

Ordinary Meeting of Council

Thursday, 22 June 2023

Agenda

Notice of Meeting

Councillors of the Tamala Park Regional Council are advised that a meeting will be held on Thursday 22 June 2023 at 6:00pm at the City of Stirling, 25 Cedric Street, Stirling.



CHRIS ADAMS
Chief Executive Officer

*Constituent Members: Cities of Perth, Joondalup, Stirling, Vincent and Wanneroo
Towns of Cambridge and Victoria Park*

MEMBERSHIP

OWNER COUNCIL	MEMBER	ALTERNATE MEMBER
Town of Cambridge	Cr Alaine Haddon-Casey	
City of Joondalup	Cr John Chester Cr Nige Jones	Cr Russ Fishwick Cr John Raftis
City of Perth	Cr Brent Fleeton	Cr Clyde Bevan
City of Stirling	Cr Tony Krsticevic Cr Suzanne Migdale Cr Bianca Sandri Cr Karlo Perkov	Cr David Lagan
Town of Victoria Park	Cr Bronwyn Ife	Cr Claire Anderson
City of Vincent	Cr Ashley Wallace	Cr Jonathan Hallett
City of Wanneroo	Cr Brett Treby Cr Glynis Parker	Cr Linda Aitken Cr Vinh Nguyen

1. OFFICIAL OPENING
2. APOLOGIES AND LEAVE OF ABSENCE
- DISCLOSURE OF INTERESTS
3. PUBLIC STATEMENT/QUESTION TIME
4. ANNOUNCEMENTS BY CHAIR (WITHOUT DISCUSSION)
5. PETITIONS
6. CONFIRMATION OF MINUTES
 - 6.1. CONFIRMATION OF MINUTES
7. BUSINESS ARISING FROM MINUTES
8. ADMINISTRATION REPORTS AS PRESENTED
 - 8.1. BUSINESS REPORT – MONTH ENDING 31 MAY 2023
 - 8.2. STATEMENT OF FINANCIAL ACTIVITY - APRIL 2023
 - 8.3. LIST OF MONTHLY ACCOUNTS SUBMITTED - APRIL 2023
 - 8.4. STATEMENT OF FINANCIAL ACTIVITY - MAY 2023
 - 8.5. LIST OF MONTHLY ACCOUNTS SUBMITTED - MAY 2023
 - 8.6. PROJECT FINANCIAL REPORT - APRIL 2023
 - 8.7. SALES AND SETTLEMENT REPORT – MONTH ENDING 31 MAY 2023
 - 8.8. ESTABLISHMENT AGREEMENT – UPDATE ON AMENDMENT
 - 8.9. SCOPING STUDY – TPRC AND MRC COLLABORATION OPPORTUNITIES
 - 8.10. PROPERTY CONGRESS 2023: TPRC ATTENDANCE
9. COMMITTEE REPORTS
 - AUDIT and RISK COMMITTEE (19 JUNE 2023)
 - 9.1. FINANCIAL MANAGEMENT REVIEW
 - 9.2. REVIEW OF LOT PRICING POLICY
 - 9.3. REVIEW OF FRAUD AND CORRUPTION PREVENTION POLICY
 - MANAGEMENT COMMITTEE (18 MAY 2023)
 - 9.4. PROJECT BUDGET FYE 2024 (MAY 2023)
 - 9.5. NEERABUP ROAD BUS UNDERPASS AND SUPPORTING ROAD NETWORK
10. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN
11. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
12. URGENT BUSINESS APPROVED BY THE CHAIR
13. GENERAL BUSINESS
14. DECISION TO MOVE TO CONFIDENTIAL SESSION
 - 14.1. **CONFIDENTIAL**: REVIEW OF DEVELOPMENT MANAGER APPOINTMENT TO STAGE 4
This item satisfies the requirements of Section 5.23 of the Local Government Act 1995, enabling it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:

- i. *A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
- ii. *A matter that if disclosed, would reveal a trade secret or information that has a commercial value to a person or relates to the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).*

14.2. **CONFIDENTIAL:** LANDSCAPE ARCHITECTURE CONSULTANCY SERVICES – REQUEST FOR MUTUAL TERMINATION OF CURRENT CONTRACT AND TENDER OF NEW CONTRACT (TENDER 02/2023)

Local Government Act 1995: Sect 3.57 – Provision of goods and services.

This item satisfies the requirements of Section 5.23 of the *Local Government Act 1995*, enabling it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:

- c) *A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
- e) *A matter that if disclosed, would reveal –*
 - i) *Information that has a commercial value to a person; or*
 - ii) *Information about the business, professional, commercial or financial affairs of a person.**where the information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).*

14.3. **CONFIDENTIAL:** ANNUAL MARKETING PLAN FYE 2024

This item satisfies the requirements of Section 5.23 (2) of the *Local Government Act 1995* for it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:

- i. *A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
- ii. *A matter that if disclosed, would reveal a trade secret or information that has a commercial value to a person or relates to the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).*

14.4. **CONFIDENTIAL:** REPORT ON IMPLEMENTATION - TPRC RISK MANAGEMENT FRAMEWORK

Local Government (Administration) Regulations 1996, Regulation 19DA

This item satisfies the requirements of Section 5.23 of the *Local Government Act 1995*, enabling it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:

- c) *A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
 - e) *A matter that if disclosed, would reveal –*
 - i) *Information that has a commercial value to a person; or*
 - ii) *Information about the business, professional, commercial, or financial affairs of a person.**where the information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).*
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14.5. **CONFIDENTIAL:** ANNUAL PLAN FYE 2024

This item satisfies the requirements of Section 5.23 (2) of the *Local Government Act 1995* for it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:

i) A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and

ii) A matter that if disclosed, would reveal a trade secret or information that has a commercial value to a person or relates to the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).

15. FORMAL CLOSURE OF MEETING

6.1. CONFIRMATION OF MINUTES

Responsible Officer: Chief Executive Officer

Attachments: None

Voting Requirement: Simple Majority

Recommendation

That the Council CONFIRMS and the Chair signs the minutes from the Ordinary Meeting of Council held 20 April 2023 as a true and accurate record of proceedings.

8.1. BUSINESS REPORT – MONTH ENDING 31 MAY 2023

Responsible Officer: Manager Project Coordination
Attachments: 1. Comment - Business Report
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council RECEIVES the Business Report for the month ending 31 May 2023.

PURPOSE

The report provides information to the Council on key activities, programs and milestones.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and Effective governance environment.	Moderate
Action:	
SPG and TPRC provide reports/information to Council Meetings.	

The report provides information to ensure the Council is well informed on the progress of key components of the Catalina Project.

BACKGROUND

The business of the Council requires adherence to many legislative provisions, policies and procedures that aim at best practice. There are also many activities that do not need to be

reported formally to the Council but will be of general interest to Council members and will also be of interest to the public who may, from time to time, refer to Council minutes. In the context of the above, a Business Report provides the opportunity to advise on activities that have taken place between meetings. The report will sometimes anticipate questions that may arise out of good governance concerns by Council members.

COMMENT

1. Civil Construction - Status

The following tables detail the status of all current civil works stages to 31 May 2023. The highlights of the past month include:

- Achievement of practical completion of Stage 29.
- Final works being completed in Stage 37, remaining on target to achieve practical completion on 1 June 2023.
- Substantial progress of the Stage 31 earthworks.
- Final works associated with the Longbeach Promenade extension, remaining on target to achieve practical completion on 8 June 2023.
- Commencement of earthworks in Stage 38.

Details of civil construction progress for each current stage are provided in the following tables:

Stage 29		43 lots	
Contractor Possession of Site		12 April 2022	
Original Practical Completion Date		16 September 2022	
Revised Practical Completion Date		5 May 2023	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	100	0	Complete
Sewer	100	0	Complete
Drainage	100	0	Complete
Water/Gas	100	0	Complete
Power/Comms	100	0	Complete
Walls	100	0	Complete
Roads	100	1	Complete



Completed Stage 29 park side lots – now titled

Stage 31		66 lots	
Contractor Possession of Site		9 January 2023	
Original Practical Completion Date		26 July 2023	
Revised Practical Completion Date		11 October 2023	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	90	20	In progress.
Sewer	5	5	Commenced.
Drainage	0	0	Commencing early June 2023.
Water/Gas	0	0	
Power/Comms	0	0	
Walls	0	0	
Roads	0	0	



Stage 31 Earthworks

Stage 37		48 lots	
Contractor Possession of Site		30 September 2022	
Original Practical Completion Date		3 March 2023	
Revised Practical Completion Date		1 June 2023	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	100	0	Complete
Sewer	100	0	Complete
Drainage	100	0	Complete
Water/Gas	100	0	Complete
Power/Comms	100	10	Complete
Walls	100	20	Complete
Roads	99	24	Final seal remaining.



Stage 37 Civil Works – nearing completion

Stage 38			37 lots
Contractor Possession of Site		24 May 2023	
Original Practical Completion Date		21 December 2023	
Revised Practical Completion Date		N/A	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	5	5	Commenced.
Sewer	0	0	
Drainage	0	0	
Water/Gas	0	0	
Power/Comms	0	0	
Walls	0	0	
Roads	0	0	

Longbeach Promenade Extension			
Contractor Possession of Site		20 September 2021	
Original Practical Completion Date		December 2021 – works recommenced on 7 March 2023 after an 18-month hiatus.	
Revised Practical Completion Date		8 June 2023	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	100	5	
Sewer	100	1	
Drainage	100	5	
Water/Gas	100	5	
Power/Comms	100	75	
Walls	100	100	
Roads	90	80	25mm asphalt layer and final seal to complete.



Longbeach Promenade extension – looking north

2. Landscaping Works - Status

The following tables detail the status of all current landscape construction works to 31 May 2023. The highlights of the past month include:

- Progress with Stage 36 park, entry statements and streetscapes in Catalina Green.
- Progress with Stage 25 Phase 2 park in Catalina Beach.
- Preparations made to commence the winter offset revegetation works in the coastal reserve to the west of Catalina - the works are required to satisfy offset revegetation obligations placed on the TPRC by the clearing permit granted for the removal of vegetation to enable construction of the Beach Access Road and Carpark.
- Comments have been received from the City of Wanneroo in respect to the Catalina Beach Foreshore Park landscaping drawings and issues concerning land tenure and maintenance arrangements for the sewer pump station site have been resolved. Detailed structural and electrical design has commenced on the basis of the preliminary City-support for the park design and is expected to be complete by late June 2023. City approval is expected in early August 2023.

Stage 36 Park, Entry Statements and Streetscapes – Catalina Green	
Project Budget	\$3,027,226
Design and Approval	Status
Detailed Design	Complete
City of Wanneroo Works Approval	Issued – 14 November 2022
TPRC Works Award Approval	Issued – 6 December 2022
Construction	
Contract Sum	\$2,217,613,13
Contractor Possession of Site	20 February 2023
Original Practical Completion Date	13 October 2023
Revised Practical Completion Date	N/A

Item	% Complete	Change since last report	Comments
Preliminaries	90	N/A	Infield irrigation and testing to complete.
Hardscapes	75	N/A	Paths, shelters complete. Entry statements in progress. Play equipment, stonework, furniture to complete.
Softscapes	10	N/A	Soil conditioner and fine grading complete. Planting to complete.
Consolidation	0	N/A	13-week consolidation period to commence from practical completion.



Stage 36 Park works in progress – adjacent to Neerabup Road, looking east

Stage 25 Phase 2 Park – Catalina Beach	
Project Budget	\$702,722
Design and Approval	Status
Detailed Design	Complete
City of Wanneroo Works Approval	Issued – 8 August 2022
TPRC Works Award Approval	Issued – 27 June 2022
Construction	
Contract Sum	\$572,388.15
Contractor Possession of Site	16 January 2023
Original Practical Completion Date	2 July 2023
Revised Practical Completion Date	N/A

Item	% Complete	Change since last report	Comments
Preliminaries	90	N/A	Irrigation testing to complete.
Hardscapes	100	N/A	Complete
Softscapes	0	N/A	To commence early June 2023.
Consolidation	0	N/A	13-week consolidation period to commence from practical completion.



Stage 25 Phase 2 Park works in progress – looking east

Stage 29 Streetscapes - Catalina Beach			
Project Budget		\$120,200	
Design and Approval		Status	
Detailed Design		Complete	
City of Wanneroo Works Approval		Issued – 8 December 2022	
TPRC Works Award Approval		Issued – 27 April 2023	
Construction			
Contract Sum		\$58,990.91	
Contractor Possession of Site		12 June 2023	
Original Practical Completion Date		30 June 2023	
Revised Practical Completion Date		N/A	
Item	% Complete	Change since last report	Comments
Preliminaries	0	N/A	
Hardscapes	0	N/A	
Softscapes	0	N/A	
Consolidation	0	N/A	13-week consolidation period to commence from practical completion.

Longbeach Promenade Streetscapes - Catalina Beach			
Project Budget		\$102,200	
Design and Approval		Status	
Detailed Design		Complete	
City of Wanneroo Works Approval		Issued – 12 April 2023	
TPRC Works Award Approval		Issued – 12 May 2023	
Construction			
Contract Sum		\$97,957.59	
Contractor Possession of Site		19 June 2023 (subject to civil works completion)	
Original Practical Completion Date		21 July 2023	
Revised Practical Completion Date		N/A	
Item	% Complete	Change since last report	Comments
Preliminaries	0	N/A	
Hardscape	0	N/A	
Softscape	0	N/A	
Consolidation	0	N/A	13-week consolidation period to commence from practical completion.

Offset Revegetation Works – west of Catalina Beach			
Project Budget		\$948,279	
Design and Approval		Status	
Detailed Design		Complete	
City of Wanneroo Works Approval		Issued – 1 March 2022	
TPRC Works Award Approval		Issued – 21 April 2023 (Tender 01/2023)	
Construction			
Contract Sum		\$805,489 (includes 5 years maintenance)	
Contractor Possession of Site		12 June 2023	
Original Practical Completion Date		28 July 2023	
Revised Practical Completion Date		N/A	
Item	% Complete	Change since last report	Comments
Preliminaries	0	N/A	
Hardscape	N/A	N/A	No hardscape works involved.
Softscape	0	N/A	
Consolidation	N/A	N/A	Contract includes 5-year maintenance period of planted areas.

Foreshore Park - Catalina Beach	
Project Budget	\$4,577,070
Design and Approval	Status
Detailed Design	Complete
City of Wanneroo Works Approval	Pending
TPRC Works Award Approval	Pending City approval and Contractor pricing
Construction	
Contract Sum	To be determined
Contractor Possession of Site	To be determined
Original Practical Completion Date	To be determined
Revised Practical Completion Date	N/A

Item	% Complete	Change since last report	Comments
Preliminaries	0	N/A	
Hardscape	0	N/A	
Softscape	0	N/A	
Consolidation	0	N/A	

Wind Trees

At its meeting of 20 April 2023, the Council resolved to support the proposed installation of two wind-turbine energy-generating structures, known as ‘wind trees’, within the Catalina Green entry statements. Satterley has provided the following information in response to queries raised by Councillors at this meeting about the infrastructure requirements and associated costs to connect the wind trees to facilities or equipment that may be energised and the anticipated durability of the wind tree components, particularly the wind turbines, and implications for disposal and/or recycling of materials at end of their life:

Associated infrastructure -

- The supplier’s quote includes provision for installation of an inverter that will enable wind tree-generated electricity to directly power any existing electrical system. This requires the supply of a meter box to terminate the power, which will be supplied in any event as part of the landscaping works providing entry statement lighting. Meter boxes can also be installed for around \$2,000 to \$3,000.
- Potential facilities or equipment that could be powered (such as entry statement lighting, BBQs, EV chargers) would have mains power supply that is supplemented by the wind trees. Any excess power generated would be exported to the electricity grid.
- If the wind trees were to power these facilities on their own, a battery system would be required to store the electricity generated by the wind-trees. Battery systems are currently being quoted; however, they are expected to range from \$10,000 to \$20,000 depending on the number of battery cells required. The larger the battery, the longer that a facility could be powered on stored electricity.
- The buyer of the neighbourhood centre, where one of the wind trees is proposed adjacent to Connolly Drive, has indicated a willingness to consider installation of an EV car-charging station connected to the wind tree.
- The wind tree proposed near Neerabup Road could potentially power the entry statement lighting and as it will be situated on a future grouped housing or apartment site, there will also be the opportunity to power facilities within the development, such as reticulation, lighting or a communal BBQ.

Turbine Durability/Recycling -

- The supplier has advised that the product has been in the market for seven years with minimal failures, and with a speed of 160km/hour before deterioration, they are very robust.
- The supplier’s quote provided for a two-year maintenance period; however, it is possible to opt for an extended 10-year maintenance period. Costs of an extended warranty are being quoted at present.
- The plastics that the turbines are made from are fully recyclable and would have minimal environmental impact in terms of disposal.
- Batteries and other supporting electrical infrastructure raised above would need to be evaluated in detailed planning.

3. Titles

Titles for 43 lots in Stage 29 issued on 21 April 2023.

All authority clearances have been obtained for Stage 37 (48 lots). Titles are anticipated to issue in late June 2023.

All authority clearances have been obtained for the grouped housing site in Stage 17 in Catalina Central (Lot 341). The title is anticipated to issue in late June 2023.

4. Housing Construction

The following table provides an overview of the current progress of housing construction to 31 May 2023. Substantial building activity is continuing across Catalina Beach Stages 27, 28 and 30 and the first pads for homes have been laid in Stage 18C in Catalina Central and Stage 36 in Catalina Green.

Stage	Total Lots	Homes Completed	Homes Under Construction	Lots Vacant
Stages 1, 3-6C, 7-15, 17A, 18A, 25A, 25B & 25DV	862	897*	0	1
Stage 2	38	36	0	2
Stage 16A	17	16	1	0
Stage 17B	36	35	1	0
Stage 18B	31	30	0	1
Stage 18C	28	0	11	17
Stage 25C	4	2	1	1
Stage 26	38	35	2	1
Stage 27A	20	11	8	1
Stage 27B	23	2	19	2
Stage 28	34	15	16	3
Stage 29	43	0	0	43
Stage 30	35	5	20	10
Stage 36	57	0	15	42
Total	1,266	1,084	94	124
Change since 30/04/23	0	+7	+7	-14

**Homes completed include a 25-unit grouped housing development on a lot in Stage 1 and 13-unit grouped housing development on a lot in Stage 4.*

5. Community Events

The new 11-home display village in Catalina Beach currently has four homes that have opened. An opening event was being planned for 28 May 2023; however it has been postponed to provide additional time for those homes that are still being built to progress construction. A revised date for the opening event is currently being determined, which is likely to be in August 2023.



New Catalina Beach Display Village – display homes construction in progress

In recognition of World Environment Day on 5 June 2023 and to satisfy Catalina’s Enviro Development accreditation obligations, Satterley has arranged a week-long online campaign around the theme of ‘beating plastic pollution’. The campaign is to be hosted on the Catalina Facebook page and include:

- Web links - Infographics on how to reduce common residential plastics/statistics on plastic pollution.
- A series of custom-made videos on how to reduce plastic waste at a residential level.
- References to local services wherever possible.
- An event page will be created so that followers can join in on activities (two tutorials for crafting eco-themed/plastic repurposing) and a competition for those who complete the craft activity and share their creations.

6. Special Development Sites

Connolly Drive, Catalina Green

The Stage 36 civil works in Catalina Green included a 2ha commercial centre site located at the intersection of Connolly Drive and Expedition Drive. A tender for the sale of the site was awarded by the Council at its meeting of 17 February 2022 to Lightpoint Nominees Pty Ltd. Settlement of the sale of the site to Lightpoint was executed on 6 April 2023.

Lightpoint has obtained City of Wanneroo approval of a Local Development Plan, which sets parameters for development of the site, and is now preparing a development application. It has advised of its intention to commence construction in 2024.

Aviator Boulevard/Roulettes Parade Local Centre, Catalina Central

Stage 1 of the development of the Catalina Central commercial sites, comprised of a childcare centre, was completed in mid-2022. Stage 2 will include several shop tenancies (300m² nett lettable area) and a 170m² café. The Council at its meeting of 20 April 2023 agreed to an extension to the timeframe for the final completion of the development of Stage 2, subject to the following stage milestones being met as conditions precedent for acceptance of the revised development completion timeframe:

- Obtaining a building permit for the approved development by 30 June 2023; and;
- Commencing construction by 30 September 2023.

The TPRC's approved completion timeframe extension was communicated to the owner of the site on 21 April 2023. The owner has since advised that it has completed documentation to support the building permit application and is confident of obtaining the permit prior to 30 June 2023.

Rathmines Street, Catalina Central

A tender for the sale of proposed Lot 341 Rathmines Street, located on the corner of Aviator Boulevard and Connolly Drive in Catalina Central was awarded by the Council on 29 September 2022 to Accord Property. The contract for sale provides for Accord to undertake due diligence before confirming the purchase. The due diligence period is due to expire in July 2023.

Strategic Sites

The Council at its meeting of 20 April 2023 considered an analysis of its remaining strategically important development sites within the Project and resolved to actively explore/pursue the following sites in the short term:

- Catalina Green Display Village
- Catalina Beach Commercial Site
- Catalina Beach Group Housing South
- Catalina Green 7.5m Lots

Satterley is presently reviewing options for each site. Further progress will be reported in subsequent Management Committee and Council meeting agendas before recommendations for progressing each site are presented to the Council for consideration.

8.2. STATEMENT OF FINANCIAL ACTIVITY - APRIL 2023

Responsible Officer: Chief Executive Officer
Attachments: 1. Attachment - SOFA (April)
2. Attachment - Investment Report (April)
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council **RECEIVES** and **NOTES** the Statement of Financial Activity for the month ending 30 April 2023.

PURPOSE

Submission of the Statement(s) of Financial Activity required under the *Local Government Act 1995*.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: Sect 6.4(1): Financial Report Required
- *Local Government (Financial Management) Regulations 1996*: Regulation 34 Composition of Report
- *Local Government (Financial Management) Regulations 1996*: Regulation 34 (5) Material Variance Reports
- *Local Government (Audit) Regulations 1996*: Regulation 14 Compliance Audit Item

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

NA

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
TPRC Operations - Financial Management of TPRC.	Low

Action:

Preparation and reporting on monthly accounts for Council approval.

The submission of the Statement(s) of Financial Activity is required under the *Local Government Act 1995* and necessary to ensure transparency and governance of financial activity.

BACKGROUND

It is a mandatory requirement that the Council receives, reviews and records in the Regional Council's public minutes a statement of financial activity showing annual budget estimates and the figures for budget estimates, income and expenditure and variances at the end of each month. The report is also to show the composition of assets and other relevant information.

COMMENT

The detailed Statements contained in the attachment reflect the budget proposals and direction adopted by the Council.

Variances at 30 April 2023 exceeding 10% or \$5,000 (whichever is the greater) were experience in relation to the following:

Expenditure from Operating Activities	
Interest earnings	The positive variance (\$79K or 9%) related to higher than budget interest being received on the TPRC's term deposits.
Materials and Contracts	The positive variation (\$119K or 41%) relates to reduced expenditure on consultancy fees and external support.
Non-cash Accounts excluded from Operating Activities	Favourable position (12K or 33%) relates to employee provisions that are yet to be transferred.
Financing Activities	
Payment to and from Member contributions	Both payments of and from Member contributions are significantly below budget expectations due to project developments works and sales rates being below expectations. The YTD nett position of these items is \$7.56M favourable when compared to budget projections.
Payments return of equity	The return on equity position for Members is \$1.8M favourable when compared to budget position.

The information in the attachment is summarised in the tables following.

Financial Snapshot as at 30 April 2023

	2022-23 Amended BUDGET	2022-23 Budget YTD	2022-23 Actual YTD	Variance		Variance %
				Favourable	Unfavourable	
REVENUE	\$	\$	\$	\$	\$	%
Interest Earnings	1,070,000	891,667	970,777	79,110		8.87%
Other Revenue	43,818	39,485	36,528		(2,957)	-7.49%
	\$1,113,818	\$931,152	\$1,007,305	\$79,110	(\$2,957)	
LESS EXPENDITURE						
Depreciation	(43,510)	(36,258)	(36,462)		(204)	-0.56%
Employee Costs	(702,630)	(586,982)	(563,286)	23,696		4.04%
Insurance	(19,597)	(19,597)	(19,596)	1		0.01%
Interest	(3,240)	(2,836)	(2,836)			0.00%
Materials and Contracts	(353,852)	(296,862)	(177,547)	119,315		40.19%
Other	(164,005)	(123,254)	(122,973)	281		0.23%
Utilities	(6,829)	0	0			0.00%
Members Equity						
Income Sale of Lots - Subdivisions	41,247,399	34,372,833	27,308,879		(7,063,954)	-20.55%
Land Production Costs	(37,037,724)	(30,864,770)	(16,240,330)	14,624,440		47.38%
GST Withheld Member Councils	(3,077,580)	(2,564,650)	(1,474,551)	1,090,099		42.50%
Profit distribution/Contributions Returned	(20,485,534)	(20,000,000)	(21,812,871)		(1,812,871)	-9.06%
	(\$20,647,102)	(\$20,122,376)	(\$13,141,573)	\$15,857,832	(\$8,877,029)	
Total Change in Equity	(\$19,533,284)	(\$19,191,224)	(\$12,134,268)	\$15,936,942	(\$8,879,986)	

Statement of Financial Position as at 30 April 2023

	Actual 2021-22	Actual 2022-23	Variance	Variance
	\$	\$	\$	%
Current assets				
Cash and cash equivalents	52,296,465	40,681,551	(11,614,914)	-22.21%
Trade and other receivables	782,569	982,190	199,621	25.51%
Total current assets	53,079,034	41,663,741	(11,415,293)	-21.5%
Non-current assets				
Inventories	1,600,000	1,600,000	0	0.00%
Right of use assets	149,716	132,185	(17,531)	-11.71%
Property, plant and equipment	36,311	28,349	(7,963)	-21.93%
Total non-current assets	1,786,027	1,760,534	(25,493)	-1.43%
Total assets	54,865,061	43,424,275	(11,440,786)	-20.85%
Current liabilities				
Trade and other payables	162,938	834,081	(671,143)	-411.90%
Lease Liabilities	31,760	5,540	26,220	82.56%
Provisions	21,788	72,753	(50,965)	-233.92%
Total current liabilities	216,485	912,373	(695,888)	-321.4%
Non-current liabilities				
Lease Liabilities	119,156	129,046	-9,890	0.00%
Provisions	13,527	1,231	12,296	90.90%
Total non-current liabilities	132,683	130,277	2,406	1.81%
Total liabilities	349,168	1,042,650	(693,482)	-198.61%
Net assets	54,515,893	42,381,624	(12,134,268)	-22.26%

Investment Summary as at 30 April 2023

Cash Accounts

Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.
5,109,720.79	3.2645%	Macquarie Bank	A+	5,109,720.79	541301
5,109,720.79	3.2645%			5,109,720.79	

Term Deposits

Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,029,664.38	542757	29,664.38
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,058,773.70	542772	58,773.70
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,094,860.82	542933	94,860.82
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,026,036.75	543545	19,458.67
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,044,589.04	543519	44,589.04
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,066,883.56	543520	66,883.56
Sep-23	1,000,000.00	4.4700%	Commonwealth Bank of Australia	AA-	1,000,000.00	Feb-23	1,010,164.66	543795	10,164.66
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,098,788.06	543396	86,672.99
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,074,911.23	543474	74,911.23
Nov-23	1,000,000.00	4.8200%	Westpac Group	AA-	1,000,000.00	Mar-23	1,006,206.58	543933	6,206.58
Dec-23	4,000,000.00	4.7200%	National Australia Bank	AA-	4,000,000.00	Mar-23	4,026,897.53	543931	26,897.53
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,021,924.66	543905	21,924.66
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,023,864.66	543716	23,864.66
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,015,118.95	543888	10,355.94
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,018,870.66	543853	9,496.41
	31,032,830.41	4.4552%			31,032,830.41		31,617,555.24		584,724.83

Fixed Rate Bonds

Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23) 0.70%	Aa3	3,000,000.00	Apr-21	3,018,410.96	541265	18,410.96
	3,000,000.00	0.7000%			3,000,000.00		3,018,410.96		18,410.96

10 May 2023

Mr Chris Adams
Chief Executive Officer
Tamala Park Regional Council
PO Box 655
INNALOO WA 6918

Dear Chris

COMPILATION REPORT TO THE TAMALA PARK REGIONAL COUNCIL

We have compiled the accompanying local government special purpose financial statements of Tamala Park Regional Council, which comprise the statement of financial activity, a summary of significant accounting policies and other explanatory notes for the period ending 30 April 2023. The monthly financial report has been compiled to meet compliance with the *Local Government Act 1995* and associated regulations.

