris and Burns Beach being located internally within their respective estates. Catalina is located in a prime position to capture all passing traffic from Marmion Avenue. The ease of accessing DV3 at Catalina Beach will be greatly assisted when the freeway extension and Neerabup Rd off ramp are completed at the end of 2017.

The two group housing sites at the entrance to Catalina Beach, lots 2137 and 2138 are proposed to be used to satisfy car parking requirement whilst DV3 and DV5 are operational.

Satterley Property Group has spoken to eight leading builders to gauge their level of interest in the potential display village at Catalina Beach. The feedback was extremely positive with all builders contacted stating they would like to participate in the village.

It is proposed that DV3 would contain 15 double storey premium homes to demonstrate the latest design trends and sustainability initiatives. This display village would service the estate whilst selling the first 150-200 lots in Catalina Beach.

Catalina DV3 could be titled by December 2016 therefore allowing 22 months for a double storey to be built the third display village could be open in October 2018, when DV2 development approval expires.

A display village is proposed for Catalina Grove (DV4) to accommodate 20 home sites for builders to showcase a variety of initiatives to best demonstrate design efficiency, sustainability and use of materials.

The village will be located fronting Neerabup Road to capture the passing traffic from the new freeway off ramp.

The site has been identified based on the following attributes:

- Proximity to the Builders Display Village
- Highly visible site to Neerabup Road traffic
- Set the standard for quality innovative homes
- Major attractor for the Catalina Grove estate
- Achieves early build out framing the development
- Potential for Telethon Home in 2021

Land Sales Office

The current Catalina Central Sales and Information Centre is a double storey dwelling, on lot 170 fronting Aviator Boulevard with adjacent lots 171 – 174 developed as a temporary car park. The existing sales office has been in operation since May 2014 and will continue to be utilised until October 2018. It is proposed to sell the sales office in the FY18/19 period.

A new sales office is proposed to be constructed to service display villages DV3 and DV5 in Catalina Beach and would remain operational for approximately 6 years. The optimal location for the sales office is within Stage 25, located within the display village fronting Long Beach Promenade, immediately adjacent to the grouped housing site. (Annexure1)

The site chosen for the future sales office in DV3 will be a highly visible focal point upon entering the estate from Marmion Avenue, being the first building on the right hand side, past the carpark. The purchaser's journey will take them directly from the carpark to the 15 display homes fronting Marmion Ave all within an easy stroll to the future sales office.

Sales Office Sustainability Initiatives

NatHERS (Nationwide House Energy Rating Scheme) house ratings determine the potential thermal comfort of Australian homes on a scale of zero to 10 stars. The more stars, the less likely the occupants will need cooling or heating to stay comfortable. Houses with higher star levels are considered more thermally comfortable than those of lower star levels with those rated at 10 stars considered thermally comfortable without the need for artificial heating and cooling. The rating depends on:

- the layout of the home;
- the construction of its roof, walls, windows and floor;
- the orientation of windows and shading to the sun's path and local breezes; and
- how well these suit the local climate.

Whilst there are no specific design elements that could be mandated to achieve a specific star rating (assessment is considered holistically), TPRC may mandate that the successful tendering builder achieve a desired star rating implementing preferred initiatives to contribute towards the overall score. The current energy efficiency requirement for class 1A buildings is 6 stars. It is recommended that the Sales Office demonstrates a NatHERS star rating one star in excess of the current energy efficiency requirement of the Building Codes of Australia for class 1A buildings. It is estimated that the upgrading of a 6 star dwelling to 7 stars would cost the builder less than $10,000. The NatHERS star rating for the dwelling shall be certified by a NatHERS accredited energy assessor using NatHERS accredited software and shall be provided at the tender stage.

In addition to the above, the below initiatives are also recommended to be included in the sales office design:

LED lights are the latest technology in energy efficient lighting. LED stands for 'Light Emitting Diode', a semiconductor device that converts electricity into light.

LED lights are super energy efficient, using approximately 85% less energy than halogen or incandescent lighting – meaning significant power savings. LED lights also have a much longer lifespan than other types of lighting. For 20 lights, turned on for four hours a day for a whole year, this would stop 857.89 CO^2 emissions and save $236.52 on the power bill. LED light bulbs can be inserted into normal light fittings for a cost of approximately $1,000 (for a large house). It is estimated that the installation of LED light fittings and globes would add approximately $3,000.

Installation of a (minimum) 1.5kWh panels and 3 kWh inverter solar panel system and a smart metre. Energy monitors when linked to smart metres indicate exactly what power is being used (or wasted) in real time. Studies have shown that having the knowledge to make these savings can reduce the power consumed in a house by 10% - 15%. A typical household of four living in WA uses 7,289kWh per year. Reducing this by 10% will save 729kWh per year. The cost to incorporate this package into the build is approximately $3,000.

Recommendation:
It is proposed that the following sustainability initiatives be mandated in the construction of the Catalina Beach Sales Office. These total cost to incorporate sustainable initiatives into the sales office is approximately $16,000.

- *It is recommended that the Sales Office demonstrates a NatHERS star rating one star in excess of the current energy efficiency requirement of the Building Codes of Australia for class 1A buildings. The NatHERS star rating for the dwelling shall be certified by a NatHERS accredited energy assessor using NatHERS accredited software and shall be provided at the tender stage.*

- *The provision of LED lighting (including fixtures) throughout the sales office.*

- *Installation of a 1.5kWh solar system and a smart metre.*

Form

Catalina Beach sales office elevation will consist of coastal theming to create a street appeal befitting of the location.

The built form structural elements should incorporate a mixture of brick, stone and timber cladding elements that complements the “Hampton” style of housing with a soft / pale colour palette that provides high quality beachside appeal.

The Catalina Beach sales office is proposed to help ‘seed’ the estate by demonstrating a suitable design with high quality visual appeal in this costal location.

Design

The sales office in Catalina Beach will be a premium double storey home tendered to Perth’s leading builders, with stringent design guidelines in place, to ensure the home is multi-functional. Efficient and adaptable floors plan will be required to utilise the home as a sales office initially before being converted to a home for occupation.

The floor plan layout of the home can be conventional to the front and upper level of the home. However, the rear of the home must be open plan. Ideally, the home would consist of four bedrooms and two bathrooms to maximise TPRC return on investment at the end of the life cycle.

Of critical importance is the requirement for a functional interactive display area, which will need to be large and open and preferably include two defined areas. This area will be to the rear of the home to allow direct eye contact with visiting customers and the ability to oversee the indoor fenced play area whilst parents are being served by sales professionals.

Upstairs will require a layout to accommodate a meeting room, in the interim that leads out onto a balcony taking the potential purchaser on the journey to appreciate the ocean view lifestyle at Catalina Beach.

A wide entrance and hallway which is visually connected to the rear of the house is preferred.

The landscaping surrounding the sales office will be a coastal setting including use of a variety of ground covering succulents and shell grit mulch.

The building will eventually be retrofitted for use as a residential home.

Operation

The customer journey for a display village/sales office forms part of the overall signage and marketing strategy considered when formalising the layout of a display village and the orientation of a sales office. The purpose of this is to maximise the exposure and marketing opportunities to visitors by providing clear direction and a natural flow from the car park to the sales office and then onto the display village. The proposed location of the Catalina Beach sales office will be located next to the temporary car park and within a short distance to the row of display homes. A pathway from the car park will provide visitors with the options to visit the sales office or move directly into the display village.

The following key principals will be considered when planning the customer journey and to ensure that the seller has the greatest opportunity to engage with and convert prospective customers into buyers.

Creating Awareness: Ensuring buyers have a clear sense of direction and understanding of where everything is. Signage, visual aids, landscaping and the office layout are all key to ensuring awareness of the sales office and the display village are maximized.

Removal of barriers: Reducing the degree of difficulty in accessing the sales office, display village are key to complete engagement with visitors.

Developing Interest: Prospective buyers need to be provided with a reason to visit the office and participate in the planned customer flow. Key information and free giveaways are options in attaining buyer interest.

Availability of Information: Buyers visit display villages to primarily gather information. The sales office needs to properly display and present information to buyers.

Purchaser Options: The sales office provides buyers with the opportunity to explore different types of consumer content and is adapted to suit all buyers. Elements of local community, builder information and housing options and prices are recommended to be displayed.