THE RESPONSIBILITY OF THE TAMALA PARK REGIONAL COUNCIL

The Tamala Park Regional Council are solely responsible for the information contained in the special purpose financial statements and are responsible for the maintenance of an appropriate accounting system in accordance with the relevant legislation.

OUR RESPONSIBILITY

On the basis of information provided by Tamala Park Regional Council we have compiled the accompanying special purpose financial statements in accordance with the requirements of the *Local Government Act 1995*, associated regulations and APES 315 *Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which Tamala Park Regional Council provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The local government special purpose financial statements were compiled exclusively for the benefit of Tamala Park Regional Council. We do not accept responsibility to any other person for the contents of the special purpose financial statements.



Russell Barnes
Director
[Moore Australia \(WA\) Pty Ltd](http://www.moore-australia.com.au)

TAMALA PARK REGIONAL COUNCIL
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 30 April 2023

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

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**KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 30 APRIL 2023**

NATURE OR TYPE DESCRIPTIONS

REVENUE

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates, reimbursements etc.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Shortfall between the value of assets received over the net book value for assets on their disposal.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets. Excluding Land.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2023**

BY NATURE OR TYPE

	Ref Note	Amended Budget (a)	YTD Budget (b)	YTD Actual (c)	Variance \$ (c) - (b)	Variance % ((c) - (b))/(b)	Var.
Opening funding surplus / (deficit)	2(c)	\$ 52,894,309	\$ 52,894,309	\$ 52,894,309	\$ 0	0.00%	
Revenue from operating activities							
Interest earnings		1,070,000	891,667	970,777	79,110	8.87%	
Other revenue		43,818	39,485	36,528	(2,957)	(7.49%)	
		1,113,818	931,152	1,007,305	76,153	8.18%	
Expenditure from operating activities							
Employee costs		(702,630)	(586,982)	(563,286)	23,696	4.04%	
Materials and contracts		(353,852)	(296,862)	(177,547)	119,315	40.19%	▲
Utility charges		(6,829)	0	0	0	0.00%	
Depreciation on non-current assets		(43,510)	(36,258)	(36,462)	(204)	(0.56%)	
Interest expenses		(3,240)	(2,836)	(2,836)	0	0.00%	
Insurance expenses		(19,597)	(19,597)	(19,596)	1	0.01%	
Other expenditure		(164,005)	(123,254)	(122,975)	279	0.23%	
		(1,293,663)	(1,065,789)	(922,702)	143,087	(13.43%)	
Non-cash amounts excluded from operating activities	2(a)	43,510	36,258	24,166	(12,092)	(33.35%)	▼
Amount attributable to operating activities		(136,335)	(98,379)	108,769	207,148	(210.56%)	
Financing Activities							
Payments of member contributions	1	(37,037,724)	(30,864,770)	(16,240,330)	14,624,440	47.38%	▲
Proceeds from member contributions	1	41,247,399	34,372,833	27,308,879	(7,063,954)	20.55%	
Payments of GST withheld	1	(3,077,580)	(2,564,650)	(1,474,551)	1,090,099	42.50%	▲
Payments for principal portion of lease liabilities	7	(33,576)	(27,980)	(27,298)	682	2.44%	
Payments return of contribution	1	(20,000,000)	(20,000,000)	(20,000,000)	0	0.00%	
Payments return of equity	1	(485,534)	0	(1,808,171)	(1,808,171)	0.00%	▼
Proceeds from rates equivalent	1	0	0	(4,700)	(4,700)	0.00%	
Amount attributable to financing activities		(19,387,015)	(19,084,567)	(12,246,171)	6,838,396	(35.83%)	
Closing funding surplus / (deficit)	2(c)	33,370,959	33,711,363	40,756,907	7,045,544	(20.90%)	▲

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 10 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

BASIS OF PREPARATION

This financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996*, prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Regional Council to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial 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.

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.

All monies held in the Trust Fund are excluded from the financial statements.

SIGNIFICANT ACCOUNTING POLICES

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 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 not readily apparent from other sources.

Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimation of fair values of certain financial assets
- estimation of fair values of fixed assets shown at fair value
- impairment of financial assets

GOODS AND SERVICES TAX

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.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 09 May 2023

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2023

NOTE 1
CONTRIBUTED EQUITY

Movement in Financing Activities as Represented by:

	Land Sales	Development	Return of	Return of	Rates	Payments of	GST	Total
	Year to Date	Expenses	Contribution	Equity	Equivalent	Lease	Withheld	Movement
	30 April 2023	Year to Date	Year to Date	Year to Date	Year to Date	Liabilities	Year to Date	Year to Date
	30 April 2023	30 April 2023	30 April 2023	30 April 2023	30 April 2023	30 April 2023	30 April 2023	30 April 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Town of Victoria Park	2,275,740	(1,353,361)	(1,666,668)	(150,681)	0	(2,275)	(122,879)	(1,020,124)
City of Perth	2,275,740	(1,353,361)	(1,666,668)	(150,681)	(4,700)	(2,275)	(122,879)	(1,024,824)
Town of Cambridge	2,275,740	(1,353,361)	(1,666,668)	(150,681)	0	(2,275)	(122,879)	(1,020,124)
City of Joondalup	4,551,480	(2,706,722)	(3,333,332)	(301,362)	0	(4,550)	(245,759)	(2,040,245)
City of Wanneroo	4,551,480	(2,706,722)	(3,333,332)	(301,362)	0	(4,550)	(245,759)	(2,040,245)
Town of Vincent	2,275,740	(1,353,361)	(1,666,668)	(150,681)	0	(2,275)	(122,879)	(1,020,124)
City of Stirling	9,102,960	(5,413,444)	(6,666,664)	(602,724)	0	(9,098)	(491,517)	(4,080,486)
Total	27,308,879	(16,240,330)	(20,000,000)	(1,808,171)	(4,700)	(27,298)	(1,474,551)	(12,246,171)

	Land Sales	Development	Return of	Return of	Rates	Payments of	GST	Total
	Amended	Expenses	Contribution	Equity	Equivalent	Lease	Withheld	Movement
	Budget	Amended	Amended	Amended	Amended	Liabilities	Amended	Amended
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$	\$	\$	\$	\$	\$	\$	\$
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	6,874,567	(6,172,954)	(3,333,333)	(80,922)	0	(5,596)	(512,930)	(3,231,168)
	6,874,567	(6,172,954)	(3,333,333)	(80,922)	0	(5,596)	(512,930)	(3,231,168)
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	13,749,133	(12,345,908)	(6,666,666)	(161,846)	0	(11,192)	(1,025,860)	(6,462,339)
	41,247,399	(37,037,724)	(20,000,000)	(485,534)	0	(33,576)	(3,077,580)	(19,387,015)

Movement in Total Equity Represented by:

	Closing Balance	Movement in		Year to Date
		Contributed	Net Result	
	30 June 2022	Equity		30 April 2023
	\$			\$
Town of Victoria Park	4,509,818	(1,020,124)	7,050	3,496,744
City of Perth	4,509,818	(1,024,824)	7,050	3,492,044
Town of Cambridge	4,509,818	(1,020,124)	7,050	3,496,744
City of Joondalup	9,019,634	(2,040,245)	14,101	6,993,490
City of Wanneroo	9,019,634	(2,040,245)	14,101	6,993,490
Town of Vincent	4,509,818	(1,020,124)	7,050	3,496,744
City of Stirling	18,042,083	(4,080,486)	28,201	13,989,798
Total	54,120,623	(12,246,171)	84,603	41,959,055

Total Movement in Equity

(12,161,568)

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

	Notes	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities		\$	\$	\$
Adjustments to operating activities				
Movement in employee benefit provisions (non-current)		0	0	(12,296)
Add: Depreciation on assets		43,510	36,258	36,462
Total non-cash items excluded from operating activities		43,510	36,258	24,166

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

		Amended Budget Opening 30 June 2022	Last Year Closing 30 June 2022	Year to Date 30 April 2023
Adjustments to net current assets				
Add: Lease liabilities	7	33,577	31,760	5,540
Total adjustments to net current assets		33,577	31,760	5,540

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	3	26,648,937	10,227,737	6,648,721
Financial assets at amortised cost	3	0	42,228,303	34,032,830
Receivables	4	350,000	595,395	980,389
Other current assets	5	10,000	27,600	1,800
Less: Current liabilities				
Payables	6	(91,644)	(162,938)	(834,080)
Lease liabilities	7	(33,577)	(31,760)	(5,540)
Provisions	8	(21,788)	(21,788)	(72,753)
Less: Total adjustments to net current assets	2(b)	33,577	31,760	5,540
Closing funding surplus / (deficit)		26,895,505	52,894,309	40,756,907

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. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

Description	Classification	Unrestricted	Total Cash and Financial Assets	Institution	Interest Rate	Maturity Date
		\$	\$			
Current cash and current financial assets						
Municipal bank	Cash and cash equivalents	300,438	300,438	Westpac	Nil	Nil
Settlement Proceeds	Cash and cash equivalents	1,238,561	1,238,561	Westpac	0.34%	Nil
Cash Management	Cash and cash equivalents	1	1	Macquarie	0.25%	Nil
Accelerator	Cash and cash equivalents	5,109,721	5,109,721	Macquarie	1.85%	Nil
Term Deposit 2738	Financial assets at amortised cost	1,000,000	1,000,000	ME Bank	3.05%	May-23
Term Deposit 2511	Financial assets at amortised cost	2,000,000	2,000,000	CBA	3.03%	May-23
Term Deposit AA1102A	Financial assets at amortised cost	3,000,000	3,000,000	NT Bonds	0.70%	Jun-23
Term Deposit 5118	Financial assets at amortised cost	3,000,000	3,000,000	CBA	3.86%	Jun-23
Term Deposit 4915	Financial assets at amortised cost	1,006,578	1,006,578	Suncorp	4.20%	Jul-23
Term Deposit	Financial assets at amortised cost	2,000,000	2,000,000	AMP	4.65%	Aug-23
Term Deposit	Financial assets at amortised cost	3,000,000	3,000,000	AMP	4.65%	Aug-23
Term Deposit 2250	Financial assets at amortised cost	3,012,115	3,012,115	Westpac	4.84%	Sep-23
Term Deposit	Financial assets at amortised cost	1,000,000	1,000,000	CBA	4.47%	Sep-23
Term Deposit 0647	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	4.58%	Oct-23
Term Deposit	Financial assets at amortised cost	1,000,000	1,000,000	Westpac	4.82%	Nov-23
Term Deposit	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	4.85%	Dec-23
Term Deposit	Financial assets at amortised cost	4,000,000	4,000,000	NAB	4.72%	Dec-23
Term Deposit	Financial assets at amortised cost	2,000,000	2,000,000	CBA	4.49%	Jan-24
Term Deposit 2949	Financial assets at amortised cost	1,004,763	1,004,763	Westpac	4.95%	Feb-24
Term Deposit 2949	Financial assets at amortised cost	1,009,374	1,009,374	Westpac	5.05%	Feb-24
Total		40,681,551	40,681,551			
Comprising						
Cash and cash equivalents		6,648,721	6,648,721			
Financial assets at amortised cost - current		34,032,830	34,032,830			
		40,681,551	40,681,551			

KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

The local government classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.

Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	338,182	14,521	9,314	0	362,017
Percentage	0.0%	93.4%	4%	2.6%	0%	
Balance per trial balance						
Sundry receivable						362,017
GST receivable						2,339
Accrued interest						616,033
Total receivables general outstanding						980,389

Amounts shown above include GST (where applicable)

KEY INFORMATION

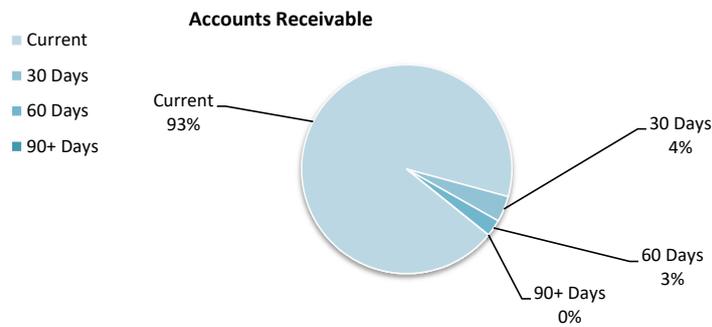
Trade and other receivables include amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days and are classified as current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Regional Council measures them subsequently at amortised cost using the effective interest rate method.



Other current assets	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 30 April 2023
	\$	\$	\$	\$
Funds held by Settlement agent in Trust	27,600	36,500	(62,300)	1,800
Total other current assets	27,600	36,500	(62,300)	1,800

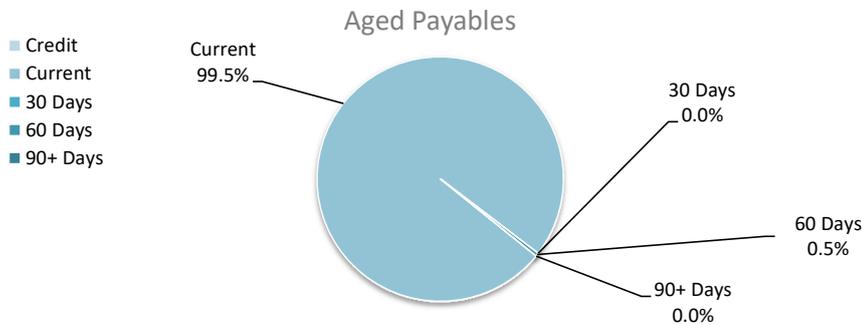
Amounts shown above include GST (where applicable)

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	681,995	0	3,158	0	685,153
Percentage	0%	99.5%	0%	0.5%	0%	
Balance per trial balance						
Sundry creditors						685,153
ATO liabilities						28,831
Credit card						96
Deposits or bonds						120,000
Total payables general outstanding						834,080

Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Regional Council prior to the end of the period 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. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.



Movement in carrying amounts

Information on leases		1 July 2022	New Leases		Principal Repayments		Principal Outstanding		Interest Repayments	
Particulars	Lease No.		Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Other property and services										
2/369 Scarborough Beach Road, Innaloo	STIRLI/210937	87,082	10,968	0	(27,298)	(33,576)	70,752	53,506	(2,836)	(3,240)
Total		87,082	10,968	0	(27,298)	(33,576)	70,752	53,506	(2,836)	(3,240)
Current lease liabilities		31,760					5,540			
Non-current lease liabilities		119,156					129,046			
		150,916					134,586			

All lease repayments were financed by general purpose revenue.

KEY INFORMATION

At inception of a contract, the Regional Council assesses if the contract contains or is a lease. A contract is or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date.

The lease payments are discounted using that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Regional Council uses its incremental borrowing rate.

All contracts classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 30 April 2023
		\$		\$	\$	\$
Other current liabilities						
Employee Related Provisions						
Annual leave		21,788	0	16,089	0	37,877
Long service leave		0	12,296	22,580	0	34,876
Total Employee Related Provisions		21,788	12,296	38,669	0	72,753
Total other current liabilities		21,788	12,296	38,669	0	72,753
Amounts shown above include GST (where applicable)						

KEY INFORMATION

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 end of the reporting period.

Employee Related Provisions

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 calculation of net current assets.

Other long-term employee benefits

The Regional Council's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

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.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2023**

**NOTE 9
BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

Description	Council Resolution	Classification	Non Cash	Increase in	Decrease in	Amended Budget Running Balance
			Adjustment	Cash	Available Cash	
			\$	\$	\$	\$
Budget adoption			0	26,895,505	0	26,895,505
Opening Surplus(Deficit)	16.02.2023 item 9.1	Opening Surplus(Deficit)	0	0	(4,863)	26,890,642
Interest earnings	16.02.2023 item 9.1	Operating Revenue	0	179,574	0	27,070,216
Other revenue	16.02.2023 item 9.1	Operating Revenue	0	32,818	(11,939)	27,091,095
Employee costs	16.02.2023 item 9.1	Operating Expenses	0	35,307	0	27,126,402
Materials and contracts	16.02.2023 item 9.1	Operating Expenses	0	46,707	(20,249)	27,152,860
Interest expenses	16.02.2023 item 9.1	Operating Expenses	0	0	(1,817)	27,151,043
Insurance expenses	16.02.2023 item 9.1	Operating Expenses	0	2,355	0	27,153,398
Other expenditure	16.02.2023 item 9.1	Operating Expenses	0	7,250	0	27,160,648
Payments for property, plant and equipment	16.02.2023 item 9.1	Capital Expenses	0	5,000	0	27,165,648
Payments of member contributions	16.02.2023 item 9.1	Capital Expenses	0	26,230,897	(2,204,539)	51,192,006
Proceeds from member contributions	16.02.2023 item 9.1	Capital Revenue	0	149,986	(19,059,126)	32,282,866
Payments of GST withheld	16.02.2023 item 9.1	Capital Expenses	0	1,088,093	0	33,370,959
			0	54,673,492	(21,302,533)	33,370,959

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2023**

**NOTE 10
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.
The material variance adopted by Council for the 2022-23 year is \$5,000 or 10.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Expenditure from operating activities						
Materials and contracts	119,315	40.19%	▲			
Non-cash amounts excluded from operating activities	(12,092)	(33.35%)	▼			
Financing activities						
Payments of member contributions	14,624,440	47.38%	▲			
Payments return of equity	(1,808,171)	0.00%	▼			
Closing funding surplus / (deficit)	7,045,544	(20.90%)	▲			



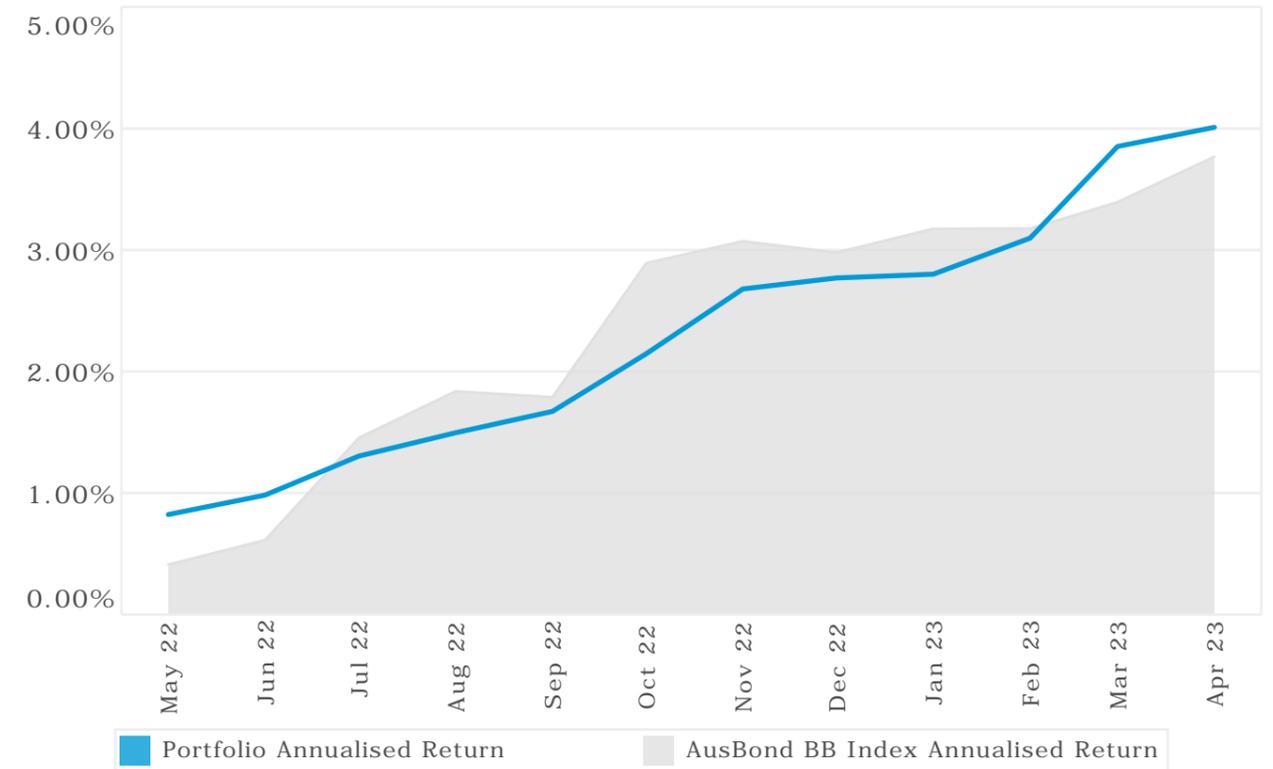
Investment Summary Report
April 2023



Investment Holdings

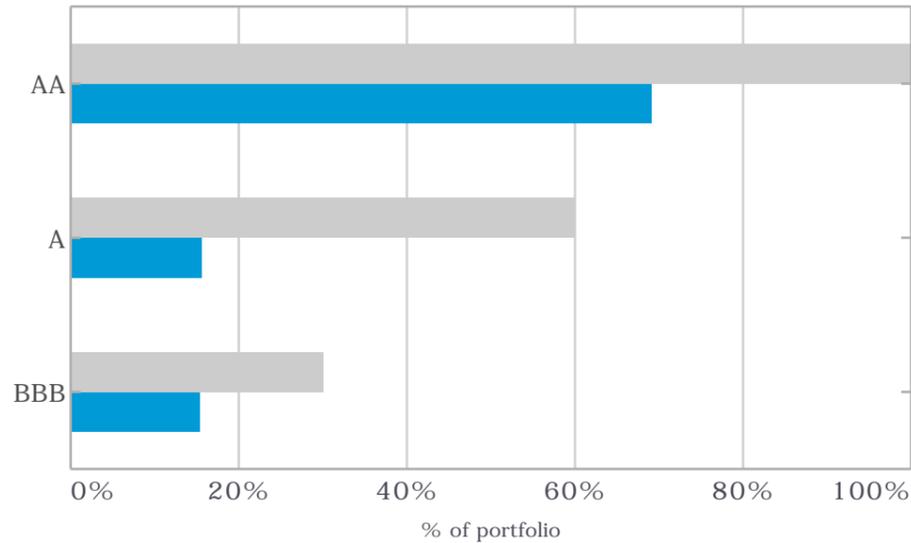
Investment Performance

	Face Value (\$)	Current Value (\$)	Current	Yield (%)
Bonds	3,000,000	3,018,411		0.7000
Cash	5,109,721	5,109,721		3.2645
Term Deposit	31,032,830	31,617,555		4.4552
	39,142,551	39,745,687		4.0119

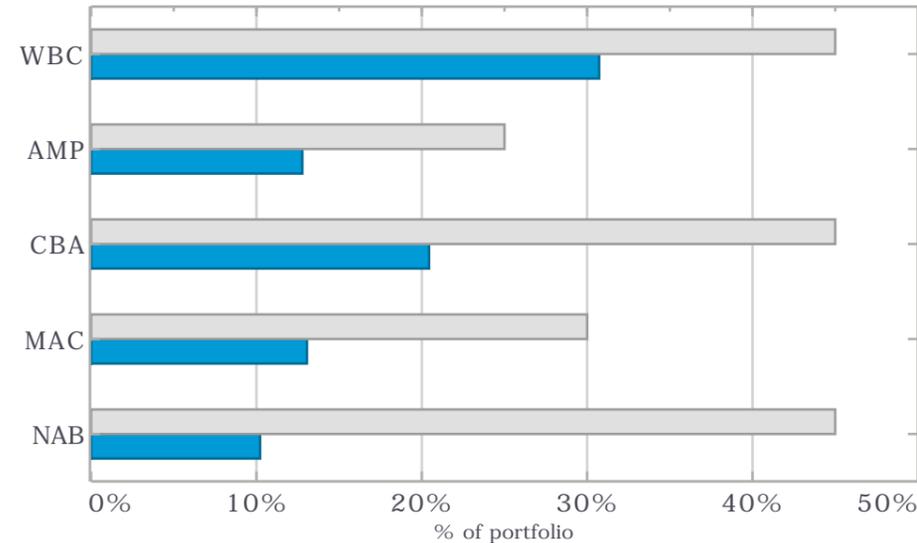


Investment Policy Compliance

Total Credit Exposure



Individual Institutional Exposures



Term to Maturities

	Face Value (\$)	Policy Max
Between 0 and 1 years	39,142,551	100% a
	39,142,551	

g Portfolio Exposure g Investment Policy Limit

Tamala Park Regional Council

Investment Holdings Report - April 2023



Cash Accounts

Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.	Reference
5,109,720.79	3.2645%	Macquarie Bank	A+	5,109,720.79	541301	Accelerator
5,109,720.79	3.2645%			5,109,720.79		

Term Deposits

Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Next Interest Date	Reference
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,029,664.38	542757	29,664.38	At Maturity	675
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,058,773.70	542772	58,773.70	At Maturity	677
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,094,860.82	542933	94,860.82	At Maturity	679
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,026,036.75	543545	19,458.67	At Maturity	690
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,044,589.04	543519	44,589.04	At Maturity	687
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,066,883.56	543520	66,883.56	At Maturity	689
Sep-23	1,000,000.00	4.4700%	Commonwealth Bank of Australia	AA-	1,000,000.00	Feb-23	1,010,164.66	543795	10,164.66	At Maturity	692
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,098,788.06	543396	86,672.99	At Maturity	683
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,074,911.23	543474	74,911.23	At Maturity	685
Nov-23	1,000,000.00	4.8200%	Westpac Group	AA-	1,000,000.00	Mar-23	1,006,206.58	543933	6,206.58	At Maturity	698
Dec-23	4,000,000.00	4.7200%	National Australia Bank	AA-	4,000,000.00	Mar-23	4,026,897.53	543931	26,897.53	At Maturity	697
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,021,924.66	543905	21,924.66	At Maturity	696
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,023,864.66	543716	23,864.66	At Maturity	691
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,015,118.95	543888	10,355.94	Semi Annually	693
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,018,870.66	543853	9,496.41	Semi Annually	695
	31,032,830.41	4.4552%			31,032,830.41		31,617,555.24		584,724.83		