The sales office hours of operation are proposed to be in accordance with the existing trial period underway for the current sales office on Aviator Boulevard in Catalina Central being:

Monday – Wednesday and Friday	12.00pm – 5.00pm
Saturday – Sunday	12.00pm – 5.00pm

Visitors will enter the Land Sales Office from either:

- the overflow car park located opposite Lot 2138, and enter the building from the front door; or
- the adjacent car park on Lot 2137 to the east and enter at the rear of the property.

The future display village (DV5) will function with the potential purchaser parking in the permanent carpark, walking through the sales office side entrance and out the front door, across Long Beach Promenade, stroll past the civic public open space to the 20 display homes that will front Marmion Avenue and the Conservation Area to the South. It is proposed that DV5 would be operational in October 2021.

__Cost__

A provision has been made in the FY17 budget to enable the home, costing $600k, to be built between January – September 2018 to demonstrate the latest in design trends and sustainable products. Carpark costs of $240k are forecast in the FY17 budget to construct 100 bays proposed to be constructed in August /

September 2018. Landscaping costs surrounding the carpark (Entrance and Marmion Ave verge) have been provided within the FY17 budget and are currently being designed.

By comparison, competing coastal estates in the Northern corridor have committed between $600,000 to in excess of $1,000,000 for their sales offices based on construction contract values including the Sales Office within the Eden Beach Estate.

The sales office site being 255m2, with a value in the order of $300k and a building budget of $600k, requires the future value to be achieved for a double storey home with ocean views across from the public open space to be $900k.

The sales office tender would request the floor plan design be multi-purpose to utilised initially for a sales office and ultimately a home, therefore avoiding the need for a retrofit prior to being sold on the market.

Should TPRC prefer to lease the sales office based on a completion value of $900,000 at 7% the lease would be $63,000 annually, which equates to $378,000 over the six year period.

The GHS site which will facilitate a carpark on Lot 2137 has budgeted revenue of $1.8 million for the 4,200m2 site. If TPRC were to sell this site at $1.8m on a lease back arrangement of 7% for equates to $126,000 annually and $756,000 for the six year period. In order to extract the potential increase in valuation over the six year period, in lieu of selling and leasing back, it is proposed for TPRC to hold the sales office and associated GHS site (being utilised for carparks) until the completion of the lifecycle in 2024.

If both the sales office and the adjoining carpark were sold in October 2018 when the sales office opened for the budgeted combined revenue of $2.7 million the total lease back costs over the six years would be in the order of $1.13 million.

Based upon the above the lease back arrangement has been deemed not commercially viable for the Tamala Park Regional Council.

An alternative to a new home being utilised as the sales office would be an architecturally designed temporary transportable home that costs in the order of $280,000 to install originally, with costs of around $170,000 to relocate to another location within the estate. A transportable home can be relocated several times though the costs to do so are expensive. The resale value is around 50-60% of the original purchase price, at 50% the resale value would be $140,000. This would equate to $310,000 of sunken costs to purchase and reposition and make good the site of the temporary sales office.

The permanent sales office would need to achieve a minimum resale value of $600k, to be the preferred option in comparison to the temporary sales option, with the current median house price in Mindarie being $685k.

The GHS site (Lot 2137) will be a valuable asset to Tamala Park Regional Council as Catalina Beach continues to mature over the next eight years and escalation to revenue returns over the coming years. TPRC will be in a position to control the ultimate builtform outcome of this gateway site that will be the focal point at the entrance to Catalina Beach with prime uninterrupted ocean views. TPRC will have the opportunity to value add to the site by contracting with a builder directly or indirectly through Joint Venture arrangements in 2023 to optimise the sites revenue potential.

The proposed approach for Catalina Grove is to service the sales from the premium location of Catalina Beach with a designated room within the centre focusing solely on this precinct.

Recommendation:
As the project can be serviced by a single sales office, for a number of years, across all three precincts, provision has been made for one new home (DV 3) at a cost of $600,000 in the FY17 Budget, with the sales office and Group Housing Sites (Carparks) to be sold upon DV5 closing in 2024.

Commercial Terms

The following information, terms and conditions are proposed for all future display villages within the Catalina estate:

- Special Conditions of Sales
- Building Display Home Rebate Annexure
- Estate Covenants
- Design Guidelines
- Plan Identifying the Property
- Copy of Relevant Documents
- Fencing and Verge Landscaping

Building Display Home Rebate Terms	
Practical Completion	57 weeks from date of settlement
Operational Period	2 years with an *option to extend* for a further year at the discretion of TPRC (subject to approval form City of Wanneroo)
Mandated terms	2 storey homes Participating in the Waste Recycling Program Homes to be in accordance with the Catalina Beach Design Guidelines and Estate Covenants
Operating times	(Sat/Sun and Mon/Wed) Operating times would be 2.00pm to 5.00pm Builder to provide progress updates to Satterley Property Group as requested by Satterley Property Group, until the

	date the home is open for inspection
Rebate	5% of the purchase price (inclusive of GST) in line with the completion timeframes / opening due date.
Fencing /landscaping	Tamala Park Regional Council agrees to provide and install side fencing as well as verge landscaping treatments consistent with the estate guidelines The fencing and landscaping is recommended to ensure the village streetscape maintains a consistent premium appeal.

Tender Process

Display Village Tender Process and Timeframes	
Tender Period:	28 days from date of issue (date of release to be no later than 8 months from expected issue of titles)
Panel Evaluation:	The nominated panel members will review the tenders and submit their recommendations to TPRC within 7 days from tender date of closing
Distribution of Lot allocations:	within 5 days from receiving formal approval from TPRC

Tender Evaluation

The evaluation will be based on the builder's ability to meet the selection criteria outlined in the tender document.

Allocations will be based on the achieved score in line with their lot preferences. Builders who achieved the highest score are more likely to receive their desired allocation or an allocation which is of similar typology.

Each tenderer will then be evaluated against the above criteria and given a ranking to enable them to participate in the allocation process for the display village lots.

It would be recommended that lot prices be included in the tender document.

The display village lots will be released by a tender process based on agreed selection criteria, including the design guidelines and building plans. It is proposed DV3 is released in June 2016.

The Tender would be completed on the following basis:

Tender Period:	28 Days
Panel Evaluation:	7 Days from tender closing
Deposit:	$5,000 payable within 5 working days of acceptance
Settlement:	21 Days after titles issued
Finance:	Unconditional

Selection Criteria

Evaluations will be based on the following selection criteria:

Capacity to Meet Market Demand [Established by Building Group] **Weighting** **15%**

A score will be allocated based on the number of homes which obtained planning approval through Catalina in the previous 12 month period for each Building Group.

Satterley Property Group record all design approvals submitted by builders for the estate. All major building groups are ranked according to the volume of approvals received on a 12 month rolling calendar.

Building Groups who have not previously participated within the Estate should demonstrate how they are able to meet market demand.

Previous Participation in Catalina Estate Display Villages **Weighting** **10%**

Building Brands who participate in the previous Display Homes Villages and opened their single storey homes within 47 weeks of settlement or double storey homes within 63 weeks from settlement will be awarded a score of 10%. Builders who participated in previous villages and opened within 5 weeks of this date will be awarded a score of 5% but did not open within these timeframes will be awarded a score of 0%

Builders who did not participate in previous Catalina Display Home Villages should detail other display villages they have participated in and provide details of timing of the opening of these homes.

Building Design [Established by Building Group] **Weighting** **30%**

The tenderer must demonstrate how they achieve best practice in building design and to provide one example of a design they consider suitable for Catalina and what building materials they propose. Builders will ideally provide a proposed streetscape demonstrating their design elevations.

Innovation [Established by Building Brand] **Weighting** **15%**

The tenderer must provide examples of past innovations they have introduced and where they are to be applied to Catalina and or proposals they wish to explore with the project to adopt when building at Catalina.

Sustainability Credentials [Established by Building Brand] **Weighting** **15%**

The tenderer must provide examples of where they have achieved accreditation or recognition of adopting sustainable practices within their company and how these will be applied to Catalina.