Fixed Rate Bonds

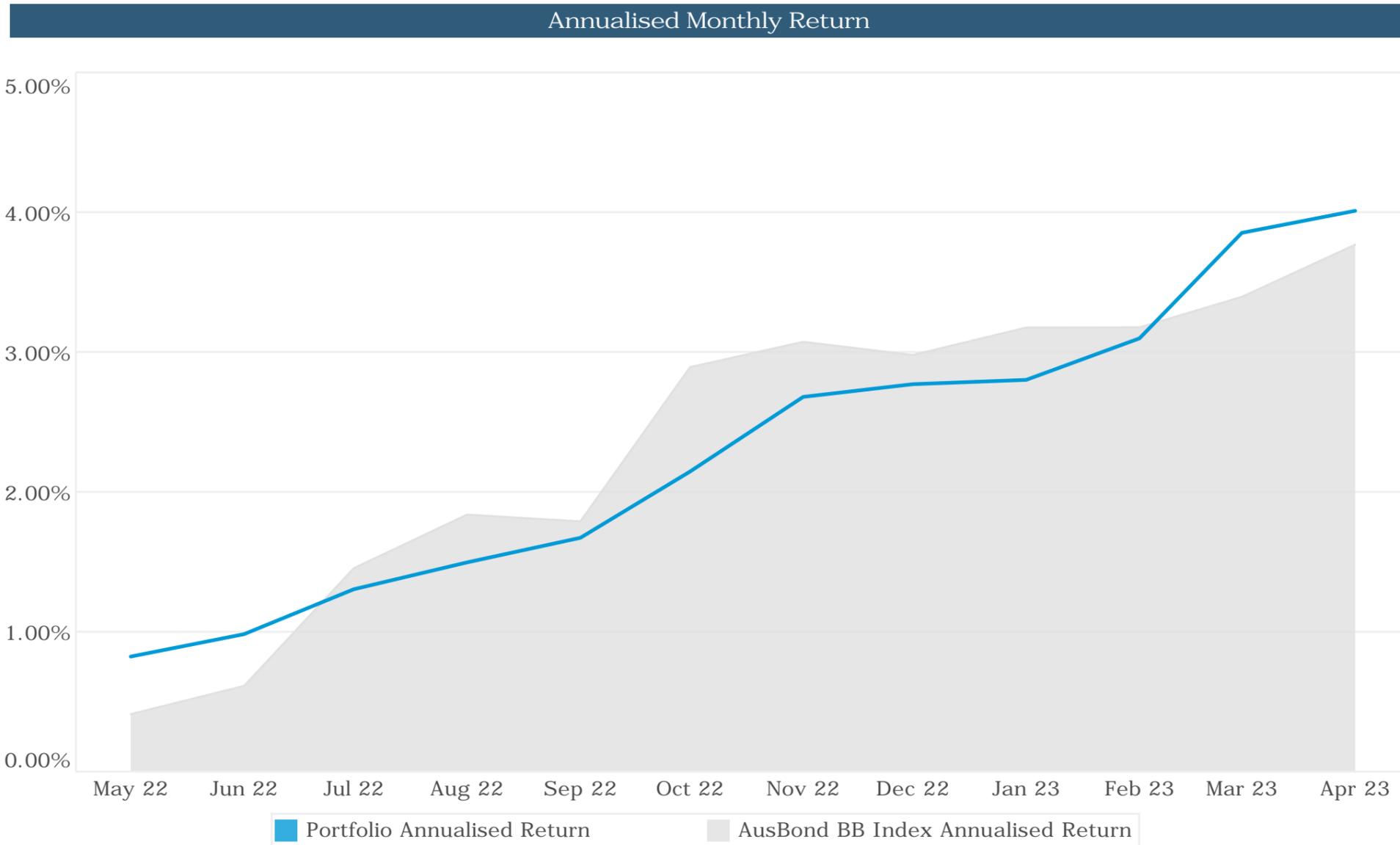
Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Purchase Yield	Reference
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23) 0.70%	Aa3	3,000,000.00	Apr-21	3,018,410.96	541265	18,410.96	.70000%	642
	3,000,000.00	0.7000%			3,000,000.00		3,018,410.96		18,410.96	.7000%	

Tamala Park Regional Council

Accrued Interest Report - April 2023



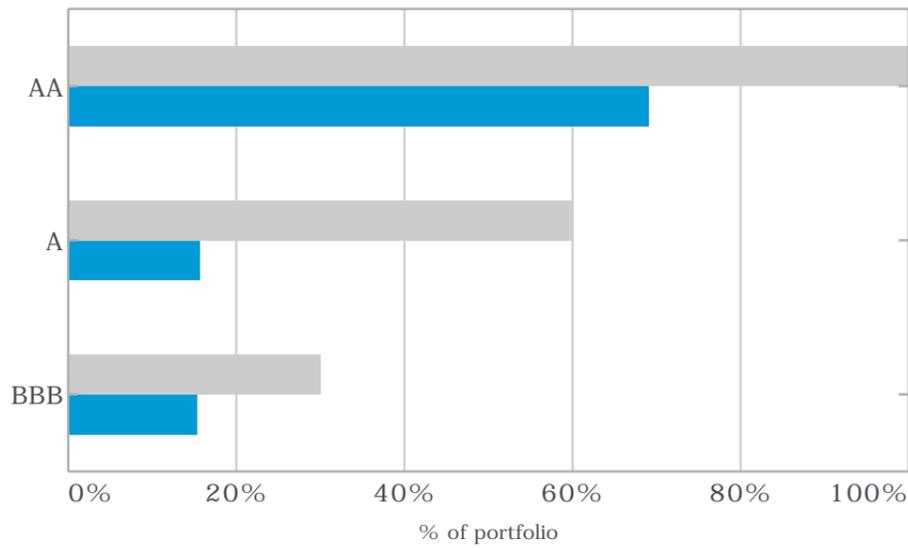
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
Bonds									
NT T-Corp Bond (Jun23) 0.70%	541265		3,000,000.00	Apr-21	Jun-23	0.00	30	1,726.03	0.70%
						0.00		1,726.03	0.70%
Cash									
Macquarie Bank	541301					13,473.40	0	13,473.40	3.26%
						13,473.40		13,473.40	3.26%
Term Deposits									
Westpac Group	543174		3,000,000.00	Aug-22	Apr-23	78,332.88	16	5,115.62	3.89%
Suncorp Bank	543476		1,000,000.00	Oct-22	Apr-23	20,294.25	16	1,784.11	4.07%
ME Bank	542757		1,000,000.00	May-22	May-23	0.00	30	2,506.85	3.05%
Commonwealth Bank of Australia	542772		2,000,000.00	May-22	May-23	0.00	30	4,980.82	3.03%
Commonwealth Bank of Australia	542933		3,000,000.00	Jul-22	Jun-23	0.00	30	9,517.81	3.86%
Suncorp Bank	543545		1,006,578.08	Nov-22	Jul-23	0.00	30	3,474.76	4.20%
AMP Bank	543519		2,000,000.00	Nov-22	Aug-23	0.00	30	7,643.83	4.65%
AMP Bank	543520		3,000,000.00	Nov-22	Aug-23	0.00	30	11,465.75	4.65%
Westpac Group	543396		3,012,115.07	Sep-22	Sep-23	0.00	30	11,982.44	4.84%
Commonwealth Bank of Australia	543795		1,000,000.00	Feb-23	Sep-23	0.00	30	3,673.98	4.47%
Westpac Group	543474		3,000,000.00	Oct-22	Oct-23	0.00	30	11,293.15	4.58%
Westpac Group	543933		1,000,000.00	Mar-23	Nov-23	0.00	30	3,961.65	4.82%
Westpac Group	543905		3,000,000.00	Mar-23	Dec-23	0.00	30	11,958.91	4.85%
National Australia Bank	543931		4,000,000.00	Mar-23	Dec-23	0.00	30	15,517.80	4.72%
Commonwealth Bank of Australia	543716		2,000,000.00	Jan-23	Jan-24	0.00	30	7,380.82	4.49%
Westpac Group	543853		1,009,374.25	Feb-23	Feb-24	0.00	30	4,189.59	5.05%
Westpac Group	543888		1,004,763.01	Feb-23	Feb-24	0.00	30	4,087.87	4.95%
						98,627.13		120,535.76	4.42%
Grand Totals						112,100.53		135,735.19	4.01%



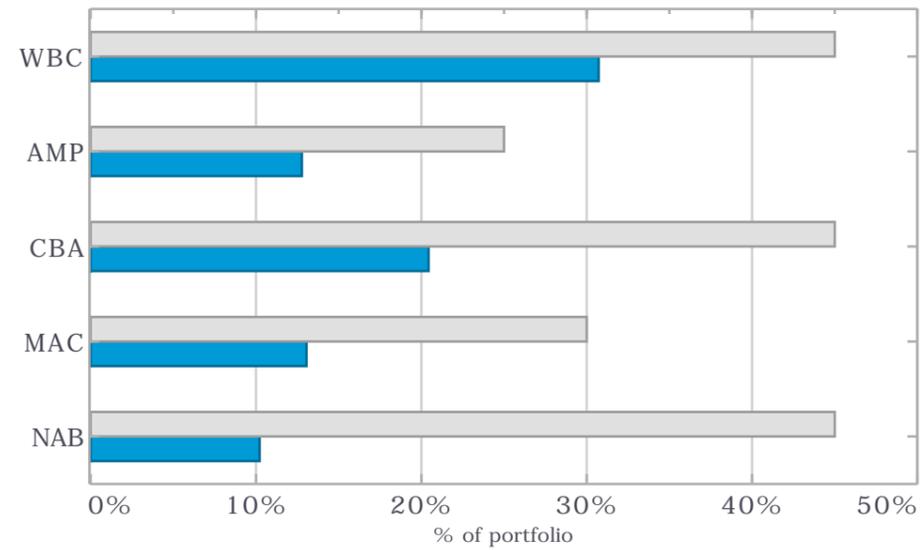
Historical Performance Summary (% pa)			
	Portfolio	Annualised BB Index	Outperformance
Apr 2023	4.01%	3.77%	0.24%
Last 3 months	3.67%	3.45%	0.22%
Last 6 months	3.20%	3.26%	-0.06%
Financial Year to Date	2.57%	2.75%	-0.18%
Last 12 months	2.29%	2.37%	-0.08%



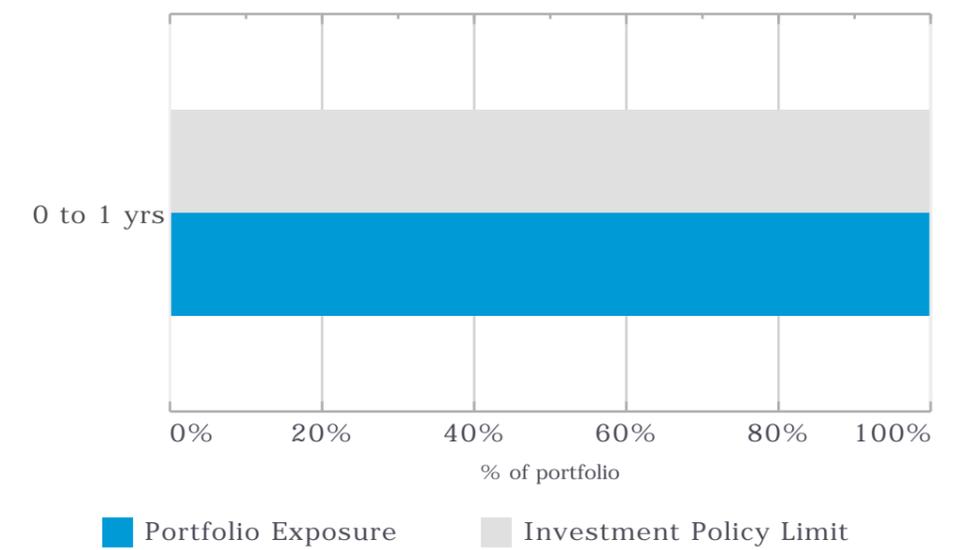
Total Credit Exposure



Individual Institutional Exposures



Term to Maturities



Credit Rating Group	Face Value (\$)	Policy Max
AA	27,026,252	100%
A	6,116,299	60%
BBB	6,000,000	30%
	39,142,551	

Institution	% of portfolio	Investment Policy Limit
Westpac Group (AA-)	31%	45%
AMP Bank (BBB)	13%	25%
Commonwealth Bank of Australia (AA-)	20%	45%
Macquarie Bank (A+)	13%	30%
National Australia Bank (AA-)	10%	45%
NT T-Corp (Aa3)	8%	45%
Bank of Queensland (BBB+)	3%	25%
Suncorp Bank (A+)	3%	30%

Term to Maturity	Face Value (\$)	Policy Max
Between 0 and 1 years	39,142,551	100%
	39,142,551	

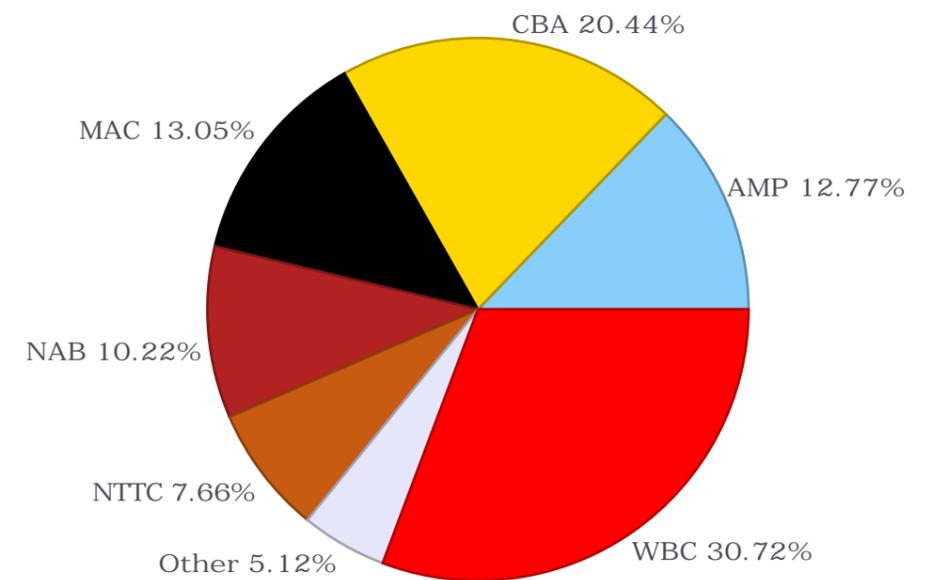
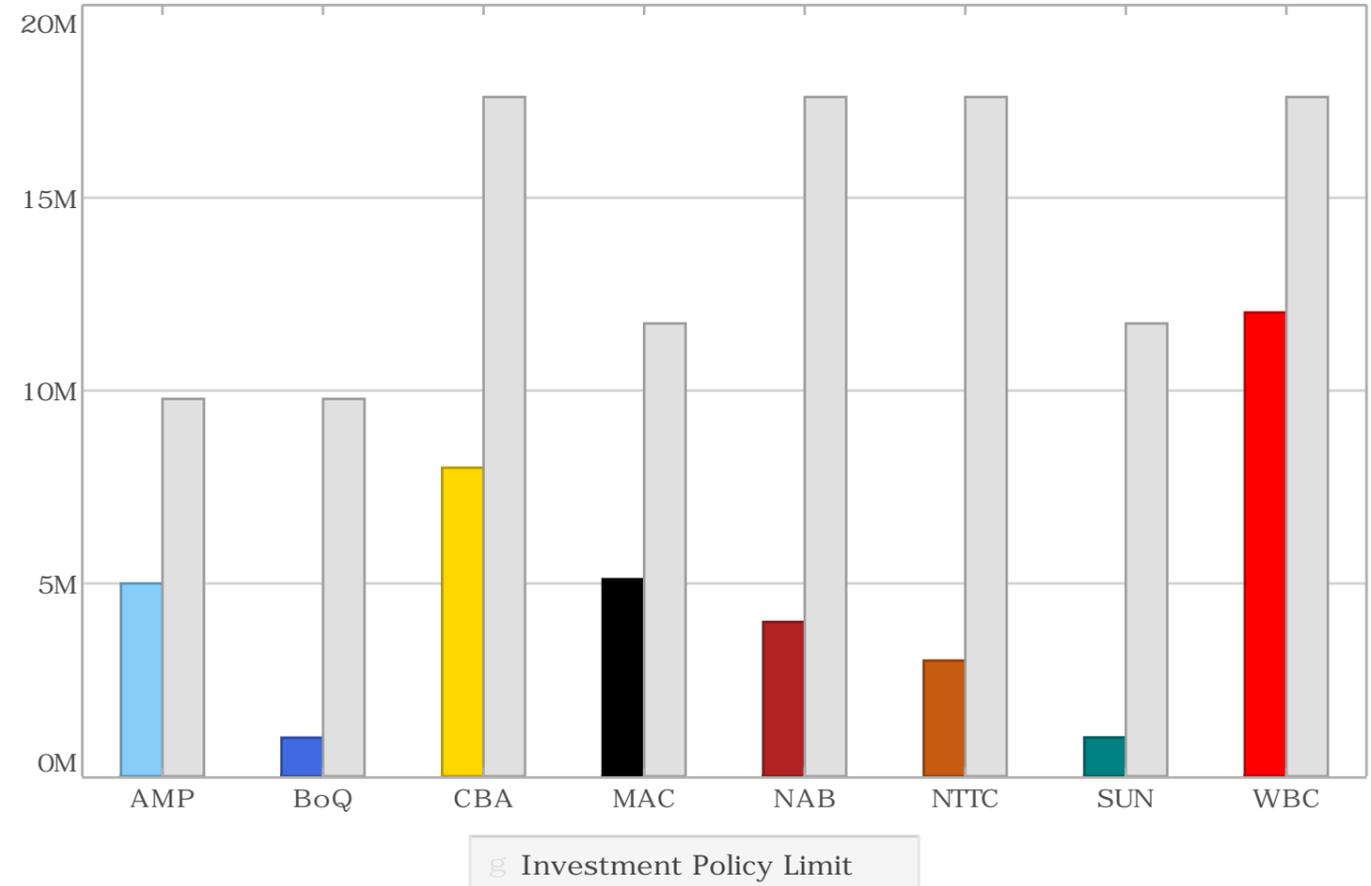
a = compliant
r = non-compliant



Individual Institutional Exposures

Individual Institutional Exposure Charts

	Current Exposures		Policy Limit		Capacity
AMP Bank (BBB)	5,000,000	13%	9,785,638	25%	4,785,638
Bank of Queensland (BBB+)	1,000,000	3%	9,785,638	25%	8,785,638
Commonwealth Bank of Australia (AA-)	8,000,000	20%	17,614,148	45%	9,614,148
Macquarie Bank (A+)	5,109,721	13%	11,742,765	30%	6,633,044
National Australia Bank (AA-)	4,000,000	10%	17,614,148	45%	13,614,148
NT T-Corp (Aa3)	3,000,000	8%	17,614,148	45%	14,614,148
Suncorp Bank (A+)	1,006,578	3%	11,742,765	30%	10,736,187
Westpac Group (AA-)	12,026,252	31%	17,614,148	45%	5,587,896
	39,142,551				



Tamala Park Regional Council

Cashflows Report - April 2023

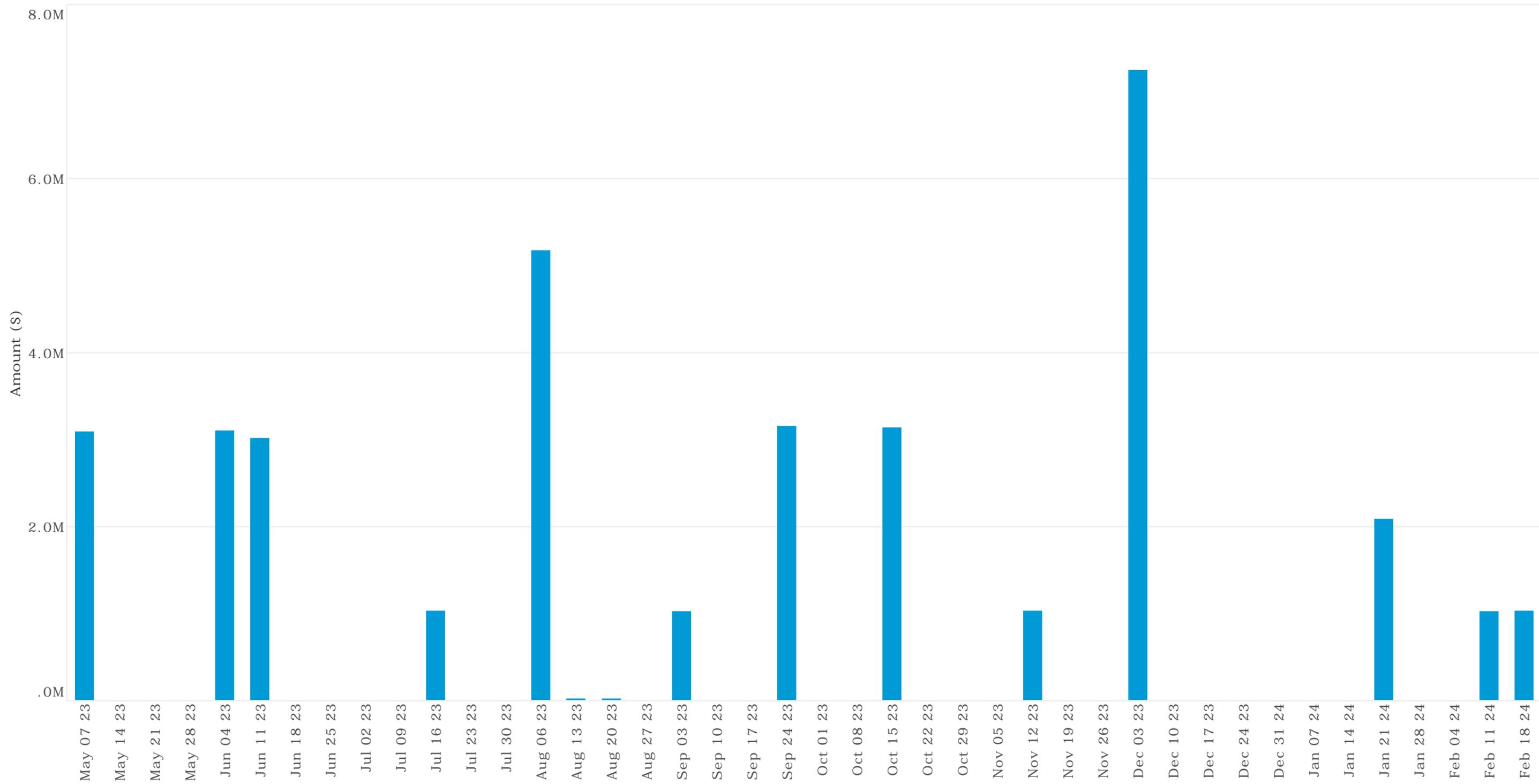


Actual Cashflows for April 2023

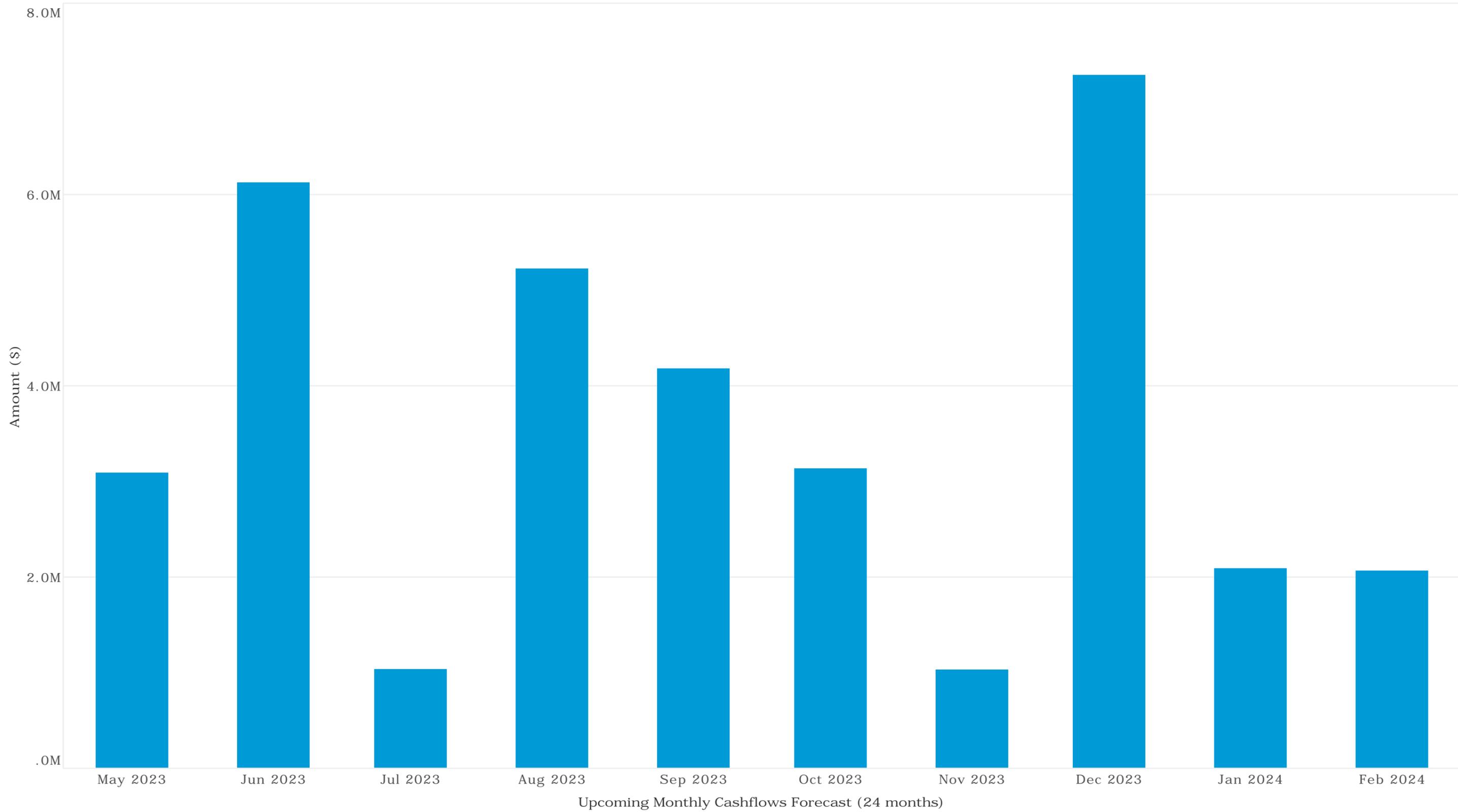
Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
Apr-23	543174	Westpac Group	Term Deposit	Maturity: Face Value	3,000,000.00
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	78,332.88
		<u>Deal Total</u>			
Apr-23	543476	Suncorp Bank	Term Deposit	Maturity: Face Value	1,000,000.00
		Suncorp Bank	Term Deposit	Maturity: Interest Received/Paid	20,294.25
		<u>Deal Total</u>			
<u>Day Total</u>					<u>4,098,627.12</u>
<u>Total for Month</u>					<u>4,098,627.12</u>

Forecast Cashflows for May 2023

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
May-23	542757	ME Bank	Term Deposit	Maturity: Face Value	1,000,000.00
		ME Bank	Term Deposit	Maturity: Interest Received/Paid	30,500.00
		<u>Deal Total</u>			
<u>Day Total</u>					<u>1,030,500.00</u>
May-23	542772	Commonwealth Bank of Australia	Term Deposit	Maturity: Face Value	2,000,000.00
		Commonwealth Bank of Australia	Term Deposit	Maturity: Interest Received/Paid	60,600.00
		<u>Deal Total</u>			
<u>Day Total</u>					<u>2,060,600.00</u>
<u>Total for Month</u>					<u>3,091,100.00</u>



Upcoming Weekly Cashflows Forecast (52 weeks)



8.3. LIST OF MONTHLY ACCOUNTS SUBMITTED - APRIL 2023

Responsible Officer: Chief Executive Officer
Attachments: 1. Attachment - Summary Payments (April)
2. Attachment - Credit Card Report (April)
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council:

- 1. RECEIVES and NOTES the list of accounts paid under Delegated Authority to the CEO for April 2023 - \$12,447,070.38.**
 - 2. APPROVES the CEO Credit Card Statement for April 2023.**
-

PURPOSE

Submission of payments made under the CEO's Delegated Authority for the month of April 2023.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995: Sect 5.42 - Delegation given for Payments*
- *Local Government (Financial Management) Regulations 1996: Regulation 13(1) - Monthly Payment list required*
- *Local Government (Audit) Regulations 1996: Regulation 13 - Compliance Audit Item*

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
TPRC Operations - Financial Management of TPRC.	Low

Action:
Preparation and reporting on monthly accounts for Council approval.

BACKGROUND

A list of accounts paid under delegation or submitted for authorisation for payment is to be submitted to the Council at each meeting. It is a specific requirement of the Regulations that the list state the month (not the period) for which the account payments or authorisation relates.