Innovations that are considered relevant to the Catalina project include Energy Efficiency, Water Efficiency, Waste Management and use of Innovative Cost Efficient Building Materials

Financial Capacity [Established by Building Brand] **Weighting** **15%**

The tenderer must demonstrate that they have the financial capacity to complete development of the selected lots in accordance with the contract terms.

Allocation

Building Brands will nominate their preferred lots as part of their tender submission (ranking all lots available within the release). Each brand typically has a specific target market and house type that they specialise in. These design characteristics help to determine the lot size and frontage the builder would request and the lot they would receive. Each Building Brand is restricted to one allocation per category in order of their ranking. If there are any lots remaining following the completion of the allocation process, the lot allocation process will be repeated for the remaining lots. Allocation of lots within the display villages will occur as follows:

Mandatory Double Storey Lots
Building Brand ranked 1 for this category is allocated their highest available lot preference, the Building Brand 2 and so on until all double storey lots are allocated.

Cottage (Laneway) Lots
Building Brand ranked 1 for this category is allocated their highest available lot preference, the Building Brand 2 and so on until all cottage (laneway) lots are allocated.

Traditional Lots
Building Brand ranked 1 for this category is allocated their highest available lot preference, the Building Brand 2 and so on until all traditional lots are allocated.

Any lots not allocated will be reoffered using the same allocation method at the end of the allocation.

If any of the display lots remain unallocated, these lots will be held in reserve pending evaluation by Satterley Property Group and its report to TPRC of the best method of disposal or reallocation of the display lots.

Summary and Recommendation

Based on the above Satterley Property Group provides the following recommendations:

1) Tamala Park Regional Council approve the Catalina Display Village Strategy dated March 2016.

2) Tamala Park Regional Council approve the location of Catalina Beach display villages DV3 accommodate 15 display homes within Stage 25.

3) Tamala Park Regional Council approve the location of Catalina Beach Display Village 5 (DV5) to accommodate 19 display homes in Stage 28.

4) Tamala Park Regional Council approve the use of the adjoining Group Housing sites on lot 2137 and 2138 as temporary carparks.

5) Approve a temporary carpark to be built in DV3 on Lot 2137 and request SPG make provision in the FY17 budget for $240,000.

6) Tamala Park Regional Council approve the location of the Catalina Grove Display Village (DV4) to accommodate 20 display homes fronting Neerabup Road and Connolly Drive.

7) Tamala Park Regional Council approve an Architect to be appointed to prepare the Catalina Beach and Catalina Grove design guidelines

8) Tamala Park Regional Council approve the commercial terms and a tender process to release the 15 builder lots for DV3 in August 2016.

9) Tamala Park Regional Council approve a permanent Sales Office to be built in DV3 with provision made in the FY17 budget for $600,000.

10) Tamala Park Regional Council approve the sales office and group housing sites (carparks) to be sold upon closing DV5 in 2024.

Appendix 1

Catalina Beach and Grove Display Village Locations www.cleplan.com.au

CLE TOWN PLANNING + DESIGN

This plan has been prepared for general information purposes only and uses potentially uncontrolled data from external sources. CLE does not guarantee the accuracy of this plan and it should not be used for any detailed site design. This plan remains the property of CLE.

DRAFT

CATALINA BEACH DISPLAY VILLAGE

Location Plan

2228-451B-01 (22.07.2016), nts

Appendix 9.15

SATTERLEY

22 September 2016

Mr Tony Arias
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6018

Dear Tony,

RE: CATALINA SALES OFFICE HOURS

The Satterley Property Group is pleased to provide the following recommendation in relation to operating hours for the Catalina sales office. During its meeting on 18th February 2016, the Tamala Park Regional Council REQUESTED:

"...the Satterley Property Group to provide a comprehensive report on the trial Sales Office opening hours, including advice on competing estates, sales against budget and feedback from the public and display builders to be presented for Council's consideration at its October 2016 meeting"

Satterley Property Group has undertaken a review of the Catalina sales office opening hours in relation to the trial period from December 2014 to 31 July 2016 (as approved by Council).

Competing Estate Opening Hours

Estate	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Brighton	12pm-5pm	12pm-5pm	12pm-5pm	12pm-5pm	CLOSED	12pm-5pm	12pm-5pm
Eden Beach	12pm-5pm	12pm-5pm	12pm-5pm	12pm-5pm	CLOSED	12pm-5pm	12pm-5pm
Trinity	2pm-5pm	9am-5pm	9am-5pm	9am-5pm	9am-5pm	1pm-5pm	1pm-5pm
Alkimos Beach	9am-5pm	9am-5pm	9am-5pm	9am-5pm	9am-5pm	9am-5pm	9am-5pm
Shorehaven	1pm - 5pm	1pm-5pm	1pm-5pm	CLOSED	CLOSED	1pm-5pm	1pm-5pm
Amberton	1pm - 5pm	10am-5pm	10am-5pm	10am-5pm	10am-5pm	10am-5pm	10am-5pm
Allara	12pm-5pm	12pm-5pm	12pm-5pm	CLOSED	CLOSED	10.30am-5pm	10.30ann-5pm
Vertex	1pm - 5pm	1pm - 5pm	1pm - 5pm	CLOSED	CLOSED	1pm - 5pm	1pm - 5pm
CATALINA	**12pm - 5pm**	**12pm - 5pm**	**12pm - 5pm**	**CLOSED**	**12pm-5pm**	**12pm - 5pm**	**12pm - 5pm**

Satterley Property Group Pty Ltd
18 Bowman Street, South Perth WA 6151
PO Box 410, South Perth WA 6951

T 08 9368 9000
F 08 9368 9001

ABN 38 009 054 979

Please find above a summary of the competing estates in the northern corridor and their respective office hours.

The Catalina Sales office is open six days per week for five hours per day. The opening hours are consistent with the Brighton Estate and Eden Beach Estate. There are several display homes that are open less frequently than the Catalina Sales office with only Alkimos Beach, Trinity and Amberton Estates operating longer hours than the Catalina Sales Office.

Sales Against Budget

The following table summarises sales to date (calendar month) against budget for the period May 2016 to September 2016:

	May	June	July	August	September
Budget	5	5	6	9	7
Actual	7	9	8	11	5 (at 18/9/16)
Variance	+2	+4	+2	+2	TBC

During the last four months, sales have exceeded the budget with current forecasts suggesting that sales will meet or exceed the September budgeted lot sales. Although we are exceeding budgeted sales, the current volume of sales remains low. Given the softened market conditions over the last 12 months, current low traffic levels and the overall competitiveness of the land development industry the sales staff have performed well maintaining market share during this period.

Traffic analysis of the 12 month period from January 2015 to December 2015 showed that 1,128 persons attended the Catalina sales office with 70% of these visitations occurring between Saturday to Monday.

Over the past 9 month period from January 2016 to September 2016 showed 543 persons visited the Catalina Sales office averaging 60 visitations per month, which is a 33% decline per month in walk in traffic when compared the 2015 calendar year.

Builder Feedback

Builder referrals account for approximately 60% of leads currently being generated therefore the Satterley Property Group consider that the sales professionals are required to continue to provide a high level of service and work closely with the builders to deliver the sales targets for the FYE17 period.

Having coverage six days per week enables the sales team to be responsive to the needs of the builders, currently facilitates the following:

- Visitations by Satterley sales staff to the builder display homes and display villages located in and around each estate;
- Providing resources to attend to administrative tasks i.e. following up all current and active leads, actioning any tasks or outstanding items from the weekend, 'mining' the database and networking with our key builder partners.

Builders sales representatives rostered days off are generally Thursday and / or Friday. In this regard, the sales office opening hours provide coverage during typical builders working days.

Public Feedback
No complaints have been received by the public regarding the Catalina Sales Office open hours. The Sales Office is fitted with a brochure holder including pricelists, lot plans and the contact details for the Estate Manager providing potential purchasers who visit the sales office out of hours with the information they require to make an appointment with the sales team.

The Sales Office open hours are also listed online (including the Catalina website), REA, office hour windows and are included within the online / google profile.

Proposal
The current opening times for Catalina are as follows:

- Mon — Wed and Fri: 12.00pm — 5.00pm
- Sat — Sun: 12.00pm — 5.00pm

There is no proposed change to office hours proposed.

Recommendation
Satterley Property Group recommends that the current sales office hours continue at the proposed timeframes listed above for the next twelve months to October 2017.