COMMENT

Payments made are in accordance with authorisations from Council, approved budget, TPRC procurement and other relevant policies.

Payments are reviewed by TPRC Accountants Moore Australia following completion of each month's accounts.

Tamala Park Regional Council
Summary Payment List
April 2023

Date	Name	Description	Amount
06/04/2023	Employee costs	Wages for period 23/03/23 - 05/04/23	-15,960.33
06/04/2023	Australian Super	Superannuation for period 23/03/23 - 05/04/23	-2,411.71
06/04/2023	Adams, Chris	Reimbursement of mobile phone charges (2 x mon	-117.14
06/04/2023	Burgess Rawson	Stages 36 & 37 Valuation fee (5 lots)	-275.00
06/04/2023	City of Stirling	GST owing February 2023	-6,940.09
06/04/2023	City of Vincent	GST (January & February 2023)	-3,158.00
06/04/2023	Cossill and Webley	Engineering services	-8,181.94
06/04/2023	Dominic Carbone and Assoc	GST management (March 2023)	-660.00
06/04/2023	Emerge Associates	Landfill Buffer Advice	-8,250.00
06/04/2023	hyd20 Hydrology	Preparation of UWMP Addendum	-412.50
06/04/2023	LD Total	Landscaping rebates	-8,505.92
06/04/2023	Manning, Paul & Shelley	Solar Panel Rebate - Lot 2098	-2,000.00
06/04/2023	Moore Australia (WA) Pty Ltd	Compilation of SOFA (February 2023)	-2,310.00
06/04/2023	Next Level Signage	Reskin of Display Village pylon sign	-863.50
06/04/2023	Niche Planning Studio	Catalina Green Concept Plan	-9,625.00
06/04/2023	O'Sullivan, Simon	Reimbursement of mobile phone charges	-58.19
06/04/2023	Pieniazek, C & Barras, J	WELS & Solar Panel Rebates	-3,000.00
06/04/2023	Prudential Investment Services	Investment Portfolio Services (March 2023)	-1,857.52
06/04/2023	R J Vincent and Co	Civil works	-1,252,184.42
06/04/2023	Satterley Property Group	Community development services (February 2023)	-1,617.00
06/04/2023	Senversa Pty Ltd	UWMP Landfill Advice	-2,467.30
06/04/2023	Starr, S	Reimbursement for milk x 2	-6.50
06/04/2023	The Brand Agency	Additional static & HTML5 display banner	-475.75
06/04/2023	Water Corporation	Sales Office water charges (17/01/23 - 16/03/23)	-223.42
11/04/2023	Westpac Bank	Payment of credit card charges - April 2023	-416.84
13/04/2023	City of Wanneroo	GST (January & February 2023)	-6,315.91
14/04/2023	City of Joondalup	GST owing February 2023	-3,470.05
20/04/2023	Employee costs	Wages for period 06/04/2023 - 19/04/2023	-15,799.65
20/04/2023	Australian Super	Superannuation for period 06/04/2023 - 19/04/2023	-2,411.71
20/04/2023	Burgess Rawson	Valuation services	-1,210.00
20/04/2023	City of Stirling	GST (March 2023), rent & IT support	-7,628.07
20/04/2023	Coterra Environment	Environmental consulting services	-4,389.00
20/04/2023	Cox, Daniel	Solar Panel Rebate - Lot 937	-2,000.00
20/04/2023	Ideal Living	Building plan assessments (March 2023)	-2,330.00
20/04/2023	Kevin Smith Cleaning Services	Cleaning of TPRC office (March 2023)	-145.71
20/04/2023	LD Total	Landscaping maintenance	-359,557.80
20/04/2023	MacDougall, David & Brenda	WELS Rebate - Lot 2014	-1,000.00
20/04/2023	Marketforce	Statutory advertising	-2,497.50
20/04/2023	McGees Property	Valuation of Sales Office	-1,100.00
20/04/2023	McMullen Nolan Group	Surveying services	-12,075.20
20/04/2023	Neverfail	Water bottles x 3 + cooler rental (17/04/2023 - 17/C	-205.93
20/04/2023	New Living Cleaning	Sales Office cleaning (24/03/23 & 07/04/23)	-420.00
20/04/2023	Nutrien Water	Landscape maintenance	-6,429.67
20/04/2023	Satterley Property Group	Community Development Services (March 2023)	-1,617.00
20/04/2023	Starr, S	Reimbursement (2 x milk)	-6.50
20/04/2023	Vocus Pty Ltd	Business internet (April 2023)	-162.80
20/04/2023	City of Wanneroo	Stage 37 Bonding & Supervision Fees	-12,910.48
20/04/2023	Synergy	Power charges (Feb - April)	-4,634.92
24/04/2023	City of Wanneroo	Stage 37 Early Clearance Bond	-666,774.41
27/04/2023	City of Joondalup	19th Dividend Payment - TPRC Project	-1,666,666.00
27/04/2023	City of Perth	19th Dividend Payment - TPRC Project	-833,334.00
27/04/2023	City of Stirling	19th Dividend Payment - TPRC Project	-3,333,332.00
27/04/2023	City of Vincent	19th Dividend Payment - TPRC Project	-833,334.00
27/04/2023	City of Wanneroo	19th Dividend Payment - TPRC Project	-1,666,666.00

Tamala Park Regional Council
Summary Payment List
April 2023

27/04/2023	Town of Cambridge	19th Dividend Payment - TPRC Project	-833,334.00
27/04/2023	Town of Victoria Park	19th Dividend Payment - TPRC Project	-833,334.00
			<u>-12,447,070.38</u>

Tamala Park Regional Council
Credit Card Report
As of April 30, 2023

Type	Date	Name	Description	Amount
A01110 · Westpac Visa Corp Credit Card				
Credit Card Charge	1/04/2023	Coles Supermarkets	Coffee pods x 6	33.00
Credit Card Charge	3/04/2023	Coles Supermarkets	Coffee pods x 6	33.00
Credit Card Charge	4/04/2023	Digital Pigeon	File transfer service annual s...	253.00
Credit Card Charge	10/04/2023	Westpac Bank	Credit card fees (CEO, EA & ...	11.25
Cheque	11/04/2023	Westpac Bank	Credit card charges (EA)	-399.23
Cheque	11/04/2023	Westpac Bank	Credit card charges (CEO)	-12.86
Cheque	11/04/2023	Westpac Bank	Credit card charges (MPC)	-4.75
Credit Card Charge	24/04/2023	Lot Six Zero	Refreshments for consultant ...	21.24
Credit Card Charge	27/04/2023	City of perth Parking	Meeting with Water Corporati...	5.55
Credit Card Charge	29/04/2023	Zoom Video Comm...	Standard Pro Monthly x 3 (M...	69.18
Total A01110 · Westpac Visa Corp Credit Card				9.38
TOTAL				9.38

8.4. STATEMENT OF FINANCIAL ACTIVITY - MAY 2023

Responsible Officer: Chief Executive Officer
Attachments: 1. Attachment - SOFA (May)
2. Attachment - Investment Report (May)
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council **RECEIVES** and **NOTES** the Statement of Financial Activity for the month ending 31 May 2023.

PURPOSE

Submission of the Statement(s) of Financial Activity required under the *Local Government Act 1995*.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: Sect 6.4(1): Financial Report Required
- *Local Government (Financial Management) Regulations 1996*: Regulation 34 Composition of Report
- *Local Government (Financial Management) Regulations 1996*: Regulation 34 (5) Material Variance Reports
- *Local Government (Audit) Regulations 1996*: Regulation 14 Compliance Audit Item

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

NA

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
TPRC Operations - Financial Management of TPRC.	Low

Action:

Preparation and reporting on monthly accounts for Council approval.

The submission of the Statement(s) of Financial Activity is required under the *Local Government Act 1995* and necessary to ensure transparency and governance of financial activity.

BACKGROUND

It is a mandatory requirement that the Council receives, reviews and records in the Regional Council's public minutes a statement of financial activity showing annual budget estimates and the figures for budget estimates, income and expenditure and variances at the end of each month. The report is also to show the composition of assets and other relevant information.

COMMENT

The detailed Statements contained in the attachment reflect the budget proposals and direction adopted by the Council.

Variances at 31 May 2023 exceeding 10% or \$5,000 (whichever is the greater) were experienced in relation to the following:

Expenditure from Operating Activities	
Interest earnings	The positive variance (\$132K or 13%) relates to higher than budget interest being received on the TPRC's term deposits.
Materials and Contracts	The positive variation (\$190K or 41%) relates to reduced expenditure on consultancy fees and external support.
Non-cash Accounts excluded from Operating Activities	Favourable position (12K or 30%) relates to employee provisions that are yet to be transferred.
Financing Activities	
Payment to and from Member contributions	Both payments of and from Member contributions are significantly below budget expectations due to project developments works and sales rates being below expectations. The YTD nett position of these items is \$9.47M favourable when compared to budget projections.
Payments return of equity	The return on equity position for Members is \$1.8M favourable when compared to budget position.

The information in the attachment is summarised in the tables following.

Financial Snapshot as at 31 May 2023

	2022-23 Amended BUDGET	2022-23 Budget YTD	2022-23 Actual YTD	Variance		Variance %
				Favourable	Unfavourable	
REVENUE	\$	\$	\$	\$	\$	%
Interest Earnings	1,070,000	980,834	1,112,691	131,857		13.44%
Other Revenue	43,818	41,651	37,350		(4,301)	-10.33%
	\$1,113,818	\$1,022,485	\$1,150,041	\$131,857	(\$4,301)	
LE SS EXPENDITURE						
Depreciation	(43,510)	(39,884)	(40,245)		(361)	-0.91%
Employee Costs	(702,630)	(644,806)	(614,207)	30,599		4.75%
Insurance	(19,597)	(19,597)	(19,596)	1		0.01%
Interest	(3,240)	(3,108)	(3,108)			0.00%
Materials and Contracts	(353,852)	(323,068)	(189,865)	133,203		41.23%
Other	(164,005)	(163,755)	(163,226)	529		0.32%
Utilities	(6,829)	0	0			0.00%
Members Equity						
Income Sale of Lots - Subdivisions	41,247,399	37,810,116	32,087,358		(5,722,758)	-15.14%
Land Production Costs	(37,037,724)	(33,951,247)	(18,761,240)	15,190,007		44.74%
GST Withheld Member Councils	(3,077,580)	(2,821,115)	(1,812,300)	1,008,815		35.76%
Profit distribution/Contributions Returned	(20,485,534)	(20,000,000)	(21,812,871)		(1,812,871)	-9.06%
	(\$20,647,102)	(\$20,156,464)	(\$11,329,300)	\$16,363,154	(\$7,535,990)	
Total Change in Equity	(\$19,533,284)	(\$19,133,979)	(\$10,179,259)	\$16,495,011	(\$7,540,291)	

Statement of Financial Position as at 31 May 2023

	Actual 2021-22	Actual 2022-23	Variance	Variance
	\$	\$	\$	%
Current assets				
Cash and cash equivalents	52,296,465	42,511,969	(9,784,496)	-18.71%
Trade and other receivables	782,569	1,019,546	236,977	30.28%
Total current assets	53,079,034	43,531,515	(9,547,519)	-18.0%
Non-current assets				
Inventories	1,600,000	1,600,000	0	0.00%
Right of use assets	149,716	129,198	(20,518)	-13.70%
Property, plant and equipment	36,311	27,552	(8,759)	-24.12%
Total non-current assets	1,786,027	1,756,751	(29,276)	-1.64%
Total assets	54,865,061	45,288,266	(9,576,795)	-17.46%
Current liabilities				
Trade and other payables	162,938	745,949	(583,011)	-357.81%
Lease Liabilities	31,760	2,653	29,107	91.65%
Provisions	21,788	72,753	(50,965)	-233.92%
Total current liabilities	216,485	821,355	(604,869)	-279.4%
Non-current liabilities				
Lease Liabilities	119,156	129,046	-9,890	0.00%
Provisions	13,527	1,231	12,296	90.90%
Total non-current liabilities	132,683	130,277	2,406	1.81%
Total liabilities	349,168	951,632	(602,463)	-172.54%
Net assets	54,515,893	44,336,634	(10,179,259)	-18.67%

Investment Summary as at 31 May 2023

Cash Accounts						
	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.
	1,114,395.99	4.6590%	Macquarie Bank	A+	1,114,395.99	541301
	1,114,395.99	4.6590%			1,114,395.99	

Term Deposits									
Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,104,695.89	542933	104,695.89
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,029,627.34	543545	23,049.26
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,052,487.67	543519	52,487.67
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,078,731.51	543520	78,731.51
Sep-23	1,000,000.00	4.4700%	Commonwealth Bank of Australia	AA-	1,000,000.00	Feb-23	1,013,961.10	543795	13,961.10
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,111,169.92	543396	99,054.85
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,086,580.82	543474	86,580.82
Nov-23	1,000,000.00	4.8200%	Westpac Group	AA-	1,000,000.00	Mar-23	1,010,300.27	543933	10,300.27
Dec-23	4,000,000.00	4.7200%	National Australia Bank	AA-	4,000,000.00	Mar-23	4,042,932.60	543931	42,932.60
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,034,282.19	543905	34,282.19
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,031,491.51	543716	31,491.51
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,019,343.08	543888	14,580.07
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,023,199.91	543853	13,825.66
Mar-24	2,000,000.00	4.8600%	Westpac Group	AA-	2,000,000.00	May-23	2,004,260.82	544120	4,260.82
May-24	3,000,000.00	5.0500%	AMP Bank	BBB	3,000,000.00	May-23	3,012,036.99	544062	12,036.99
May-24	1,500,000.00	5.1000%	AMP Bank	BBB	1,500,000.00	May-23	1,503,353.42	544099	3,353.42
May-24	3,000,000.00	4.9900%	National Australia Bank	AA-	3,000,000.00	May-23	3,000,410.14	544137	410.14
	37,532,830.41	4.7062%			37,532,830.41		38,158,865.18		626,034.77

Fixed Rate Bonds									
Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23) 0.70%	Aa3	3,000,000.00	Apr-21	3,020,194.52	541265	20,194.52
	3,000,000.00	0.7000%			3,000,000.00		3,020,194.52		20,194.52

TAMALA PARK REGIONAL COUNCIL
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 31 May 2023

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

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**KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 31 MAY 2023**

NATURE OR TYPE DESCRIPTIONS

REVENUE

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates, reimbursements etc.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Shortfall between the value of assets received over the net book value for assets on their disposal.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets. Excluding Land.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MAY 2023**

BY NATURE OR TYPE

	Ref Note	Amended Budget (a)	YTD Budget (b)	YTD Actual (c)	Variance \$ (c) - (b)	Variance % ((c) - (b))/(b)	Var.
Opening funding surplus / (deficit)	2(c)	\$ 52,894,309	\$ 52,894,309	\$ 52,894,309	\$ 0	% 0.00%	
Revenue from operating activities							
Interest earnings		1,070,000	980,834	1,112,691	131,857	13.44%	▲
Other revenue		43,818	41,651	37,350	(4,301)	(10.33%)	
		1,113,818	1,022,485	1,150,041	127,556	12.48%	
Expenditure from operating activities							
Employee costs		(702,630)	(644,806)	(614,207)	30,599	4.75%	
Materials and contracts		(353,852)	(323,068)	(189,865)	133,203	41.23%	▲
Utility charges		(6,829)	0	0	0	0.00%	
Depreciation on non-current assets		(43,510)	(39,884)	(40,245)	(361)	(0.91%)	
Interest expenses		(3,240)	(3,108)	(3,108)	0	0.00%	
Insurance expenses		(19,597)	(19,597)	(19,596)	1	0.01%	
Other expenditure		(164,005)	(163,755)	(163,226)	529	0.32%	
		(1,293,663)	(1,194,218)	(1,030,247)	163,971	(13.73%)	
Non-cash amounts excluded from operating activities	2(a)	43,510	39,884	27,949	(11,935)	(29.92%)	▼
Amount attributable to operating activities		(136,335)	(131,849)	147,743	279,592	(212.05%)	
Financing Activities							
Payments of member contributions	1	(37,037,724)	(33,951,247)	(18,761,240)	15,190,007	44.74%	▲
Proceeds from member contributions	1	41,247,399	37,810,116	32,087,358	(5,722,758)	15.14%	
Payments of GST withheld	1	(3,077,580)	(2,821,115)	(1,812,300)	1,008,815	35.76%	▲
Payments for principal portion of lease liabilities	7	(33,576)	(30,778)	(30,185)	593	1.93%	
Payments return of contribution	1	(20,000,000)	(20,000,000)	(20,000,000)	0	0.00%	
Payments return of equity	1	(485,534)	0	(1,808,171)	(1,808,171)	0.00%	▼
Payments from rates equivalent	1	0	0	(4,700)	(4,700)	0.00%	
Amount attributable to financing activities		(19,387,015)	(18,993,024)	(10,329,239)	8,663,785	(45.62%)	
Closing funding surplus / (deficit)	2(c)	33,370,959	33,769,436	42,712,813	8,943,377	(26.48%)	▲

KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 10 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

BASIS OF PREPARATION

This financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996*, prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Regional Council to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial 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.

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.

All monies held in the Trust Fund are excluded from the financial statements.

SIGNIFICANT ACCOUNTING POLICES

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 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 not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimation of fair values of certain financial assets
- estimation of fair values of fixed assets shown at fair value
- impairment of financial assets

GOODS AND SERVICES TAX

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.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 08 June 2023

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MAY 2023

NOTE 1
CONTRIBUTED EQUITY

Movement in Financing Activities as Represented by:

	Land Sales	Development Expenses	Return of Contribution	Return of Equity	Rates Equivalent	Payments of Lease Liabilities	GST Withheld	Total Movement
	Year to Date 31 May 2023	Year to Date 31 May 2023	Year to Date 31 May 2023					
	\$	\$	\$	\$	\$	\$	\$	\$
Town of Victoria Park	2,673,946	(1,563,437)	(1,666,668)	(150,681)	0	(2,515)	(151,025)	(860,379)
City of Perth	2,673,946	(1,563,437)	(1,666,668)	(150,681)	(4,700)	(2,515)	(151,025)	(865,079)
Town of Cambridge	2,673,946	(1,563,437)	(1,666,668)	(150,681)	0	(2,515)	(151,025)	(860,379)
City of Joondalup	5,347,893	(3,126,873)	(3,333,332)	(301,362)	0	(5,031)	(302,050)	(1,720,755)
City of Wanneroo	5,347,893	(3,126,873)	(3,333,332)	(301,362)	0	(5,031)	(302,050)	(1,720,755)
Town of Vincent	2,673,946	(1,563,437)	(1,666,668)	(150,681)	0	(2,515)	(151,025)	(860,379)
City of Stirling	10,695,786	(6,253,747)	(6,666,664)	(602,724)	0	(10,063)	(604,100)	(3,441,511)
Total	32,087,358	(18,761,240)	(20,000,000)	(1,808,171)	(4,700)	(30,185)	(1,812,300)	(10,329,239)

	Land Sales	Development Expenses	Return of Contribution	Return of Equity	Rates Equivalent	Payments of Lease Liabilities	GST Withheld	Total Movement
	Amended Budget	Amended Budget	Amended Budget	Amended Budget	Amended Budget	Amended Budget	Amended Budget	Amended Budget
	\$	\$	\$	\$	\$	\$	\$	\$
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	6,874,567	(6,172,954)	(3,333,333)	(80,922)	0	(5,596)	(512,930)	(3,231,168)
	6,874,567	(6,172,954)	(3,333,333)	(80,922)	0	(5,596)	(512,930)	(3,231,168)
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	13,749,133	(12,345,908)	(6,666,666)	(161,846)	0	(11,192)	(1,025,860)	(6,462,339)
	41,247,399	(37,037,724)	(20,000,000)	(485,534)	0	(33,576)	(3,077,580)	(19,387,015)

Movement in Total Equity Represented by:

	Closing Balance 30 June 2022	Movement in Contributed Equity	Net Result	Year to Date 31 May 2023
	\$	\$	\$	\$
Town of Victoria Park	4,509,818	(860,379)	9,983	3,659,422
City of Perth	4,509,818	(865,079)	9,983	3,654,722
Town of Cambridge	4,509,818	(860,379)	9,983	3,659,422
City of Joondalup	9,019,634	(1,720,755)	19,966	7,318,844
City of Wanneroo	9,019,634	(1,720,755)	19,966	7,318,844
Town of Vincent	4,509,818	(860,379)	9,983	3,659,422
City of Stirling	18,042,083	(3,441,511)	39,931	14,640,503
Total	54,120,623	(10,329,239)	119,794	43,911,178

Total Movement in Equity (10,209,445)

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

	Notes	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Movement in employee benefit provisions (non-current)		0	0	(12,296)
Add: Depreciation on assets		43,510	39,884	40,245
Total non-cash items excluded from operating activities		43,510	39,884	27,949

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

		Amended Budget Opening 30 June 2022	Last Year Closing 30 June 2022	Year to Date 31 May 2023
Adjustments to net current assets				
Add: Lease liabilities	7	33,577	31,760	2,653
Total adjustments to net current assets		33,577	31,760	2,653

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	3	26,648,937	10,227,737	1,979,139
Financial assets at amortised cost	3	0	42,228,303	40,532,830
Receivables	4	350,000	595,395	1,011,369
Other current assets	5	10,000	27,600	5,800
Less: Current liabilities				
Payables	6	(91,644)	(162,938)	(743,572)
Lease liabilities	7	(33,577)	(31,760)	(2,653)
Provisions	8	(21,788)	(21,788)	(72,753)
Less: Total adjustments to net current assets	2(b)	33,577	31,760	2,653
Closing funding surplus / (deficit)		26,895,505	52,894,309	42,712,813

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. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

Description	Classification	Unrestricted	Total Cash and Financial Assets	Institution	Interest Rate	Maturity Date
		\$	\$			
Current cash and current financial assets						
Municipal bank	Cash and cash equivalents	577,342	577,342	Westpac	Nil	Nil
Settlement Proceeds	Cash and cash equivalents	287,400	287,400	Westpac	0.34%	Nil
Cash Management	Cash and cash equivalents	309	309	Macquarie	0.25%	Nil
Accelerator	Cash and cash equivalents	1,114,088	1,114,088	Macquarie	1.85%	Nil
Term Deposit AA1102A	Financial assets at amortised cost	3,000,000	3,000,000	NT Bonds	0.70%	Jun-23
Term Deposit 5118	Financial assets at amortised cost	3,000,000	3,000,000	CBA	3.86%	Jun-23
Term Deposit 4915	Financial assets at amortised cost	1,006,578	1,006,578	Suncorp	4.20%	Jul-23
Term Deposit	Financial assets at amortised cost	2,000,000	2,000,000	AMP	4.65%	Aug-23
Term Deposit	Financial assets at amortised cost	3,000,000	3,000,000	AMP	4.65%	Aug-23
Term Deposit 2250	Financial assets at amortised cost	3,012,115	3,012,115	Westpac	4.84%	Sep-23
Term Deposit	Financial assets at amortised cost	1,000,000	1,000,000	CBA	4.47%	Sep-23
Term Deposit 0647	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	4.58%	Oct-23
Term Deposit	Financial assets at amortised cost	1,000,000	1,000,000	Westpac	4.82%	Nov-23
Term Deposit	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	4.85%	Dec-23
Term Deposit	Financial assets at amortised cost	4,000,000	4,000,000	NAB	4.72%	Dec-23
Term Deposit	Financial assets at amortised cost	2,000,000	2,000,000	CBA	4.49%	Jan-24
Term Deposit 2949	Financial assets at amortised cost	1,004,763	1,004,763	Westpac	4.95%	Feb-24
Term Deposit	Financial assets at amortised cost	1,009,374	1,009,374	Westpac	5.05%	Feb-24
Term Deposit	Financial assets at amortised cost	2,000,000	2,000,000	Westpac	4.86%	Mar-24
Term Deposit	Financial assets at amortised cost	1,500,000	1,500,000	AMP	5.10%	Apr-24
Term Deposit	Financial assets at amortised cost	3,000,000	3,000,000	AMP	5.05%	May-24
Term Deposit	Financial assets at amortised cost	3,000,000	3,000,000	NAB	4.99%	May-24
Total		42,511,969	42,511,969			
Comprising						
Cash and cash equivalents		1,979,139	1,979,139			
Financial assets at amortised cost - current		40,532,830	40,532,830			
		42,511,969	42,511,969			

KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

The local government classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.

Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	314,681	10,404	27,156	0	352,241
Percentage	0.0%	89.3%	3%	7.7%	0%	
Balance per trial balance						
Sundry receivable						352,241
Accrued interest						659,128
Total receivables general outstanding						1,011,369

Amounts shown above include GST (where applicable)

KEY INFORMATION

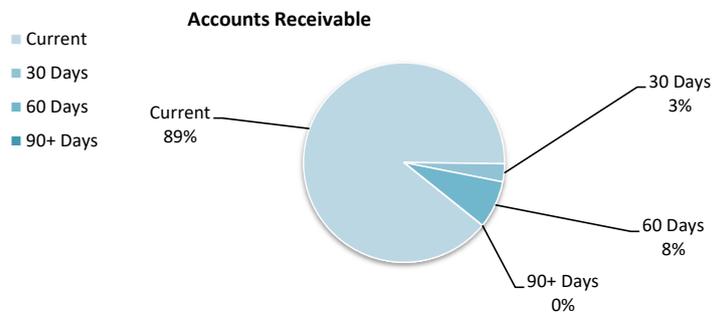
Trade and other receivables include amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days and are classified as current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Regional Council measures them subsequently at amortised cost using the effective interest rate method.



	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 31 May 2023
Other current assets	\$	\$	\$	\$
Funds held by Settlement agent in Trust	27,600	40,500	(62,300)	5,800
Total other current assets	27,600	40,500	(62,300)	5,800

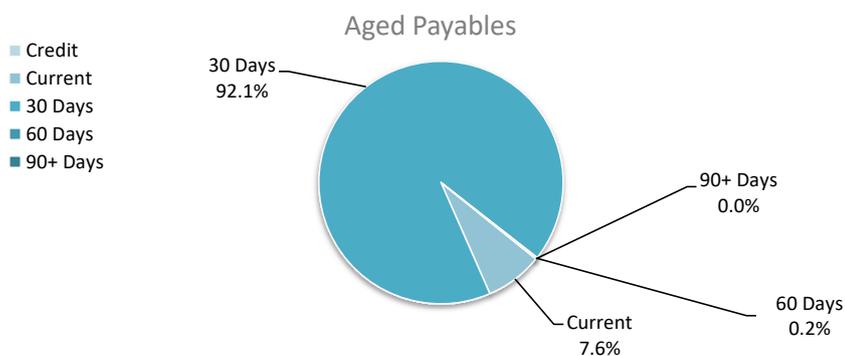
Amounts shown above include GST (where applicable)

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	46,508	563,251	1,527	0	611,286
Percentage	0%	7.6%	92.1%	0.2%	0%	
Balance per trial balance						
Sundry creditors						611,286
ATO liabilities						12,039
Credit card						247
Deposits or bonds						120,000
Total payables general outstanding						743,572

Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Regional Council prior to the end of the period 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. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.



Movement in carrying amounts

Information on leases Particulars	Lease No.	1 July 2022	New Leases		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Other property and services										
2/369 Scarborough Beach Road, Innaloo	STIRLI/210937	87,082	10,968	0	(30,185)	(33,576)	67,865	53,506	(3,108)	(3,240)
Total		87,082	10,968	0	(30,185)	(33,576)	67,865	53,506	(3,108)	(3,240)
Current lease liabilities		31,760					2,653			
Non-current lease liabilities		119,156					129,046			
		150,916					131,699			

All lease repayments were financed by general purpose revenue.

KEY INFORMATION

At inception of a contract, the Regional Council assesses if the contract contains or is a lease. A contract is or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Regional Council uses its incremental borrowing rate.

All contracts classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 May 2023
		\$		\$	\$	\$
Other current liabilities						
Employee Related Provisions						
Annual leave		21,788	0	16,089	0	37,877
Long service leave		0	12,296	22,580	0	34,876
Total Employee Related Provisions		21,788	12,296	38,669	0	72,753
Total other current liabilities		21,788	12,296	38,669	0	72,753
Amounts shown above include GST (where applicable)						

KEY INFORMATION

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 end of the reporting period.

Employee Related Provisions

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 calculation of net current assets.

Other long-term employee benefits

The Regional Council's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

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.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MAY 2023**

**NOTE 9
BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

Description	Council Resolution	Classification	Non Cash	Increase in	Decrease in	Amended Budget
			Adjustment	Cash	Available Cash	Running Balance
			\$	\$	\$	\$
Budget adoption			0	26,895,505	0	26,895,505
Opening Surplus(Deficit)	16.02.2023 item 9.1	Opening Surplus(Deficit)	0	0	(4,863)	26,890,642
Interest earnings	16.02.2023 item 9.1	Operating Revenue	0	179,574	0	27,070,216
Other revenue	16.02.2023 item 9.1	Operating Revenue	0	32,818	(11,939)	27,091,095
Employee costs	16.02.2023 item 9.1	Operating Expenses	0	35,307	0	27,126,402
Materials and contracts	16.02.2023 item 9.1	Operating Expenses	0	46,707	(20,249)	27,152,860
Interest expenses	16.02.2023 item 9.1	Operating Expenses	0	0	(1,817)	27,151,043
Insurance expenses	16.02.2023 item 9.1	Operating Expenses	0	2,355	0	27,153,398
Other expenditure	16.02.2023 item 9.1	Operating Expenses	0	7,250	0	27,160,648
Payments for property, plant and equipment	16.02.2023 item 9.1	Capital Expenses	0	5,000	0	27,165,648
Payments of member contributions	16.02.2023 item 9.1	Capital Expenses	0	26,230,897	(2,204,539)	51,192,006
Proceeds from member contributions	16.02.2023 item 9.1	Capital Revenue	0	149,986	(19,059,126)	32,282,866
Payments of GST withheld	16.02.2023 item 9.1	Capital Expenses	0	1,088,093	0	33,370,959
			0	54,673,492	(21,302,533)	33,370,959

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MAY 2023**

**NOTE 10
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.
The material variance adopted by Council for the 2022-23 year is \$5,000 or 10.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Revenue from operating activities						
Interest earnings	131,857	13.44%	▲			
Expenditure from operating activities						
Materials and contracts	133,203	41.23%	▲			
Non-cash amounts excluded from operating activities	(11,935)	(29.92%)	▼			
Financing activities						
Payments of member contributions	15,190,007	44.74%	▲			
Payments return of equity	(1,808,171)	0.00%	▼			
Closing funding surplus / (deficit)	8,943,377	(26.48%)	▲			



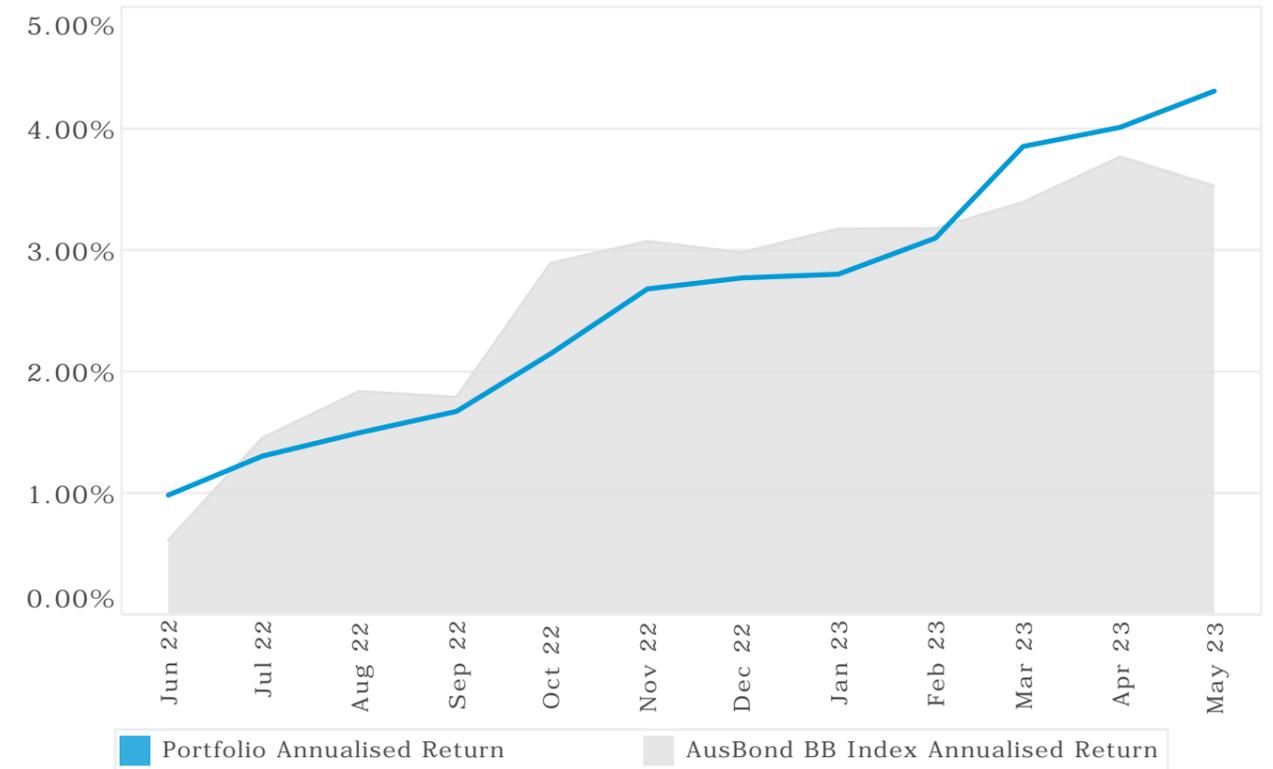
Investment Summary Report
May 2023



Investment Holdings

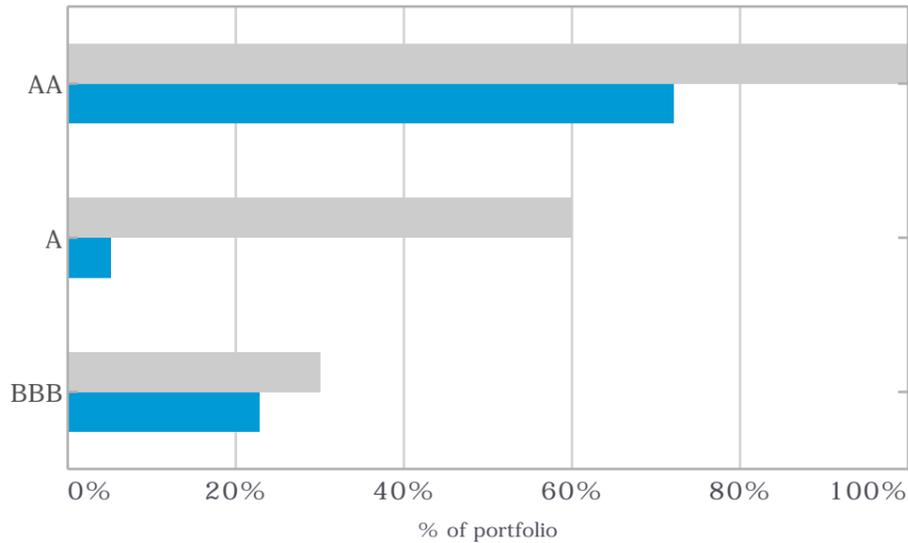
Investment Performance

	Face Value (\$)	Current Value (\$)	Current	Yield (%)
Bonds	3,000,000	3,020,195		0.7000
Cash	1,114,396	1,114,396		4.6590
Term Deposit	37,532,830	38,158,865		4.7062
	41,647,226	42,293,456		4.4164

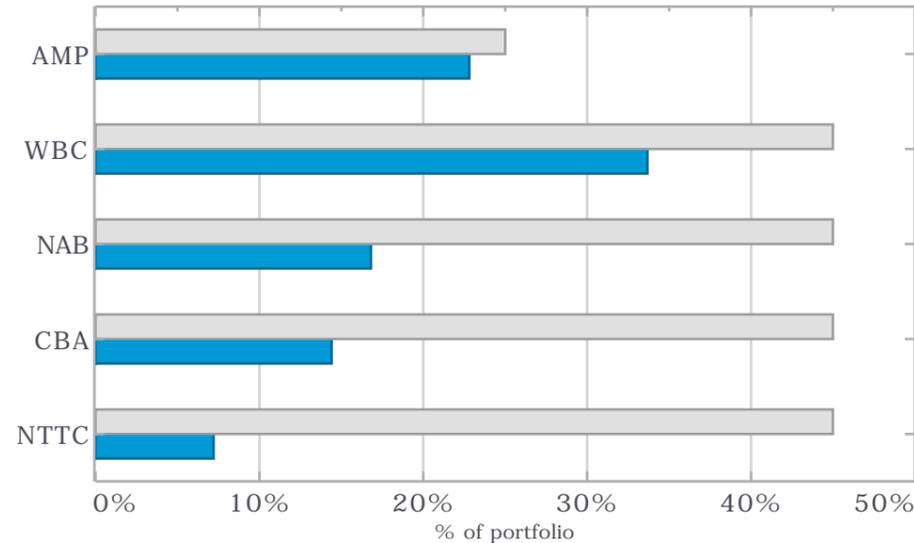


Investment Policy Compliance

Total Credit Exposure



Individual Institutional Exposures



Term to Maturities

	Face Value (\$)	Policy Max
Between 0 and 1 years	41,647,226	100% a
	41,647,226	

g Portfolio Exposure g Investment Policy Limit

Tamala Park Regional Council

Investment Holdings Report - May 2023



Cash Accounts

Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.	Reference
1,114,395.99	4.6590%	Macquarie Bank	A+	1,114,395.99	541301	Accelerator
1,114,395.99	4.6590%			1,114,395.99		

Term Deposits

Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Next Interest Date	Reference
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,104,695.89	542933	104,695.89	At Maturity	679
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,029,627.34	543545	23,049.26	At Maturity	690
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,052,487.67	543519	52,487.67	At Maturity	687
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,078,731.51	543520	78,731.51	At Maturity	689
Sep-23	1,000,000.00	4.4700%	Commonwealth Bank of Australia	AA-	1,000,000.00	Feb-23	1,013,961.10	543795	13,961.10	At Maturity	692
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,111,169.92	543396	99,054.85	At Maturity	683
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,086,580.82	543474	86,580.82	At Maturity	685
Nov-23	1,000,000.00	4.8200%	Westpac Group	AA-	1,000,000.00	Mar-23	1,010,300.27	543933	10,300.27	At Maturity	698
Dec-23	4,000,000.00	4.7200%	National Australia Bank	AA-	4,000,000.00	Mar-23	4,042,932.60	543931	42,932.60	At Maturity	697
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,034,282.19	543905	34,282.19	At Maturity	696
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,031,491.51	543716	31,491.51	At Maturity	691
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,019,343.08	543888	14,580.07	Semi Annually	693
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,023,199.91	543853	13,825.66	Semi Annually	695
Mar-24	2,000,000.00	4.8600%	Westpac Group	AA-	2,000,000.00	May-23	2,004,260.82	544120	4,260.82	At Maturity	
May-24	3,000,000.00	5.0500%	AMP Bank	BBB	3,000,000.00	May-23	3,012,036.99	544062	12,036.99	At Maturity	
May-24	1,500,000.00	5.1000%	AMP Bank	BBB	1,500,000.00	May-23	1,503,353.42	544099	3,353.42	At Maturity	
May-24	3,000,000.00	4.9900%	National Australia Bank	AA-	3,000,000.00	May-23	3,000,410.14	544137	410.14	At Maturity	
	37,532,830.41	4.7062%			37,532,830.41		38,158,865.18		626,034.77		

Fixed Rate Bonds

Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Purchase Yield	Reference
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23) 0.70%	Aa3	3,000,000.00	Apr-21	3,020,194.52	541265	20,194.52	.70000%	642

Tamala Park Regional Council

Investment Holdings Report - May 2023



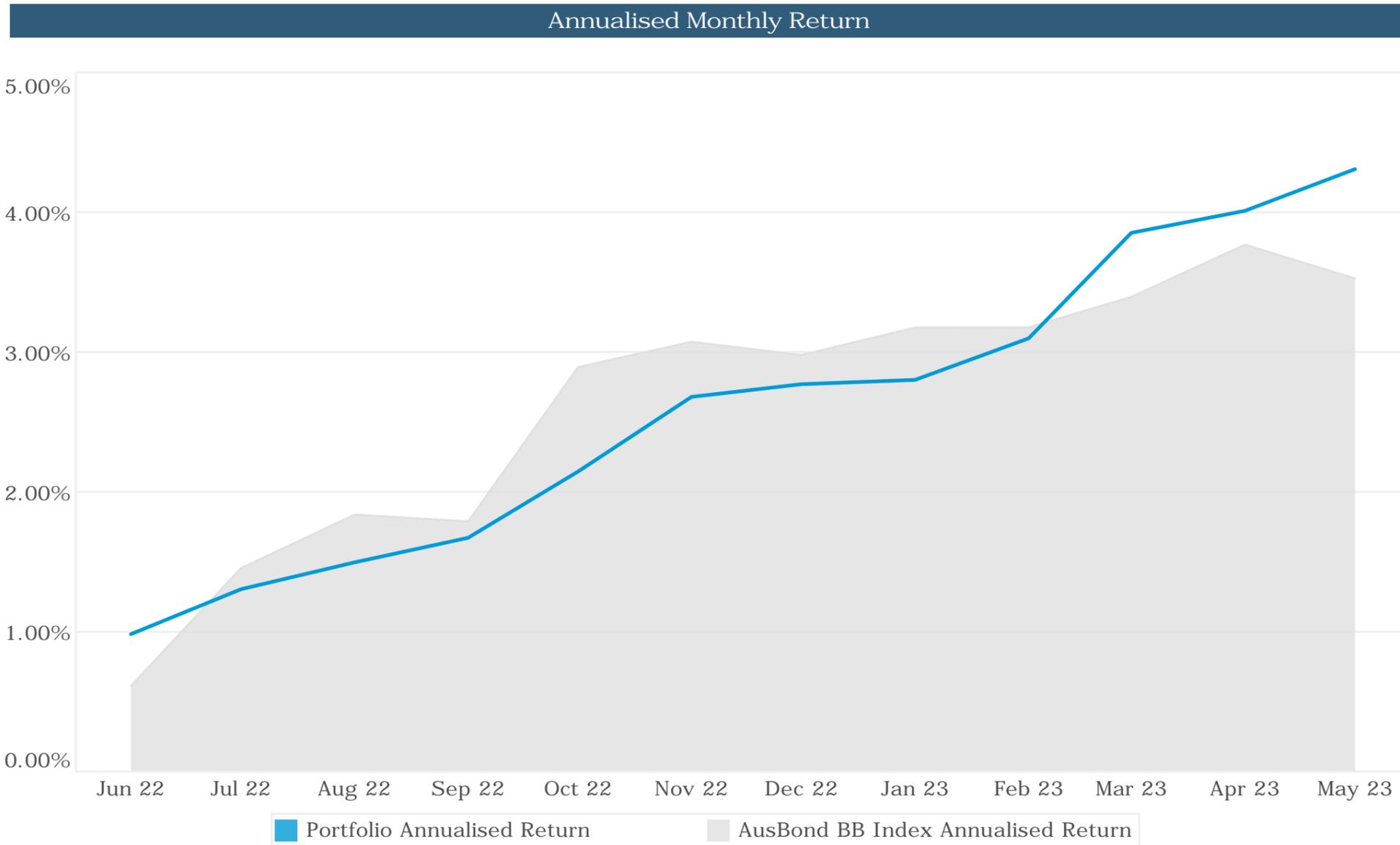
Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Purchase Yield	Reference
	3,000,000.00	0.7000%			3,000,000.00		3,020,194.52		20,194.52	.7000%	

Tamala Park Regional Council

Accrued Interest Report - May 2023



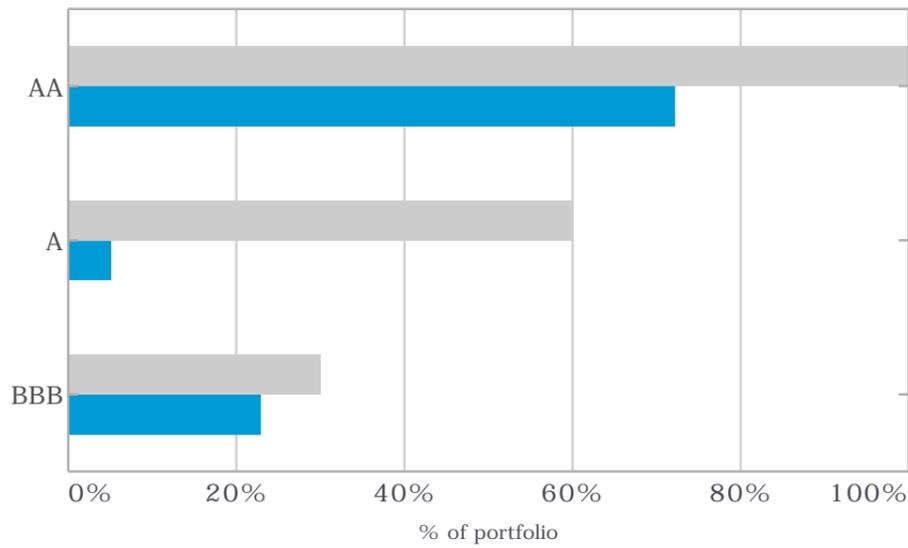
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
Bonds									
NT T-Corp Bond (Jun23) 0.70%	541265		3,000,000.00	Apr-21	Jun-23	0.00	31	1,783.56	0.70%
						0.00		1,783.56	0.70%
Cash									
Macquarie Bank	541301					4,675.20	0	4,675.20	4.66%
						4,675.20		4,675.20	4.66%
Term Deposits									
ME Bank	542757		1,000,000.00	May-22	May-23	30,500.00	10	835.62	3.05%
Commonwealth Bank of Australia	542772		2,000,000.00	May-22	May-23	60,600.00	11	1,826.30	3.03%
Commonwealth Bank of Australia	542933		3,000,000.00	Jul-22	Jun-23	0.00	31	9,835.07	3.86%
Suncorp Bank	543545		1,006,578.08	Nov-22	Jul-23	0.00	31	3,590.59	4.20%
AMP Bank	543519		2,000,000.00	Nov-22	Aug-23	0.00	31	7,898.63	4.65%
AMP Bank	543520		3,000,000.00	Nov-22	Aug-23	0.00	31	11,847.95	4.65%
Westpac Group	543396		3,012,115.07	Sep-22	Sep-23	0.00	31	12,381.86	4.84%
Commonwealth Bank of Australia	543795		1,000,000.00	Feb-23	Sep-23	0.00	31	3,796.44	4.47%
Westpac Group	543474		3,000,000.00	Oct-22	Oct-23	0.00	31	11,669.59	4.58%
Westpac Group	543933		1,000,000.00	Mar-23	Nov-23	0.00	31	4,093.69	4.82%
Westpac Group	543905		3,000,000.00	Mar-23	Dec-23	0.00	31	12,357.53	4.85%
National Australia Bank	543931		4,000,000.00	Mar-23	Dec-23	0.00	31	16,035.07	4.72%
Commonwealth Bank of Australia	543716		2,000,000.00	Jan-23	Jan-24	0.00	31	7,626.85	4.49%
Westpac Group	543853		1,009,374.25	Feb-23	Feb-24	0.00	31	4,329.25	5.05%
Westpac Group	543888		1,004,763.01	Feb-23	Feb-24	0.00	31	4,224.13	4.95%
Westpac Group	544120		2,000,000.00	May-23	Mar-24	0.00	16	4,260.82	4.86%
AMP Bank	544062		3,000,000.00	May-23	May-24	0.00	29	12,036.99	5.05%
AMP Bank	544099		1,500,000.00	May-23	May-24	0.00	16	3,353.42	5.10%
National Australia Bank	544137		3,000,000.00	May-23	May-24	0.00	1	410.14	4.99%
						91,100.00		132,409.94	4.62%
Grand Totals						95,775.20		138,868.70	4.31%



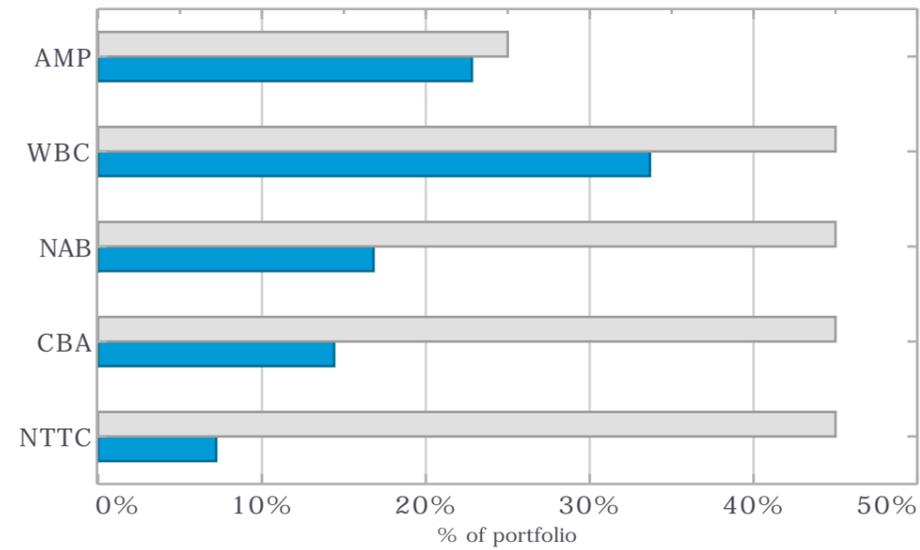
Historical Performance Summary (% pa)			
	Portfolio	Annualised BB Index	Outperformance
May 2023	4.31%	3.53%	0.78%
Last 3 months	4.06%	3.56%	0.50%
Last 6 months	3.47%	3.34%	0.13%
Financial Year to Date	2.73%	2.82%	-0.09%
Last 12 months	2.59%	2.64%	-0.05%



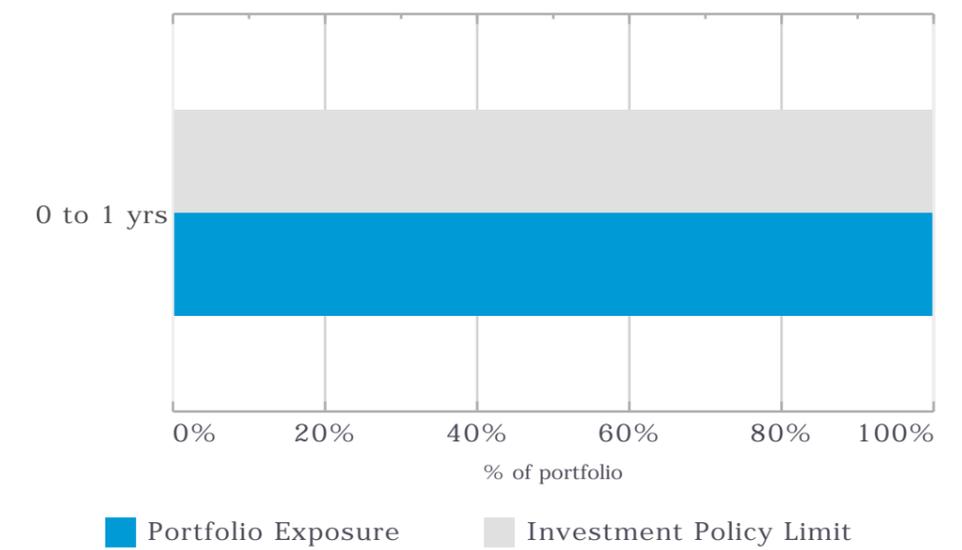
Total Credit Exposure



Individual Institutional Exposures



Term to Maturities



Credit Rating Group	Face Value (\$)	Policy Max
AA	30,026,252	100%
A	2,120,974	60%
BBB	9,500,000	30%
	41,647,226	

Institution	% of portfolio	Investment Policy Limit
AMP Bank (BBB)	23%	25%
Westpac Group (AA-)	34%	45%
National Australia Bank (AA-)	17%	45%
Commonwealth Bank of Australia (AA-)	14%	45%
NT T-Corp (Aa3)	7%	45%
Macquarie Bank (A+)	3%	30%
Suncorp Bank (A+)	2%	30%

Term to Maturity	Face Value (\$)	Policy Max
Between 0 and 1 years	41,647,226	100%
	41,647,226	

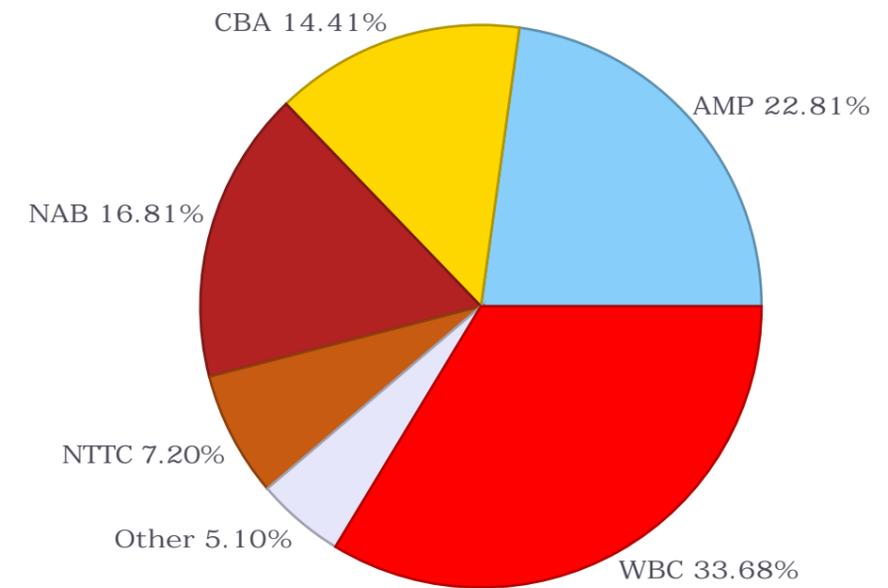
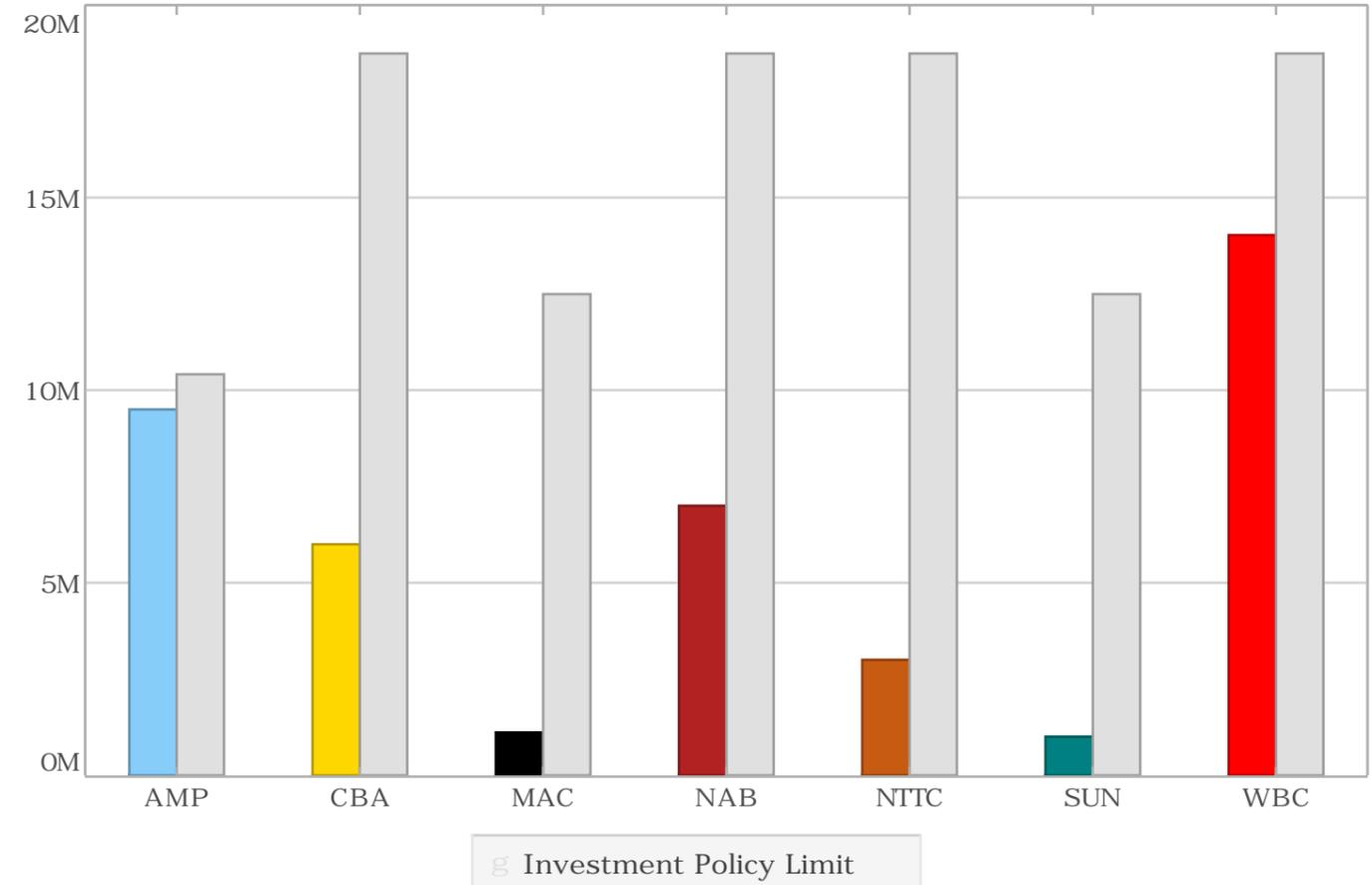
a = compliant
r = non-compliant