Should you have any concerns please contact the undersigned.

Regards

Aaron Grant

Project Director

Appendix 9.16

TAMALA PARK Regional Council

POLICY MANUAL

Charity Home Sponsorship Policy
(September 2016)

---

1. OBJECTIVES

This policy has been developed to provide guidance to the TPRC for proposals seeking sponsorship of charity homes within the Catalina Estate. It seeks to achieve the following:

- Define the Council's expectations and requirements;
- Define the recurrence, parameters and extent of sponsorship by the TPRC of charity homes within the Catalina Estate;
- Ensure sponsorship of charity homes is compatible with the achievement of the Council's objectives;
- Define the processes that proposals for sponsorship of charity homes are to be received, assessed and approved by within the Catalina Estate; and
- Governance and local government requirements.

2. SPONSORSHIP

Within this policy **Sponsorship** is considered to be a business agreement between the Council and non profit organization(s) to construct and dispose of homes within the Catalina Estate, for the purpose of raising funds for charitable causes, and the potential benefits to the Catalina Estate.

3. PROCESS

3.1 Receiving sponsorship proposals

The Council will consider sponsorship proposals following the undertaking of a public tender process.

Following the receipt of tender's, the Council may select one sponsorship proposal for endorsement based on the criteria contained within this policy.

The Council is not obliged to select any proposal, and is not obliged to seek further tenders.

3.2 Commercial terms

The Council may consider sponsorship under any of the following commercial arrangements:

i) The sale of a lot at a maximum discount of 50% of the lot valuation amount;
ii) Deferral of the full lot purchase price for no longer than 18 months, or at settlement of the sale of the charity home, whichever is the sooner; and

iii) Other terms presented to the TPRC which demonstrate significant benefits to the Catalina Estate and have regard to the governance requirements of the Local Government Act (1995).

All other costs/charges associated with the transfer (settlement) will be borne by the proponent.

4.0 SELECTION CRITERIA

4.1 Proponents to be Non-Profit Organizations

Proposals for sponsorship will only be considered where it can be demonstrated that proceeds from the proposal will flow to organizations complying with the ATO's definition of a non-profit organization, as provided below.

"A non-profit organisation is an organisation that is not operating for the profit or gain of its individual members, whether these gains would have been direct or indirect. This applies both while the organisation is operating and when it winds up."

The Council will only consider proposals submitted by organizations not complying with the above definition, where satisfactory arrangements are in place to ensure proceeds from the proposal are provided to a non profit organization.

4.2 The proposal must present community benefit

Proposals must in the Council's opinion demonstrate significant benefits to the community. Benefits must be demonstrated in all of the following facets:

i) Support of a recognized, non profit charity organization; and
ii) Support of community based endeavours.

4.3 Proponents must demonstrate a strong track record of delivering similar projects.

Proposals must be submitted by organizations who can demonstrate a strong track record in delivering similar projects within ~~the Perth Metropolitan Region~~Australia. Competence must be demonstrated in all of the following key areas:

i) Successful undertaking of similar projects;
ii) Ability to finance the project; and
iii) Successful marketing and promotion of similar projects.

Charity Home Sponsorship Policy
(September 2016)

4.4 Proposals must support the achievement of the Council's objectives

Proposals for sponsorship must demonstrate consistency with Council objectives for the Catalina Estate:

i) Adherence to sustainability principles, reflecting a balance of economic, social and environmental health considerations;
ii) A high quality product demonstrating best practice ~~urban~~ housing design; and
iii) Demonstrates innovation in addressing current and relevant housing issues such as sustainability, diversity or affordability.

4.5 Estate benefits

Proposals must demonstrate how the Catalina estate will benefit from the sponsorship proposal. This could be through increased marketing and promotion, and project positioning

5.0 AUTHORITIES

The Chief Executive Officer or delegated representative(s) have authority to seek expressions of interest in accordance with this policy.

6.0 REVISION

This policy is to be reviewed every two years.

This Charity Home Sponsorship Policy is authorised by the Chief Executive Officer on 20 October 2016.

Signature:

Name: JOHN ANTHONY ARIAS

Date: 20 October 2016

Appendix 9.17

Appendix 9.18