Individual Institutional Exposures

Individual Institutional Exposure Charts

	Current Exposures		Policy Limit		Capacity
AMP Bank (BBB)	9,500,000	23%	10,411,807	25%	911,807
Commonwealth Bank of Australia (AA-)	6,000,000	14%	18,741,252	45%	12,741,252
Macquarie Bank (A+)	1,114,396	3%	12,494,168	30%	11,379,772
National Australia Bank (AA-)	7,000,000	17%	18,741,252	45%	11,741,252
NT T-Corp (Aa3)	3,000,000	7%	18,741,252	45%	15,741,252
Suncorp Bank (A+)	1,006,578	2%	12,494,168	30%	11,487,590
Westpac Group (AA-)	14,026,252	34%	18,741,252	45%	4,715,000
	41,647,226				



Tamala Park Regional Council

Cashflows Report - May 2023



Actual Cashflows for May 2023

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
May-23	544062	AMP Bank	Term Deposit	Settlement: Face Value	-3,000,000.00
				<u>Deal Total</u>	<u>-3,000,000.00</u>
				Day Total	-3,000,000.00
May-23	542757	ME Bank	Term Deposit	Maturity: Face Value	1,000,000.00
		ME Bank	Term Deposit	Maturity: Interest Received/Paid	30,500.00
				<u>Deal Total</u>	<u>1,030,500.00</u>
				Day Total	1,030,500.00
May-23	542772	Commonwealth Bank of Australia	Term Deposit	Maturity: Face Value	2,000,000.00
		Commonwealth Bank of Australia	Term Deposit	Maturity: Interest Received/Paid	60,600.00
				<u>Deal Total</u>	<u>2,060,600.00</u>
				Day Total	2,060,600.00
May-23	544099	AMP Bank	Term Deposit	Settlement: Face Value	-1,500,000.00
				<u>Deal Total</u>	<u>-1,500,000.00</u>
May-23	544120	Westpac Group	Term Deposit	Settlement: Face Value	-2,000,000.00
				<u>Deal Total</u>	<u>-2,000,000.00</u>
				Day Total	-3,500,000.00
May-23	544137	National Australia Bank	Term Deposit	Settlement: Face Value	-3,000,000.00
				<u>Deal Total</u>	<u>-3,000,000.00</u>
				Day Total	-3,000,000.00
				<u>Total for Month</u>	<u>-6,408,900.00</u>

Forecast Cashflows for June 2023

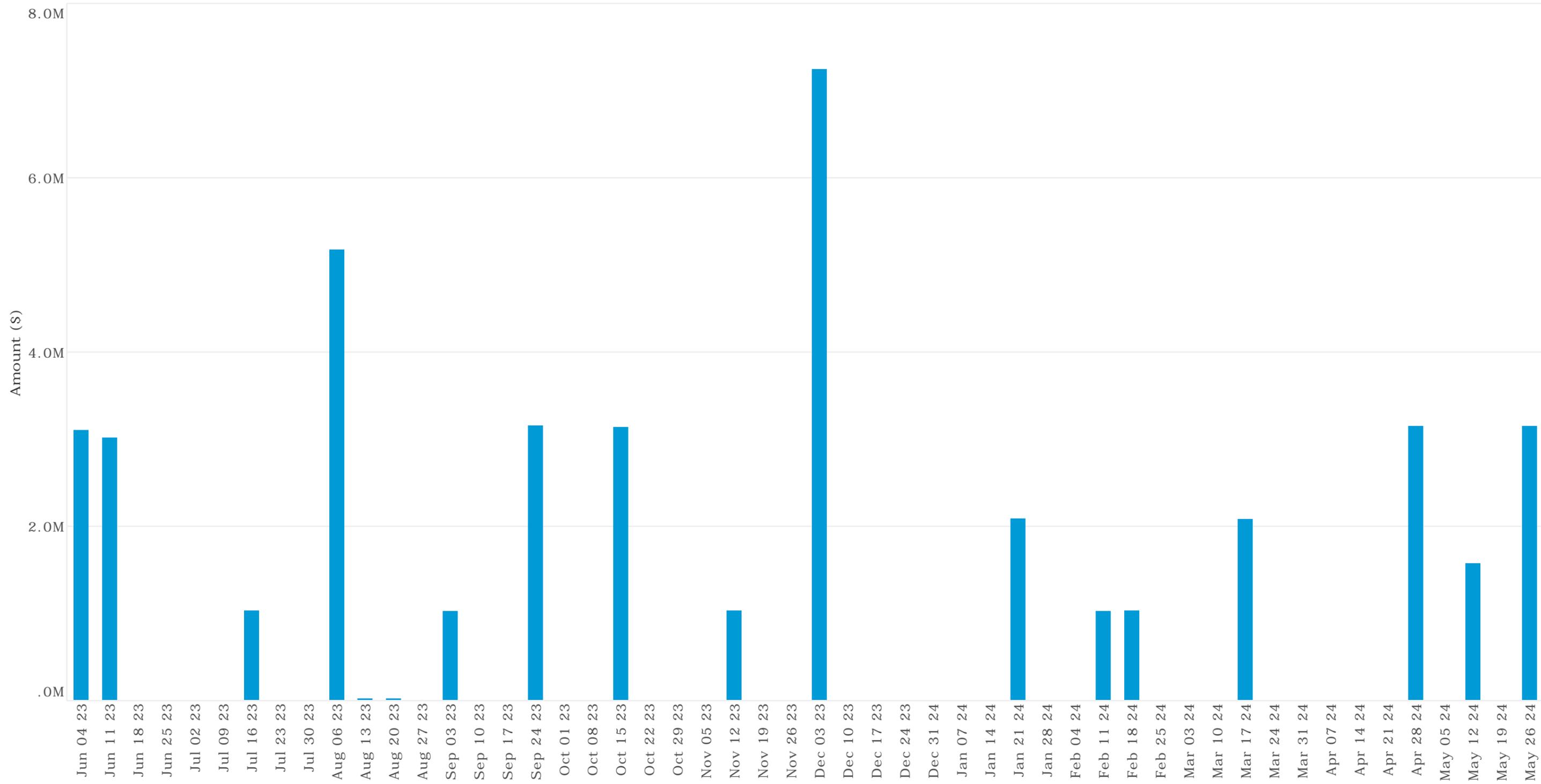
Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
Jun-23	542933	Commonwealth Bank of Australia	Term Deposit	Maturity: Face Value	3,000,000.00
		Commonwealth Bank of Australia	Term Deposit	Maturity: Interest Received/Paid	106,282.20
				<u>Deal Total</u>	<u>3,106,282.20</u>

Tamala Park Regional Council

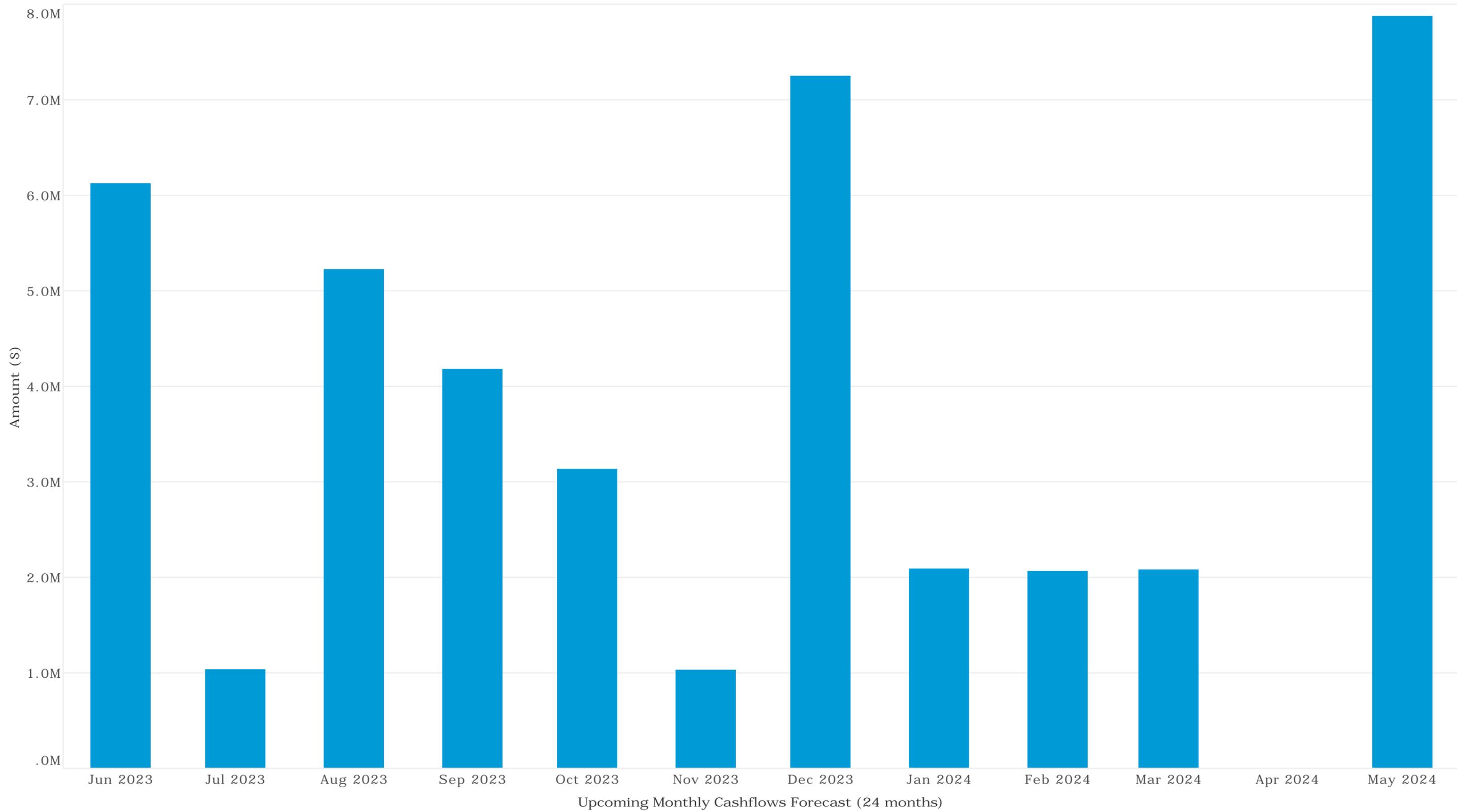
Cashflows Report - May 2023



Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
				Day Total	3,106,282.20
Jun-23	541265	NT T-Corp Bond (Jun23) 0.70%	Bonds	Coupon Date	21,000.00
		NT T-Corp Bond (Jun23) 0.70%	Bonds	Maturity	3,000,000.00
				<u>Deal Total</u>	<u>3,021,000.00</u>
				Day Total	3,021,000.00
				<u>Total for Month</u>	<u>6,127,282.20</u>



Upcoming Weekly Cashflows Forecast (52 weeks)



8.5. LIST OF MONTHLY ACCOUNTS SUBMITTED - MAY 2023

Responsible Officer: Chief Executive Officer
Attachments: 1. Attachment - Summary Payment List (May)
2. Attachment - Credit Card Report (May)
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council:

1. **RECEIVES and NOTES the list of accounts paid under Delegated Authority to the CEO for May 2023 - \$2,744,030.31.**
 2. **APPROVES the CEO Credit Card Statement for May 2023.**
-

PURPOSE

Submission of payments made under the CEO's Delegated Authority for the month of May 2023.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: Sect 5.42 - Delegation given for Payments
- *Local Government (Financial Management) Regulations 1996*: Regulation 13(1) - Monthly Payment list required
- *Local Government (Audit) Regulations 1996*: Regulation 13 - Compliance Audit Item

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
TPRC Operations - Financial Management of TPRC.	Low

Action:

Preparation and reporting on monthly accounts for Council approval.

BACKGROUND

A list of accounts paid under delegation or submitted for authorisation for payment is to be submitted to the Council at each meeting. It is a specific requirement of the Regulations that the list state the month (not the period) for which the account payments or authorisation relates.

COMMENT

Payments made are in accordance with authorisations from Council, approved budget, TPRC procurement and other relevant policies.

Payments are reviewed by TPRC Accountants Moore Australia following completion of each month's accounts.

Tamala Park Regional Council
Summary Payment List
May 2023

Date	Name	Description	Amount
02/05/2023	City of Wanneroo	GST owing March 2023	-1,526.73
04/05/2023	Employee costs	Wages for period 20/04/2023 - 03/05/2023	-15,831.63
04/05/2023	Australian Super	Superannuation for period 20/04/2023 - 03/05/2023	-2,411.71
04/05/2023	Australian Taxation Office	BAS (January - March 2023)	-12,996.00
04/05/2023	Agrimate Fencing	Portofino Prom chainmesh fence removal	-3,135.00
04/05/2023	Beecroft Properties Pty Ltd	Display Home Rebate (Lot 2145)	-8,500.00
04/05/2023	Burgess Rawson	Valuation Fee (Lot 2223)	-55.00
04/05/2023	City of Wanneroo	Landscaping fees	-805.72
04/05/2023	Cossill and Webley	Engineering services	-16,581.83
04/05/2023	Dale Alcock Homes Pty Ltd	Display Home Rebate (Lot 2144)	-9,875.00
04/05/2023	HWL Ebsworth Lawyers	Stage 37 Legal Fees	-1,929.55
04/05/2023	Ideal Living	Sales Office maintenance (February & March 2023)	-799.00
04/05/2023	LD Total	Landscaping services	-22,607.40
04/05/2023	MacDougall, David & Brenda	Solar Panel Rebate (Lot 2014)	-2,000.00
04/05/2023	Marketforce	Statutory advertising	-3,211.35
04/05/2023	McMullen Nolan Group	Preparation of DP (Lot 3128)	-1,100.00
04/05/2023	Moore Australia (WA) Pty Ltd	Accounting services (March 2023)	-2,860.00
04/05/2023	Murray, Anna & Russell	Solar Panel Rebate (Lot 2036)	-2,000.00
04/05/2023	New Living Cleaning	Sales Office cleaning (21/04/2023)	-210.00
04/05/2023	Next Level Signage	Estate Signage	-1,606.00
04/05/2023	Nutrien Water	Landscape maintenance (March 2023)	-35,026.44
04/05/2023	O'Sullivan, Simon	Reimbursement of mobile phone charges (April 2023)	-58.19
04/05/2023	Prudential Investment Services	Investment Portfolio Services (April 2023)	-1,857.52
04/05/2023	R J Vincent and Co	Civil works	-1,497,484.01
04/05/2023	Satterley Property Group	Catalina recharges (01/01/2023 - 31/03/2023)	-10,809.99
04/05/2023	Signs and Lines	Catalina Green bannermesh	-9,176.31
04/05/2023	Starr, S	Milk x 2	-10.40
04/05/2023	Sustainability WA	Stage 31 BMP Clearance Certificate	-1,925.00
04/05/2023	Tim Davies Landscaping P/L	Landscape architect	-1,684.30
04/05/2023	Treacy Fencing	Fencing services	-3,944.60
04/05/2023	Vocus Pty Ltd	Business Internet (May 2023)	-162.80
04/05/2023	Alinta Energy	Sales Office gas (11/01/2023 - 17/04/2023)	-28.75
04/05/2023	Canon Australia Pty Ltd	Photocopying charges (21/03/2023 - 20/04/2023)	-51.25
04/05/2023	Water Corporation	Stage 37 Headworks (Agreement: 2226115)	-291,219.79
15/05/2023	Westpac Bank	Payment of credit card charges - May 2023	-172.13
15/05/2023	Town of Cambridge	GST (Jan-Mar 2023)	-3,921.31
18/05/2023	Employee costs	Wages for period 04/05/2023 - 17/05/2023	-15,760.65
18/05/2023	Australian Taxation Office	IAS (April 2023)	-14,416.00
18/05/2023	Australian Super	Superannuation for period 04/05/2023 - 17/05/2023	-2,411.71
18/05/2023	Adams, Chris	Reimbursement of mobile phone charges (April 2023)	-58.39
18/05/2023	Agrimate Fencing	Repair of chainmesh	-385.00
18/05/2023	Burgess Rawson	GST Valuations (April 2023)	-605.00
18/05/2023	Chester, John	Elected member attendance fee 20 January 20232 - 1!	-2,706.00
18/05/2023	Chubb Fire & Security P/L	Sales Office fire extinguisher	-309.80
18/05/2023	City of Stirling	Rent & ICT support	-4,574.62
18/05/2023	City of Vincent - Supplier	GST owing April 2023	-56,325.00
18/05/2023	Coterra Environment	Ongoing environmental approvals & compliance requir	-4,429.15
18/05/2023	Docushred	Security bin	-59.40
18/05/2023	Dominic Carbone and Assoc	GST management services (April 2023)	-462.00
18/05/2023	Fleeton, Brent	Elected member attendance fee 20 January 20232 - 1!	-2,706.00
18/05/2023	Haddon-Casey, Elaine	Elected member attendance fee 20 January 20232 - 1!	-2,706.00
18/05/2023	hyd20 Hydrology	UWMP addendum (Claim 8)	-1,925.00
18/05/2023	Ideal Living	Building plan assessments (April 2023)	-1,111.00
18/05/2023	Ife, Bronwyn	Elected member attendance fee 20 January 20232 - 1!	-2,706.00

**Tamala Park Regional Council
Summary Payment List
May 2023**

18/05/2023	Jones, Nige	Elected member attendance fee 20 January 20232 - 19	-2,706.00
18/05/2023	Kevin Smith Cleaning Services	Cleaning of TPRC office (3 x cleans)	-218.56
18/05/2023	Krsticevic, Tony	Elected member attendance fee 20 January 20232 - 19	-2,706.00
18/05/2023	LD Total	Landscaping maintenance	-415,263.62
18/05/2023	McMullen Nolan Group	Surveying services	-7,606.50
18/05/2023	Migdale, Suzanne	Deputy Chair allowance 20 January 20232 - 19 April 2023	-3,991.31
18/05/2023	Moore Australia (WA) Pty Ltd	Preparation of FBT Return 2023	-1,045.00
18/05/2023	Neverfail	Bottled water x 4	-61.05
18/05/2023	New Living Cleaning	Sales Office cleaning (5 May 2023)	-231.00
18/05/2023	Next Level Signage	Replacement of Beach windsock	-544.50
18/05/2023	Niche Planning Studio	Green Central POS (March & April 2023)	-14,190.00
18/05/2023	Nutrien Water	Landscaping services	-43,944.96
18/05/2023	Parker, Glynis	Elected member attendance fee 20 January 20232 - 19	-2,706.00
18/05/2023	Perkov, Karlo	Elected member attendance fee 20 January 20232 - 19	-2,706.00
18/05/2023	Sandri, Bianca	Chairman allowance 20 January 20232 - 19 April 2023	-9,200.00
18/05/2023	Satterley Property Group	Community development services (April 2023)	-2,312.20
18/05/2023	Scott, Jason	Solar Panel Rebate (Lot 328)	-2,000.00
18/05/2023	Starr, S	Milk x 2	-8.00
18/05/2023	Terrestrial Ecosystems	BCA Fauna Management	-2,310.00
18/05/2023	Tim Davies Landscaping P/L	Landscaping maintenance supervision	-9,406.46
18/05/2023	Town of Victoria Park	GST (March & April 2023)	-57,088.00
18/05/2023	Treacy Fencing	Fencing services	-19,445.91
18/05/2023	Treby, Brett	Elected member attendance fee 20 January 20232 - 19	-2,706.00
18/05/2023	UDIA (WA)	Annual Membership subscription (01/07/23 - 30/06/24)	-5,701.00
18/05/2023	Wallace, Ashley	Elected member attendance fee 20 January 20232 - 19	-2,706.00
18/05/2023	Welch, Grace	Solar Panel Rebate - Lot 331	-2,000.00
26/05/2023	Western Power	Stage 37 Pre-CDR Clearance Fee (MS018557)	-47,000.00
29/05/2023	Western Power	Stage 17B Phase 2 Pre-DCR Clearance	-1,000.00
31/05/2023	City of Wanneroo	Refund of cheque 124086 incorrectly paid to TPRC	-468.08
31/05/2023	City of Joondalup - Supplier	GST owing March 2023	-1,526.73
			<u><u>-2,744,030.31</u></u>

Tamala Park Regional Council
Credit Card Report
As of May 31, 2023

Type	Date	Name	Description	Amount
A01110 · Westpac Visa Corp Credit Card				
Credit Card Charge	3/05/2023	Coles Supermarkets	Milk	4.70
Credit Card Charge	4/05/2023	City of perth Parking	Parking for UDIA Seminar	11.11
Credit Card Charge	9/05/2023	Coles Supermarkets	Coffee pods & milk	49.10
Credit Card Charge	10/05/2023	Westpac Bank	Credit card fees (CEO, EA & ...	11.25
Cheque	15/05/2023	Westpac Bank	Credit card charges (EA)	-126.73
Cheque	15/05/2023	Westpac Bank	Credit card charges (CEO)	-3.75
Cheque	15/05/2023	Westpac Bank	Credit card charges (MPC)	-41.65
Credit Card Charge	22/05/2023	Sayers Sister	TPRC/MRC Meeting	22.00
Credit Card Charge	24/05/2023	Lot Six Zero	Meeting with Community Dev...	19.92
Credit Card Charge	29/05/2023	City of perth Parking	CEO meeting with Mayor & C...	5.55
Credit Card Charge	30/05/2023	Reckon	Reckon STP Phase 2 Trainin...	99.00
Credit Card Charge	30/05/2023	Zoom Video Comm...	Standard Pro Monthly x 3 (Ju...	69.18
Credit Card Charge	30/05/2023	Coles Supermarkets	Milk & coffee pods x 2	19.95
Credit Card Charge	31/05/2023	Sayers Sister	CEO meeting with Chair	11.30
Total A01110 · Westpac Visa Corp Credit Card				150.93
TOTAL				150.93

8.6. PROJECT FINANCIAL REPORT - APRIL 2023

Responsible Officer: Manager Project Coordination
Attachments: 1. Attachment - Catalina Apr 23 Finance Report
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council RECEIVES the Project Financial Report (April 2023) submitted by the Satterley Property Group.

PURPOSE

To consider the Project Financial Report for April 2023 submitted by the Satterley Property Group.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Review of Project Financial Report for April 2023.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and effective governance environment.	Moderate
Action:	
SPG and TPRC provide reports/information to Council Meetings.	

The report provides information to the Council on Catalina Project financial outcomes in particular, revenue, expenditure and variances to ensure transparency and governance of financial activity.

BACKGROUND

At its meeting of 16 June 2022, the Council approved the Project Budget FYE 2023, submitted by the Satterley Property Group (Satterley). The Budget was reviewed in November 2022 and the Council approved an updated Budget at its meeting of 8 December 2022.

The Development Manager’s Key Performance Indicators 2020 - Governance, requires the preparation of monthly progress reports.

COMMENT

Satterley has prepared a Catalina Financial Report for April 2023 for the Project. The report has been prepared on a cash basis and compares actual expenditure to approved budget expenditure for the period 1 April 2023 to 30 April 2023.

This report identifies the following main areas of variance:

As tabled below, the overall nett financial position exceeds the April budget projections.

	Projected Budget (July-April)	Actual YTD (July- April)	Variance
Revenue	25,032,314	25,890,865	858,552
Expenditure	27,923,700	16,465,045	11,458,655
Nett	(1,764,042)	9,425,821	12,317,207

Expenditure

- Lot Production (excluding bonds): \$7.71M under budget. While a considerable portion of this under-expenditure is due to delays in the delivery of stages, there are also some ‘real’ budget savings as project stages are being delivered under budget allocations. This is due to a combination of good project management and the fact that considerable contingencies were included in initial budget estimates that have not been fully utilised.
- Landscaping: \$3.43M under budget. This is primarily due to delays in the delivery of works programs. The vast majority of these under-budgeted funds will be expended, just later than was initially anticipated.
- Infrastructure Spend: \$1.16M under budget. This is primarily due to delays in the construction of Longbeach Promenade (which is nearing completion) but does include real budget savings, with works being delivered for costs that are under the allocated budget.
- Clearance Bonds: \$1.69M unfavourable. Bonds are yet to be released by the City of Wanneroo. These will be returned in due course.

Revenue

- Income: \$858K above expectations.

As indicated in previous Project Financial Report updates, the Catalina Project budgets have traditionally been set with very aggressive development and sales targets which have proven to be unattainable due to market conditions and contractor availability. While the targets have not been achieved, the nett project budget position has always beaten budget expectations. Budget expectations have been bettered as Project budgets have been set conservatively

with considerable contingencies, variation budgets and allowances being included. These are regularly under-utilised/not required and hence the actual Project budget performance has historically, significantly exceeded the budget from a nett bottom - line position. While achieving a positive nett bottom line when compared to budget is a good result, TPRC staff are working with Satterley to deliver a FYE 24 Budget that more accurately reflects the likely development and budget parameters for the forthcoming financial year (and beyond).

- Beach Park 2 \$460k under budget due to delays in works program;
- Beach foreshore Access area 1 \$96k under budget due to minor timing variances;
- Beach Mallaca Way Medians \$10k under budget due to minor timing variances;
- Green POS 1 Phase 1 \$2.05m under budget due to delays on site;
- Green Central Bore, Pump & Filtration Unit \$24k under budget due to unused contract sum;
- Water \$80k under budget due to unused contract sums;

- Infrastructure Spend is \$1.16m under budget, noting the following variances:
 - Connolly Drive Blvd \$225k under budget due to savings;
 - Portofino Extension \$41k under budget due to savings;
 - Longreach Prom Extension \$832k under budget due to delays on site;
 - Rubbish Removal \$42k under budget due to unrequired works;

- Clearance bonds are \$1.69m unfavourable to budget – timing.

- Indirect Consultants are \$111k under budget - timing.

- Special sites are \$148k under budget, noting the following variances:
 - Catalina Green Commercial Site \$9k over budget due to timing of spend;
 - Stage 17B GHS is \$157k under budget due to timing of works;

- P&L expenditure is \$586k under budget, noting the following variances:
 - Sales & Marketing is \$248k under budget due to timing of spend;
 - Community and Development \$83k under budget due timing of spend;
 - Maintenance \$284k under budget due to savings as result of handover and tender;
 - Legal Fees \$29k under budget – no spend required at present;
 - Contingency \$301k under budget – not required
 - Rates & taxes \$425k over budget – budget omission;
 - Security \$21k under budget – no spend required at present;
 - Sundry Office Expenses \$11k under budget – no spend required at present;
 - Training \$15k under budget – no spend required at present;
 - Valuations \$15k under budget due to timing of spend;
 - \$4k under budget - combined minor variances for other Overheads.

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

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - April 2023			YEAR TO DATE - April 2023			Bud Comparison: Dec 22 Approved	
Job Description	Account Description	MTH ACT Apr 2023	MTH BUD Apr 2023	Variance	YTD ACT Apr 2023	YTD BUD Apr 2023	Variance	Comments regarding variance	
REVENUE									
Settlements	Settlement revenue	2,201,000	761,926	1,439,074	21,065,000	21,536,333	(471,333)	76 settlements YTD ex GST Margin scheme. GST Margin Scheme applied (Burgess Rawson valuations) Includes Commission and Management Fees Penalty interest income on settlements Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates	
Margin GST	Margin GST	(25,901)	(13,865)	(12,036)	(260,423)	(352,456)	92,033		
Direct Selling Costs		(100,566)	(35,544)	(65,022)	(952,631)	(1,269,981)	317,350		
Interest Income		2,230	0	2,230	4,302	658	3,644		
Forfeited Deposits		0	0	0	0	0	0		
Other Income	Special sites revenue	6,226,030	0	6,226,030	6,226,030	5,909,091	316,939		
Rebate Allowance		(15,733)	(80,673)	64,940	(191,413)	(791,331)	599,918		
		8,287,060	631,844	7,655,215	25,890,865	25,032,314	858,552		
LOT PRODUCTION									
Completed Earthworks		0	0	0	0	0	0		under budget due to unused contract sums, savings to be reflected in next budget update
Earthworks Stages 36-37	Siteworks / Earthworks	0	0	0	19,660	839,642	819,982		
	Authorities Fees	0	0	0	0	0	0		
	Direct Consultants	0	0	0	0	0	0		
Total Earthworks Stage 36-37		0	0	0	19,660	839,642	819,982		
Completed Stages		0	0	0	0	0	0		
Stage 18C	Siteworks / Earthworks	41,006	41,006	0	1,159,100	1,984,061	824,960		
	Authorities Fees	0	0	0	226,406	225,587	(820)		
	Direct Consultants	330	7,702	7,372	31,631	67,811	36,180		
Total Stage 18C		41,336	48,708	7,372	1,417,138	2,277,458	860,320		
Stage 27B	Siteworks / Earthworks	0	0	0	55,817	45,000	(10,818)	under budget due to minor timing variance with delayed works along with savings of ~\$600k to be reflected in next budget update	
	Authorities Fees	0	0	0	0	141,841	141,841		
	Direct Consultants	0	0	0	1,250	33,330	32,080		
Total Stage 27B		0	0	0	57,067	220,171	163,103		
Stage 29	Siteworks / Earthworks	485,970	356,209	(129,762)	2,117,031	3,280,328	1,163,297		
	Authorities Fees	0	0	0	314,602	427,578	112,976		
	Direct Consultants	1,083	7,258	6,175	41,590	77,435	35,846		
Total Stage 29		487,053	363,466	(123,587)	2,473,222	3,785,341	1,312,119		
Stage 30	Siteworks / Earthworks	0	0	0	87,015	577,810	490,794		
	Authorities Fees	0	0	0	0	16,314	16,314		
	Direct Consultants	0	0	0	20,437	26,860	6,423		
Total Stage 30		0	0	0	107,452	620,984	513,531		
Stage 31	Siteworks / Earthworks	48,109	0	(48,109)	80,914	0	(80,914)	under budget due to minor timing variance with delayed works along with savings of ~\$500k to be reflected in next budget update	
	Authorities Fees	0	0	0	0	0	0		
	Direct Consultants	2,955	22,634	19,679	152,725	242,885	90,160		
Total Stage 31		51,064	22,634	(28,429)	233,639	242,885	9,246		
Stage 32	Siteworks / Earthworks	0	0	0	0	0	0		
	Authorities Fees	0	0	0	0	0	0		
	Direct Consultants	0	28,400	28,400	0	112,478	112,478		
Total Stage 32		0	28,400	28,400	0	112,478	112,478		
Stage 36	Siteworks / Earthworks	384,185	0	(384,185)	3,249,503	4,737,000	1,487,497		
	Authorities Fees	0	0	0	351,680	682,544	330,864		
	Direct Consultants	2,865	0	(2,865)	72,716	74,433	1,717		
Total Stage 36		387,050	0	(387,050)	3,673,899	5,493,976	1,820,078		
Stage 37	Siteworks / Earthworks	162,553	448,129	285,576	613,688	2,240,645	1,626,957	under budget due to timing variance with delayed works along with savings of ~\$400k to be reflected in next budget update	
	Authorities Fees	12,910	0	(12,910)	20,550	409,369	388,819		
	Direct Consultants	7,695	18,617	10,922	149,798	180,623	30,825		
Total Stage 37		183,158	466,746	283,588	784,035	2,830,636	2,046,601		
Stage 38	Siteworks / Earthworks	0	0	0	0	0	0		
	Authorities Fees	0	0	0	0	0	0		
	Direct Consultants	10,530	22,533	12,003	98,896	157,088	58,192		

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - April 2023		
Job Description	Account Description	MTH ACT Apr 2023	MTH BUD Apr 2023	Variance
Total Stage 38		10,530	22,533	12,003
Various Stages	Clearance Bonds	606,159	0	(606,159)
TOTAL LOT PRODUCTION		1,766,349	952,488	(813,861)
LANDSCAPING				
Completed Landscaping		0	0	0
Preliminary Landscaping Consultancy	Landscape Consulting	0	42,329	42,329
Environmental Landscaping	Landscape Construction	0	9,204	9,204
Central Connolly Drive	Landscape Construction	0	0	0
Central Green Link	Landscape Construction	0	0	0
Beach Display Village Verge	Landscape Construction	0	2,931	2,931
Beach Portofino Verge - South	Landscape Construction	0	0	0
Beach Park 2	Landscape Construction	68,186	0	(68,186)
Beach Foreshore POS Area 1	Landscape Construction	0	0	0
Beach Foreshore Access Area 1	Landscape Construction	3,879	15,910	12,031
Beach Mallacla Way Medians	Landscape Construction	0	5,135	5,135
Green Connolly Drive Phase 1	Landscape Construction	0	0	0
Green POS 1 Phase 1	Landscape Construction	254,132	177,617	(76,515)
Green POS 1 Phase 2	Landscape Construction	0	0	0
Green Central Bore, Pump & Filtration Unit	Landscape Construction	674	10,269	9,595
Water	Landscape Construction	0	11,553	11,553
TOTAL LANDSCAPING		326,871	274,948	(51,923)
INDIRECT CONSULTANTS				
Planning - indirect	Planning	8,750	26,530	17,780
	Architect	2,330	556	(1,774)
	Environmental	13,733	3,365	(10,368)
	Geotechnical	0	871	871
	Title - Survey & Legal fees	3,074	3,418	344
	Engineering fees	10,151	7,124	(3,026)
	Miscellaneous Consultants	0	957	957
	Planning - fire & safety	0	(0)	(0)
	Planning - Hydrology	375	2,986	2,611
	Planning - Sustainability	0	1,524	1,524
	Acoustic & Noise Consult	0	112	112
	Tree Mapping	0	0	0
TOTAL INDIRECT CONSULTANTS		38,413	47,443	9,030

YEAR TO DATE - April 2023		
YTD ACT Apr 2023	YTD BUD Apr 2023	Variance
98,896	157,088	58,192
2,676,348	987,899	(1,688,448)
11,541,357	17,568,559	6,027,202
0	0	0
132,171	488,055	355,884
99,031	159,068	60,037
1,055,387	1,105,670	50,282
843,653	924,529	80,876
8,400	13,043	4,643
694,390	848,047	153,657
114,968	575,256	460,288
44,800	44,800	0
213,228	308,776	95,548
0	10,235	10,235
(171,741)	(171,741)	0
329,722	2,381,129	2,051,407
15,446	15,446	0
26,293	50,671	24,378
0	79,505	79,505
3,405,750	6,832,491	3,426,741
102,565	202,816	100,251
11,405	7,791	(3,614)
44,211	33,666	(10,545)
0	5,995	5,995
33,502	28,566	(4,936)
35,196	56,591	21,394
23,057	8,199	(14,858)
2,500	2,500	0
5,760	21,659	15,899
7,000	10,486	3,486
0	768	768
3,100	0	(3,100)
268,297	379,037	110,740

Bud Comparison: Dec 22 Approved	
Comments regarding variance	
minor variance with delay in civil design invoicing	
over budget due to delay in bond returns	
Within budget	
majority of variance due to delay in stage 36 and Beach park 2 landscaping (inclusive of consultancy) as result of delay in civils, costs to normalise over coming months. Minor savings across several line items within landscaping	
minor variance due to timing of works, timing of invoicing and unused budget	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - April 2023		
Job Description	Account Description	MTH ACT Apr 2023	MTH BUD Apr 2023	Variance
INFRASTRUCTURE				
Completed Infrastructure		0	0	0
Connolly Drive Aviator Blvd Intersection		0	0	0
Additional allowance to scheme underpass		0	0	0
Foreshore Access Road		0	0	0
Portofino Extension		0	0	0
Portofino Extension		0	0	0
Longreach Prom Extension		16,527	166,818	150,291
Longreach Prom Extension		0	5,212	5,212
Rubbish removal - General Allowance		0	7,684	7,684
INFRASTRUCTURE		(3,740)	179,714	183,455
INFRASTRUCTURE REFUNDS				
Neerabup Road Reimbursement		0	0	0
Waste Water Pump Station (West)		0	0	0
INFRASTRUCTURE REFUNDS		0	0	0
TOTAL INFRASTRUCTURE		(3,740)	179,714	183,455
SPECIAL SITES & FIXED ASSETS				
Catalina Green Commercial Site		0	0	0
Stage 17B GHS - Lot 341		0	33,718	33,718
TOTAL SPECIAL SITES & FIXED ASSETS		0	33,718	33,718
TOTAL CONSTRUCTION		2,127,893	1,488,311	(639,582)
LAND				
		0	0	0
PROFIT & LOSS EXPENDITURE				
Sales & Marketing				
	Brand Development	0	5,167	5,167
	Sales Office & Builder Rel.	0	15,517	15,517
	Brochures	0	4,133	4,133
	Advertising	2,513	12,675	10,162
	Signage	785	10,005	9,220
	Website	0	1,770	1,770
	Promotions	0	1,111	1,111
	Public Relations	0	2,222	2,222
Total Sales and Marketing		3,298	52,601	49,303
Total Community Development	Comm Dev - Resident Dev	2,940	15,395	12,455

YEAR TO DATE - April 2023		
YTD ACT Apr 2023	YTD BUD Apr 2023	Variance
0	0	0
0	225,000	225,000
0	0	0
1,193	0	(1,193)
3,990	45,150	41,160
41,023	40,838	(185)
17,027	823,617	806,590
0	25,717	25,717
10,740	52,880	42,140
53,706	1,213,201	1,159,495
0	0	0
0	0	0
0	0	0
53,706	1,213,201	1,159,495
8,660	0	(8,660)
9,576	166,370	156,794
18,236	166,370	148,134
15,287,346	26,159,658	10,872,311
0	0	0
7,172	39,667	32,494
346	108,966	108,620
6,695	33,733	27,038
103,984	102,651	(1,334)
57,802	109,989	52,187
11,045	16,460	5,415
0	7,778	7,778
0	15,556	15,556
187,044	434,799	247,754
35,899	119,210	83,311

Bud Comparison: Dec 22 Approved	
Comments regarding variance	
	under budget due to unused contract sums, savings to be reflected in next budget update
	under budget due to timing of the works, YTD to normalise over next few months
	within budget
	within budget
	Unrequired costs, savings to be taken up in next budget
	Within budget
	Within budget
	Within budget. Overall marketing spend below forecast
	Within budget

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - April 2023			YEAR TO DATE - April 2023		
Job Description	Account Description	MTH ACT Apr 2023	MTH BUD Apr 2023	Variance	YTD ACT Apr 2023	YTD BUD Apr 2023	Variance
Administration	Audit and Tax	600	0	(600)	7,033	1,078	(5,955)
	Cleaning	420	1,027	607	7,440	9,797	2,357
	Computer Costs	0	513	513	0	3,534	3,534
	Couriers	0	308	308	0	2,120	2,120
	Electricity & Gas	4,214	1,027	(3,187)	15,217	8,484	(6,733)
	Insurance	0	513	513	0	3,534	3,534
	Legal fees	0	4,279	4,279	0	29,446	29,446
	Licenses & Fees	0	513	513	3,977	5,978	2,001
	Postage, Print & Stationery	0	513	513	0	3,534	3,534
	Sundry Office Expenses	0	1,540	1,540	0	10,601	10,601
	Training	0	2,139	2,139	0	14,723	14,723
	Valuations	1,350	3,423	2,073	13,450	28,707	15,257
	Rates & Taxes	223	0	(223)	460,348	34,944	(425,404)
	Maintenance	5,845	86,673	80,828	447,290	731,751	284,461
	Security	0	3,081	3,081	0	21,201	21,201
Total Administration		12,652	105,552	92,900	954,756	909,432	(45,324)
Finance	Contingency	41,006	90,576	49,571	742,795	1,043,396	300,601
	Contingency Offset Transfer	(41,006)	(41,006)	0	(742,795)	(742,795)	0
Total Finance		0	49,571	49,571	0	300,601	300,601
Total P&L Expenditure		18,890	223,118	204,228	1,177,698	1,764,042	586,343
Grand Expense Total		2,146,783	1,711,429		16,465,045	27,923,700	11,458,655
NET CASHFLOW		5,140,277	(1,875,944)	7,219,862	9,425,821	(7,851,344)	12,317,207

Bud Comparison: Dec 22 Approved	
Comments regarding variance	
savings as result of handovers and tender	
Due to rates & taxes variance. Rest combined is below budget.	
under budget as not required, to betaken up as savings in next budget	
Within budget	

Contingency Summary

YTD Budget	1,043,396
Contingency Transferred (Actual & Budget)	<u>(742,795)</u>
Contingency not yet used	<u>300,601</u>

List of Contingency items transferred year to date

Period	Job Description	Amount
Oct-22	Stage 29 Civils & Earthworks CL5	161,725
Nov-22	Stage 29 Civils & Earthworks CL6	168,300
Dec-22	Central Green Link Landscape	82,740
Jan-23	Stage 18C Civils CL 10	84,493
Feb-23	Stage 18C Civils CL 11	137,565
Mar-23	Stage 18C Civils CL 12	66,967
Apr-23	Stage 18C Civils CL 13	41,006
		<u>742,795</u>

Budget Transfers

List of Budget items transferred year to date

Period	Job Description	Amount
Oct-22	Contingency	<u>(369,587.80)</u>
Oct-22	Stage 29 Civil	369,587.80
Dec-22	Green Neerabup Rd Phase 1	<u>(607,710.00)</u>
Dec-22	Green Connolly Dr Phase 1	<u>(729,103.47)</u>
Dec-22	Green POS 1 Phase 1	1,851,798.77
Dec-22	Green Streetscapes Phase 1	<u>(514,985.30)</u>
		<u>0</u>

Note: Actual Contingency spend in prior years is reported against the job that the spend relates to.

1.0 Management Accounts

1.1 KEY STATISTICS

1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS								
	<u>Lots Produced (titles)</u>		<u>Sales</u>		<u>Settlements</u>		<u>Distributions</u>	
	<u>Actual</u>	<u>Budget</u> <i>(Dec-22)</i>	<u>Actual</u>	<u>Budget</u> <i>(Dec-22)</i>	<u>Actual</u>	<u>Budget</u> <i>(Dec-22)</i>	<u>Actual</u>	<u>Budget</u> <i>(Dec-22)</i>
Prior Years	1,138	1,138	1,200	1,200	1,112	1,112	97,000,000	97,000,000
Jul-2022	-	-	7	7	10	10	-	-
Aug-2022	-	-	2	2	6	6	-	-
Sep-2022	-	-	6	6	2	2	-	-
Sep Qtr	-	-	15	15	18	18	-	-
Oct-2022	28	28	-	-	1	1	-	-
Nov-2022	57	48	5	8	22	12	-	-
Dec-2022	-	-	(2)	8	10	17	10,000,000	10,000,000
Dec Qtr	85	76	3	16	33	30	10,000,000	10,000,000
Jan-2023	-	-	4	8	6	12	-	-
Feb-2023	-	-	4	8	6	12	-	-
Mar-2023	-	-	7	8	3	6	-	-
Mar Qtr	-	-	15	24	15	30	-	-
Apr-2023	43	91	11	8	10	3	-	-
May-2023	-	-	-	8	-	15	-	-
Jun-2023	-	-	-	8	-	14	-	10,000,000
Jun Qtr	43	91	11	24	10	32	-	10,000,000
PTD	1,266	1,305	1,244	1,263	1,188	1,193	107,000,000	107,000,000
Full 2022/23 Year	128	167	44	79	76	110	10,000,000	20,000,000
2023/24		144		149		136		20,000,000
2024/25		191		144		148		17,000,000

- There were 11 sales and 10 settlements for April.

1.2 Sales & Settlements

	<u>MTH Act</u>	<u>MTH Bgt</u> <i>(Dec-22)</i>	<u>YTD Act</u>	<u>YTD Bgt</u> <i>(Dec-22)</i>	<u>PTD Act</u>	<u>PTD Bgt</u> <i>(Dec-22)</i>
Residential						
- Sales #	11	8	44	63	1,244	1,263
- Sales \$	3,855,000	2,692,659	14,682,500	20,070,511	344,487,000	349,875,011
- Sales \$/lot	350,455	336,582	333,693	318,580	276,919	277,019
- Settlements #	10	3	76	81	1,188	1,193
- Settlements \$	2,201,000	761,926	21,065,000	21,536,332	326,419,500	326,890,832
- Settlements \$/lot	220,100	253,975	277,171	265,881	274,764	274,007
Special Sites						
- Sales #	-	-	2	1	6	5
- Sales \$	-	-	9,900,000	6,500,000	13,672,000	10,272,000
- Sales \$/lot	-	-	4,950,000	6,500,000	2,278,667	943,000
- Settlements #	1	-	1	1	5	5
- Settlements \$	7,150,000	-	7,150,000	6,500,000	10,922,000	10,272,000
- Settlements \$/lot	7,150,000	-	7,150,000	6,500,000	2,184,400	2,054,400
Lots Under Contract						
- Unsettled sales #	56			10	Titled	
- Unsettled sales \$	18,067,500			46	1,269 incl. Spec sites	
- Unsettled sales \$/lot	322,634					

Special sites under contract:

	<u>Bud</u> <u>Settlement</u>	<u>Fct</u> <u>Settlement</u>	
Lot 3128 (Stg 36)	7,150,000	Jan-23	Settled on 4 April 23
Lot 341 (Stg 17B)	2,750,000	Jun-23	
	<u>9,900,000</u>		

1.3 Cashflow - MTD Actuals to budget

	<u>MTD Act</u>	<u>MTD Bgt</u> <i>(Dec-22)</i>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	2,201,000	761,926	1,439,074
Margin GST	(25,901)	(13,865)	(12,036)
Direct selling costs	(100,566)	(35,544)	(65,022)
Interest Income	2,230	-	2,230
Forfeited Deposits	-	-	-
Other Income	6,226,030	-	6,226,030
Rebate Allowance	(15,733)	(80,673)	64,940
	<u>8,287,060</u>	<u>631,844</u>	<u>7,655,215</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	1,160,191	346,330	(813,861)
Clearance Bonds	606,159	606,159	-
Landscaping	326,871	274,948	(51,923)
Consultants	38,413	47,443	9,030
Infrastructure	(3,740)	179,714	183,455
Special Sites	-	33,718	33,718
	<u>2,127,893</u>	<u>1,488,311</u>	<u>(639,582)</u>
<u>Overheads</u>			
Sales & marketing	3,298	52,601	49,303
Community Develop.	2,940	15,395	12,455
Administration	12,652	105,552	92,900
Finance/Contingency	-	49,571	49,571
	<u>18,890</u>	<u>223,118</u>	<u>204,228</u>
Net Cashflow	<u>6,140,277</u>	<u>(1,079,584)</u>	<u>7,219,862</u>

1.4 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u> <i>(Dec-22)</i>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	21,065,000	21,536,333	(471,333)
Margin GST	(260,423)	(352,456)	92,033
Direct selling costs	(952,631)	(1,269,981)	317,350
Interest Income	4,302	658	3,644
Forfeited Deposits	-	-	-
Other Income	6,226,030	5,909,091	316,939
Rebate Allowance	(191,413)	(791,331)	599,918
	<u>25,890,865</u>	<u>25,032,314</u>	<u>858,552</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	8,865,009	16,580,659	7,715,650
Clearance Bonds	2,676,348	987,899	(1,688,448)
Landscaping	3,405,750	6,832,491	3,426,741
Consultants	268,297	379,037	110,740
Infrastructure	53,706	1,213,201	1,159,495
Special Sites	18,236	166,370	148,134
	<u>15,287,346</u>	<u>26,159,658</u>	<u>10,872,311</u>
<u>Overheads</u>			
Sales & marketing	187,044	434,799	247,754
Community Develop.	35,899	119,210	83,311
Administration	954,756	909,432	(45,324)
Finance/Contingency	-	300,601	300,601
	<u>1,177,698</u>	<u>1,764,042</u>	<u>586,343</u>
Net Cashflow	<u>9,425,821</u>	<u>(2,891,386)</u>	<u>12,317,207</u>

1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	823,255	2,893,444	3,499,603
	<u>823,255</u>	<u>2,893,444</u>	<u>3,499,603</u>

Bonds relate to stages 18C, 25, 29, 30, 36, 37, Connolly Drive & Portofino Promenade early clearances.

2.0 PROFIT & LOSS

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
		(Dec-22)			(Dec-22)			(Dec-22)
- Revenue \$ (Stlmnts)	2,201,000	761,926	1,439,074	21,065,000	21,536,332	(471,332)	326,419,500	326,890,832
- Revenue \$/lot	220,100	253,975		277,171	265,881		274,764	274,007
- Selling & GST \$	241,468	90,860	(150,608)	2,093,103	2,415,924	322,820	28,735,994	29,058,815
- Selling & GST \$/lot	24,147	30,287		27,541	29,826		24,189	24,358
- Cost of sales \$	1,159,852	450,904	(708,948)	8,907,961	11,372,122	2,464,161	115,553,387	118,017,548
- Cost of sales \$/lot	115,985	150,301		117,210	140,397		97,267	98,925
- Gross profit \$	<u>799,681</u>	<u>220,162</u>	<u>579,519</u>	<u>10,063,936</u>	<u>7,748,287</u>	<u>2,315,649</u>	<u>182,130,119</u>	<u>179,814,469</u>
- Gross profit \$/lot	79,968	73,387		132,420	95,658		153,308	150,725
- Gross profit Mgn %	36.33%	28.90%		47.78%	35.98%		55.80%	55.01%
- Special Sites \$	4,639,849	-	4,639,849	4,639,849	4,381,261	258,588	6,731,808	6,473,220
- Other income \$	2,230	-	2,230	4,302	658	3,644	291,188	287,545
- Sales & Marketing \$	13,352	134,535	121,183	229,755	1,040,895	811,140	2,906,374	3,717,514
- Administration \$	82,341	104,965	22,624	953,295	905,396	(47,898)	6,884,051	6,836,152
- Finance/Other \$	1,842	-	(1,842)	28,139	9,724	(18,415)	226,320	207,905
- Contingency \$	(41,006)	90,576	131,582	-	1,043,400	1,043,400	4,091	1,047,491
- Net profit \$	<u>5,385,230</u>	<u>(109,914)</u>	<u>5,495,144</u>	<u>13,496,899</u>	<u>9,130,791</u>	<u>4,366,108</u>	<u>179,132,280</u>	<u>174,766,172</u>
- Net profit \$/lot	538,523	(36,638)		177,591	112,726		150,785	146,493

- Year to date Gross profit is \$2.32m favourable on 5 less settlements due to lot mix, favourable selling costs and cost of sales per lot.
- Year to date Overheads are \$1.79m below budget due to:
 - Marketing 811k favourable - savings & timing variances;
 - Admin \$48k unfavourable - timing (mainly Rates & Taxes);
 - Unused Contingency \$1.04m.

YEAR TO DATE VERSUS FULL YEAR BUDGET

	<u>YTD Act</u>	<u>Full Year Bgt</u>	<u>Var</u>
- Revenue \$ (Stlmnts)	21,065,000	32,145,059	(11,080,059)
- Revenue \$/lot	277,171	292,228	
- Selling & GST \$	2,093,103	3,439,443	1,346,339
- Selling & GST \$/lot	27,541	31,268	
- Cost of sales \$	8,907,961	16,056,745	7,148,784
- Cost of sales \$/lot	117,210	145,970	
- Gross profit \$	<u>10,063,936</u>	<u>12,648,872</u>	<u>(2,584,935)</u>
- Gross profit \$/lot	132,420	114,990	
- Gross profit Mgn %	47.78%	39.35%	
- Special Sites \$	4,639,849	5,540,864	(901,015)
- Other income \$	4,302	658	3,644
- Sales & Marketing \$	229,755	1,309,965	1,080,210
- Administration \$	953,295	1,117,431	164,136
- Finance \$	28,139	9,724	(18,415)
- Contingency \$	-	1,291,655	1,291,655
- Net profit \$	<u>13,496,899</u>	<u>14,461,619</u>	<u>(964,721)</u>
- Net profit \$/lot	177,591	131,469	

2.1 GROSS PROFIT ANALYSIS

Actual

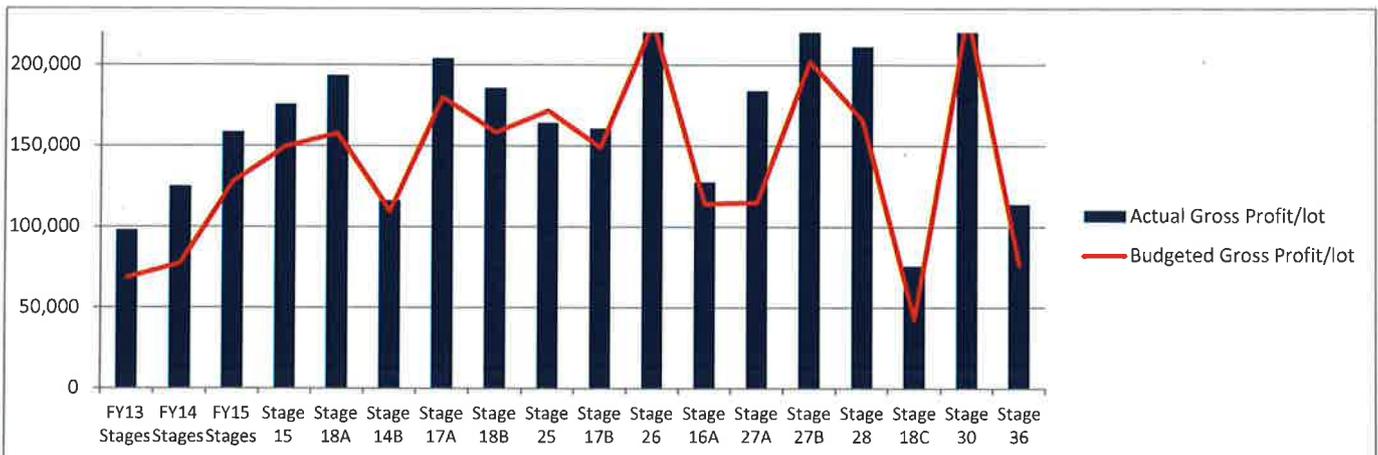
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Actual Gross Profit		Actual Gross Profit/lot	Actual Gross Margin %
				COGS (incl. GST)	Profit					
Incentives Writeback				-5,276,851			5,276,851			
FY13 Stages	2012 / 2013	51,375,500	220,496	28,570,159	122,619	22,805,341	97,877	44.39%		
FY14 Stages	2013 / 2014	50,325,000	243,116	24,477,309	118,248	25,847,691	124,868	51.36%		
FY15 Stages	2014 / 2015	77,688,000	275,489	32,963,408	116,892	44,724,592	158,598	57.57%		
Stage 15	15-Dec-15	15,444,000	280,800	5,791,567	105,301	9,652,433	175,499	62.50%		
Stage 18A	27-May-16	8,626,000	297,448	3,015,429	103,980	5,610,571	193,468	65.04%		
Stage 14B	28-Oct-16	2,444,000	244,400	1,281,011	128,101	1,162,989	116,299	47.59%		
Stage 17A	20-Feb-17	7,774,000	310,960	2,674,295	106,972	5,099,705	203,988	65.60%		
Stage 18B	13-Jun-17	8,792,000	283,613	3,035,185	97,909	5,756,815	185,704	65.48%		
Stage 25	8-Aug-17	20,323,000	350,397	10,802,146	186,244	9,520,854	164,153	46.85%		
Stage 17B	22-May-18	9,827,500	272,986	4,037,425	112,151	5,790,075	160,835	58.92%		
Stage 26	26-Sep-19	14,125,500	371,724	5,669,441	149,196	8,456,059	222,528	59.86%		
Stage 16A	25-Jan-21	4,514,000	265,529	2,344,352	137,903	2,169,648	127,626	48.06%		
Stage 27A	24-Feb-21	6,341,000	317,050	2,661,467	133,073	3,679,533	183,977	58.03%		
Stage 27B	20-Apr-22	9,355,000	406,739	4,017,669	174,681	5,337,331	232,058	57.05%		
Stage 28	1-Sep-21	12,770,000	375,588	5,591,783	164,464	7,178,217	211,124	56.21%		
Stage 18C	26-Oct-22	4,380,000	208,571	2,792,904	132,995	1,587,096	75,576	36.24%		
Stage 30	25-May-22	13,225,000	388,971	4,740,362	139,422	8,484,638	249,548	64.16%		
Stage 36	2-Nov-22	9,090,000	259,714	5,100,322	145,723	3,989,678	113,991	43.89%		
		326,419,500		144,289,381		182,130,119				

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

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 %
				COGS (incl. GST)	Profit					
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%		
FY 15 Stages	Aug-14	76,167,089	273,000	40,469,170	145,051	35,697,919	127,950	46.87%		
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	4,048,854	139,616	4,577,146	157,833	53.06%		
Stage 14B	Jun-16	2,448,087	244,809	1,352,232	135,223	1,095,855	109,585	44.76%		
Stage 17A	Jun-16	9,427,756	304,121	3,845,430	124,046	5,582,326	180,075	59.21%		
Stage 18B	Jun-16	8,584,690	276,925	3,677,414	118,626	4,907,276	158,299	57.16%		
Stage 18C	Oct-22	5,563,000	198,679	4,363,541	155,841	1,199,459	42,838	21.56%		
Stage 25	Aug-17	19,696,448	345,552	9,915,141	173,950	9,781,307	171,602	49.66%		
Stage 17B	Dec-17	10,496,494	291,569	5,131,807	142,550	5,364,687	149,019	51.11%		
Stage 26	Jun-19	14,347,000	377,553	5,766,060	151,738	8,580,940	225,814	59.81%		
Stage 16A	Dec-20	4,498,002	264,588	2,555,841	150,344	1,942,161	114,245	43.18%		
Stage 27A	Dec-20	6,251,840	312,592	3,951,378	197,569	2,300,462	115,023	36.80%		
Stage 27B	Feb-22	9,345,000	406,304	4,698,534	204,284	4,646,466	202,020	49.72%		
Stage 28	Jul-21	12,669,500	372,632	7,027,024	206,677	5,642,476	165,955	44.54%		
Stage 18C	Oct-22	5,563,000	198,679	4,363,541	155,841	1,199,459	42,838	21.56%		
Stage 30	Dec-21	13,520,000	386,286	5,434,179	155,262	8,085,821	231,023	59.81%		
Stage 36	Oct-22	18,086,000	231,872	12,110,457	155,262	5,975,543	76,610	33.04%		
		339,013,794		192,032,299		146,981,495				

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



Catalina

Finished Lots & Cost of Lots Sold calculations to 30 Apr 2023

Title date:	Completed	Completed	7-Nov-12	8-Aug-17	8-Aug-17	25-Jan-21	24-Feb-21	20-Apr-22	1-Sep-21	25-May-22	26-Oct-22	2-Nov-22	27-Feb-23	TOTAL
	Spec Sites	Rest Stages	Central Cell Sales Office	Stage 25 Sales Office	Stage 25 GHS Lot 2179	Stage 16A	Stage 27A	Stage 27B	Stage 28	Stage 30	Stage 18C	Stage 36	Stage 36 Lot 3128	
Direct costs														
Civil Construction			89,540	83,260	253,163	932,193	707,388	901,496	2,223,532	792,261	1,769,211	3,773,787	-	
Siteworks				75,529	245,432	926,000	652,600	838,353	2,165,633	706,851	1,701,800	3,633,649	-	
URD Power				7,731	7,731	2,403	27,152	40,143	57,899	60,410	42,411	121,869	-	
Third Pipe														
General						3,790	20,000	23,000		25,000	25,000	18,269		
MATV							7,636							
Sewer headwks			5,660	4,514	4,514	101,201	113,955	138,339	196,552	213,570	171,524	249,566	7,463	
Local authority fees			4,363	615	615	28,623	17,424	6,930	14,962	9,466	18,412	31,691		
Local authority scheme costs			2,705					8,954		14,405	10,426	21,225		
Survey & legal fees			1,003	945	945	16,150	21,000	25,428	31,487	39,574	35,227	65,579	1,196	
Engineering fees			5,557	2,750	12,341	77,057	58,349	88,238	116,545	98,586	87,167	271,035		
Sales Office Build Cost			330,780											
Finished Goods Adjustments	- 31,206	- 1,282,787	- 28,238				14,482	60,165	32,920	437,720				
	420,826	57,553,106	411,370	92,084	271,578	1,155,224	932,598	1,229,550	2,615,998	1,605,582	2,091,967	4,412,883	8,659	
Earthworks Allocation	260,179	14,495,542	12,091	18,574	66,681	112,605	303,183	542,975	642,426		131,588	539,279	569,141	
Indirect Costs														
Land														
Infrastructure	84,898	8,359,526	7,165	7,879	31,674	176,806	245,746	511,942	381,466	731,652	201,965	477,101	255,846	
Landscape	118,628	13,546,018	9,006	16,613	66,785	409,039	568,530	975,581	725,814	1,394,271	587,095	1,386,889	752,534	
TOTAL COST	884,530	93,954,192	439,633	135,150	436,718	1,853,674	2,050,057	3,260,048	4,365,704	3,731,505	3,012,615	6,816,152	1,586,180	
Lots	3	1,004	1	1	1	17	20	23	34	35	28	57	1	
COST PER LOT	294,843	93,580	439,633	135,150	436,718	109,040	102,503	141,741	128,403	106,614	107,593	119,582	1,586,180	
Lots settled	3	1,004	1	-	-	17	20	23	34	34	21	35	1	1,193
COST OF LOTS SETTLED	884,530	93,954,192	439,633	-	-	1,853,674	2,050,057	3,260,048	4,365,704	3,624,891	2,259,461	4,185,356	1,586,180	118,463,727
Stage Area (m2)	10,900	332,827	320	255	1,795	6,632	6,615	9,933	13,721	13,416	8,396	21,808	20,012	
Cost per m2	81	282	1,374	530	243	280	310	328	318	278	359	313	79	
Avg lot size	3,633	332	320	255	1,795	390	331	432	404	383	300	383	20,012	

Other cash expenditure

Direct Selling & Proj Mgt Costs
Marketing costs
Administration
Finance
Contingency

30,015,843
2,906,374
6,884,051
226,320
4,091

TOTAL COSTS	158,500,406
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PERIODIC ANALYSIS

	Month	YTD	PTD	PY Jun-22
Lots settled	11	77	1,193	1,116
Cost of lots settled	2,746,032	10,494,142	118,463,731	107,969,589
Direct selling costs	1,165,437	3,017,073	30,015,843	26,998,770
Marketing costs	13,352	229,755	2,906,374	2,676,619
Administration	82,341	953,295	6,884,051	5,930,756
Finance	1,842	28,139	226,320	198,181
Contingency	(41,006)	-	4,091	4,091
TOTAL COSTS	3,968,000	14,722,403	158,500,409	143,778,096

Catalina COGS Calc

30-Apr-23

Job	Titled Date	Direct Cost	Indirect Cost	COGS Total	Lot #	Titled	Untitled	COGS/Lot	Settled Lots	PTD COGS	Per Accounts	Variance	Finished Goods	FG/Lot
140-01-001	17-Oct-2012	4,004,839	637,443	4,642,282	35	35	-	132,637	35	4,642,282	4,642,282	-	-	-
140-01-002	7-Nov-2012	3,429,204	598,332	4,027,537	37	37	-	108,852	37	4,027,537	4,027,537	-	-	-
140-01-003	14-Jan-2013	3,002,658	554,241	3,556,899	43	43	-	82,719	43	3,556,899	3,556,899	-	-	-
140-01-004	20-Mar-2013	3,371,482	800,585	4,172,067	47	47	-	88,767	47	4,172,067	4,172,067	-	-	-
140-01-005	20-May-2013	4,894,899	968,068	5,862,967	63	63	-	93,063	63	5,862,967	5,862,967	-	-	-
140-01-06A	18-Jan-2013	483,435	179,725	663,160	8	8	-	82,895	8	663,160	663,160	-	-	-
140-01-06B	19-Jan-2015	1,100,352	510,130	1,610,482	24	24	-	67,103	24	1,610,482	1,610,482	-	-	-
140-01-06C	3-Apr-2014	671,286	211,296	882,581	10	10	-	88,258	10	882,581	882,581	-	-	-
140-01-007	31-Oct-2013	4,146,749	938,488	5,085,238	63	63	-	80,718	63	5,085,238	5,085,238	-	-	-
140-01-008	16-Jan-2014	4,389,068	881,805	5,270,874	53	53	-	99,450	53	5,270,874	5,270,874	-	-	-
140-01-009	8-May-2014	4,640,905	814,395	5,455,300	51	51	-	106,967	51	5,455,300	5,455,300	-	-	-
140-01-010	8-May-2014	2,460,031	595,126	3,055,157	30	30	-	101,839	30	3,055,157	3,055,157	-	-	-
140-01-011	1-Oct-2014	4,797,823	1,320,873	6,118,696	64	64	-	95,605	64	6,118,696	6,118,696	-	-	-
140-01-012	3-Dec-2014	3,225,081	1,064,585	4,289,666	49	49	-	87,544	49	4,289,666	4,289,666	-	-	-
140-01-13A	30-Mar-2015	2,965,498	717,571	3,683,069	37	37	-	99,542	37	3,683,069	3,683,069	-	-	-
140-01-13B	11-May-2015	2,739,324	986,155	3,725,479	45	45	-	82,788	45	3,725,479	3,725,479	-	-	-
140-01-014	4-Jun-2015	3,619,629	1,347,229	4,966,858	63	63	-	78,839	63	4,966,858	4,966,858	-	-	-
140-01-015	15-Dec-2015	3,073,171	1,243,145	4,316,316	55	55	-	78,478	55	4,316,316	4,316,316	-	-	-
140-01-18A	27-May-2016	1,453,614	760,239	2,213,853	29	29	-	76,340	29	2,213,853	2,213,853	-	-	-
140-01-14B	28-Oct-2016	784,420	224,347	1,008,767	10	10	-	100,877	10	1,008,767	1,008,767	-	-	-
140-01-017	2-Feb-2017	1,194,140	730,941	1,925,081	25	25	-	77,003	25	1,925,081	1,925,081	-	-	-
140-01-18B	13-Jun-2017	1,266,620	876,513	2,143,133	31	31	-	69,133	31	2,143,133	2,143,133	-	-	-
140-01-18C	26-Oct-2022	2,223,555	789,060	3,012,615	28	28	-	107,593	21	2,259,461	2,259,461	0	753,154	107,593
140-02-025	8-Aug-2017	6,444,321	1,929,606	8,373,927	58	58	-	144,378	58	8,373,927	8,373,927	-	-	-
140-01-17B	22-May-2018	1,555,232	1,222,995	2,778,227	36	36	-	77,173	36	2,778,227	2,778,227	-	-	-
140-02-026	26-Sep-2019	2,334,871	1,791,711	4,126,582	38	38	-	108,594	38	4,126,582	4,126,582	-	-	-
140-01-16A	25-Jan-2021	1,267,829	585,845	1,853,674	17	17	-	109,040	17	1,853,674	1,853,674	-	-	-
140-02-27A	24-Feb-2021	1,235,782	814,276	2,050,058	20	20	-	102,503	20	2,050,058	2,050,058	-	0	-
140-02-27B	20-Apr-2022	1,772,525	1,487,523	3,260,048	23	23	-	141,741	23	3,260,048	3,260,048	-	-	-
140-02-028	1-Sep-2021	3,258,423	1,107,280	4,365,703	34	34	-	128,403	34	4,365,703	4,365,703	-	-	-
140-02-030	25-May-2022	1,605,582	2,125,923	3,731,505	35	35	-	106,614	34	3,624,891	3,624,891	0	106,614	106,614
140-03-036	2-Nov-2022	279,263	1,863,990	6,816,153	78	57	21.00	119,582	35	4,185,357	4,185,357	0	2,630,796	119,582
140-70-001	7-Nov-2012	423,461	16,171	439,633	1	1	-	439,633	1	439,633	439,633	-	-	-
140-70-004	12-Dec-2013	20,322	41,798	62,119	1	1	-	62,119	1	62,119	62,119	-	-	-
140-70-005	8-Aug-2017	110,657	24,492	135,149	1	1	-	135,149	-	-	-	-	135,149	135,149
140-70-007	17-Oct-2012	222,150	87,611	309,761	1	1	-	309,761	1	309,761	309,761	-	-	-
140-70-008	1-Oct-2014	438,532	74,117	512,649	1	1	-	512,649	1	512,649	512,649	-	-	-
140-70-009	27/2/23	577,801	1,008,380	1,586,181	1	1	-	1,586,181	1	1,586,181	1,586,181	-	-	-
140-70-028	8-Aug-2017	338,259	98,459	436,718	1	1	-	436,718	-	-	-	-	436,718	436,718
85,822,792		32,030,469		122,526,162	1,246	1,225	21.00		1,193	118,463,730	118,463,730	-0	4,062,431	

8.7. SALES AND SETTLEMENT REPORT – MONTH ENDING 31 MAY 2023

Responsible Officer: Manager Project Coordination
Attachments: 1. Comment - Sales & Settlement Report
2. Attachment - Staging Plan
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council RECEIVES the Sales and Settlement Report for the month ending 31 May 2023.

PURPOSE

To advise the Council of the status of sales, settlements, and sales releases.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

Local Government Act 1995: Sect 3.58 – Disposal of Property

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Income from settled sales is posted under item I145011 (Income on Lot Sales):

Budget Amount:	\$	32,145,059
Received to Date:	\$	25,879,720
Balance:	\$	6,265,339

The Budget Amount reflects the TPRC adjusted mid-year Budget Review, approved by the Council at its February 2023 meeting. The Received to Date amount is current to 31 May 2023.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and effective governance environment.	Moderate
Action:	

SPG and TPRC provide reports/information to Council Meetings.

The report provides information on Catalina Project sales/settlements and variances to ensure the Council is well informed on sales and market trends.

BACKGROUND

The Sales and Settlement Report provides the Council with a status update of sales and settlements for the Project. The Staging Plan identifies the extent of the stage boundaries referenced within the report.

COMMENT

Table 1 provides a summary of the Catalina Estate Sales and Settlement position for lots released up to 31 May 2023.

Table 1: Summary of Sales and Settlement of Lots – Catalina Estate

Stage	Precinct	Release Date	Lots Released	Lot Sizes (m ²)	Sold	Stock	Settled
Completed Stages		-	1130	174 - 658	1130	0	1130
Stage 17 (Lot 341)	Central	Aug-21	1	6,907	1	0	0
Stage 18C (1)	Central	Sep-21	21	183 - 558	21	0	19
Stage 18C (2)	Central	Nov-21	4	150 -155	4	0	3
Stage 18C (3)	Central	Mar-22	3	150 - 157	3	0	2
Stage 29 (1)	Beach	May-22	14	315 - 450	13	1	3
Stage 29 (2)	Beach	Sep-22	12	315 - 470	9	3	4
Stage 29 (3)	Beach	Mar-23	17	294 - 485	6	11	1
Stage 30 (3)	Beach	Dec-21	9	375 - 450	9	0	9
Stage 36 (1)	Green	Oct-21	21	313 - 591	20	1	14
Stage 36 (2)	Green	Dec-21	14	300 - 450	13	1	13
Stage 36 (3)	Green	Feb-22	7	188 - 484	6	1	5
Stage 37 (1)	Green	July-22	19	303 - 450	18	1	0
Stage 37 (2)	Green	Feb-23	13	313 - 475	10	3	0
Stage 37 (3)	Green	Feb-23	3	328 - 370	2	1	0
Stage 37 (4)	Green	Apr-23	13	188 - 595	7	6	0
Stage 38	Green	May-23	36		0	36	0
Total			1,337	150 – 20,000	1,272*	65	1,203
Change since 30 April 2023			+36		+15	+21	+14
* 'Sold' figures include eight lots pending advertising and contract-acceptance.							

As at 31 May 2023, the Project had 69 lots under contract: eight unconditional, 53 conditional and eight pending advertising and acceptance.

Sales for FYE 2023 to date are shown in Table 2.

Table 2: Summary of Sales for FYE 2023 against Budget – Catalina Estate

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	YTD	Jun	FYE 2023
Budget Nett Sales	7	2	6	0	8	8	8	8	8	8	8	71	8	79
Actual Gross Sales	10	6	10	6	8	4	7	12	14	17	17	111		
Cancellations	3	4	4	6	7	2	3	1	3	2	2	37		
Actual Nett Sales	7	2	6	0	1	2	4	11	11	15	15	74		
Nett Sales Variance to Budget	0	0	0	0	-7	-6	-4	+3	+3	+7	+7	+3		

* Actual Net Sales include eight contracts that are pending advertising and acceptance.

Nett sales results achieved over the past four months have been above budget. For FYE 2023 to date, nett sales are tracking three lots above budgeted sales rates.

Settlements

Settlements for FYE 2023 to 31 May 2023 are shown in Table 3.

Table 3: Summary of Settlements for FYE 2023 against Budget – Catalina Estate

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	YTD	Jun	FYE 2023
Budget	10	6	2	1	12	17	12	12	6	3	15	96	14	110
Actual	10	6	2	1	22	10	6	6	3	11	14	91		
Variance	0	0	0	0	+10	-7	-1	-6	-3	+8	-1	-5		

14 lots settled in May 2023, comprised of stock in Stage 18C (Catalina Central), Stages 29 and 30 (Catalina Beach) and Stage 36 (Catalina Green).

Available Stock

Continued good sales over the past month, particularly in Catalina Green, warranted the release of additional stock. 36 lots ranging in area from 225m² to 576m² in Stage 38 in Catalina Green were released on 30 May 2023. This is a relatively large sales release intended to provide a variety of lot sizes and price points and to capitalise on the current high level of demand. Strong initial enquiry on the released lots has been received.

Available stock as at 31 May 2023 is set out in Table 4.

Table 4: Summary of Available Stock – Catalina Estate

Stage	Precinct	Stock	Change since 30-Apr-2023	Title Status	Anticipated Title Date
Stage 29	Beach	15	-4	Titled	N/A
Stage 36	Green	3	0	Titled	N/A
Stage 37	Green	11	-11	Untitled	July 2023
Stage 37	Green	36	+36	Untitled	January 2024
Total		65	+21		

Northern Corridor Estates Analysis

Tables 5 and 6 provide a comparison summary of sales, available stock and lot pricing between Catalina and other developments in the north-west corridor.

Catalina’s available lots decreased by two to 44 lots between reporting periods, while competitors’ stock decreased by 32 lots (14.5% decrease). Catalina’s market share improved over March and April, exceeding the nominal 10% target.

Table 5: Summary of Sales in Northern Corridor (May 2022 to April 2023)

ESTATE	May	June	July	August	September	October	November	December	January	February	March	April	12 Month Total Sales
Alkimos Beach (Alkimos)	2	8	-4	7	0	3	3	9	1	2	3	8	42
Alkimos Vista (Alkimos)	-2	12	5	1	3	1	3	3	0	2	0	12	40
Allara (Eglington)	6	7	-2	9	3	1	2	3	9	7	13	10	68
Amberton (Eglington)	9	14	23	16	20	33	14	4	5	4	23	18	183
Catalina (Clarkson Mindarie)	1	6	7	2	9	0	1	2	4	3	8	11	54
Eden Beach (Jindalee)	17	1	5	-3	-1	9	8	2	9	6	8	14	75
Elevale	9	6	2	4	4	19	-2	7	3	11	3	7	73
Jindowie Estate	5	28	15	1	0	-3	6	6	3	10	10	5	86
Shorehaven (Alkimos)	12	3	4	9	2	6	5	3	3	6	7	5	65
Trinity (Alkimos)	11	8	8	8	5	2	9	13	3	13	3	10	93
TOTAL	70	93	63	54	45	71	49	52	40	64	78	100	779
CATALINA SHARE (%)	1.4%	6.5%	11.1%	3.7%	20.0%	0.0%	2.0%	3.9%	10.0%	4.7%	10.3%	11.0%	6.9%
Catalina Market Share May 2022 to April 2023													6.9%

Table 6: Average of Price of Available Lots in Northern Corridor Estates

Estate	225sqm	300sqm	375sqm	450sqm	500sqm +	Total Dwellings	Available	Last Report
	Price (\$)							
Allara	n/a	\$167,500	\$210,000	\$240,000	\$255,000	3,405	33	57
Alkimos Beach	\$165,000	\$220,000	\$267,000	n/a	\$320,000	2,413	16	18
Amberton	n/a	\$217,000	\$242,000	\$457,000	\$305,000	2,500	14	10
Banksia Grove	n/a	n/a	n/a	n/a	n/a	1,580	0	3
Catalina Central	n/a	n/a	n/a	n/a	n/a	2,480	0	0
Catalina Beach	n/a	\$335,000	\$400,000	\$510,000	n/a		15	17
Catalina Green	\$154,000	\$260,000	\$285,000	\$316,000	n/a		44	17
Eden Beach	n/a	\$310,000	\$340,000	\$395,000	\$392,000	1,100	24	36
Elevale	n/a	\$205,000	\$230,000	\$269,000	n/a	197	10	4
Jindowie	n/a	\$140,000	\$179,000	n/a	n/a	1,800	5	4
Shorehaven	\$222,000	\$243,000	\$276,000	\$305,000	\$341,000	2,800	20	26
Burns Beach	n/a	n/a	\$530,000	\$580,000	n/a	n/a	12	n/a
Trinity	\$171,000	\$212,000	\$197,000	\$281,000	\$253,000	2,500	13	24
						Total	206	216

The competitor sales results information in Table 5 is provided by developers to Satterley on a voluntary basis. Peet, as developer of Burns Beach Estate, does not provide sales information through this process. However, information on this Estate’s current lot pricing has been included in Table 6. Peet is understood to have achieved nett sales over FYE 2023 of only one to two lots each month, which is thought to be reflective of significant price increases it has made. It has approximately 200 traditional sized lots remaining until it completes the Project and its current pricing shown in Table 6 should be regarded as base prices and vary upwards depending on ocean views.

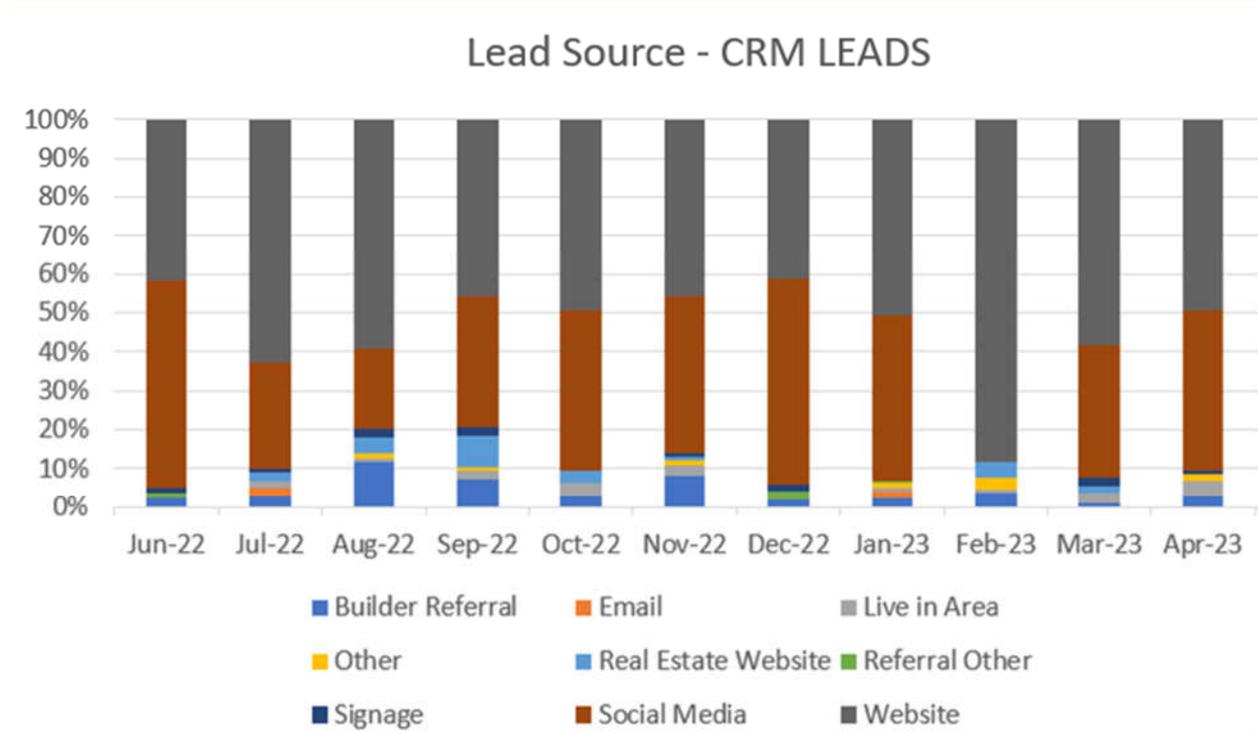
The TPRC office and Satterley are currently reviewing available data sources for sales results and pricing and examining if sales achieved and prices asked in other estates could be reported to provide a broader comparison against Catalina. Tables 5 and 6 may change in future agendas following completion of this review.

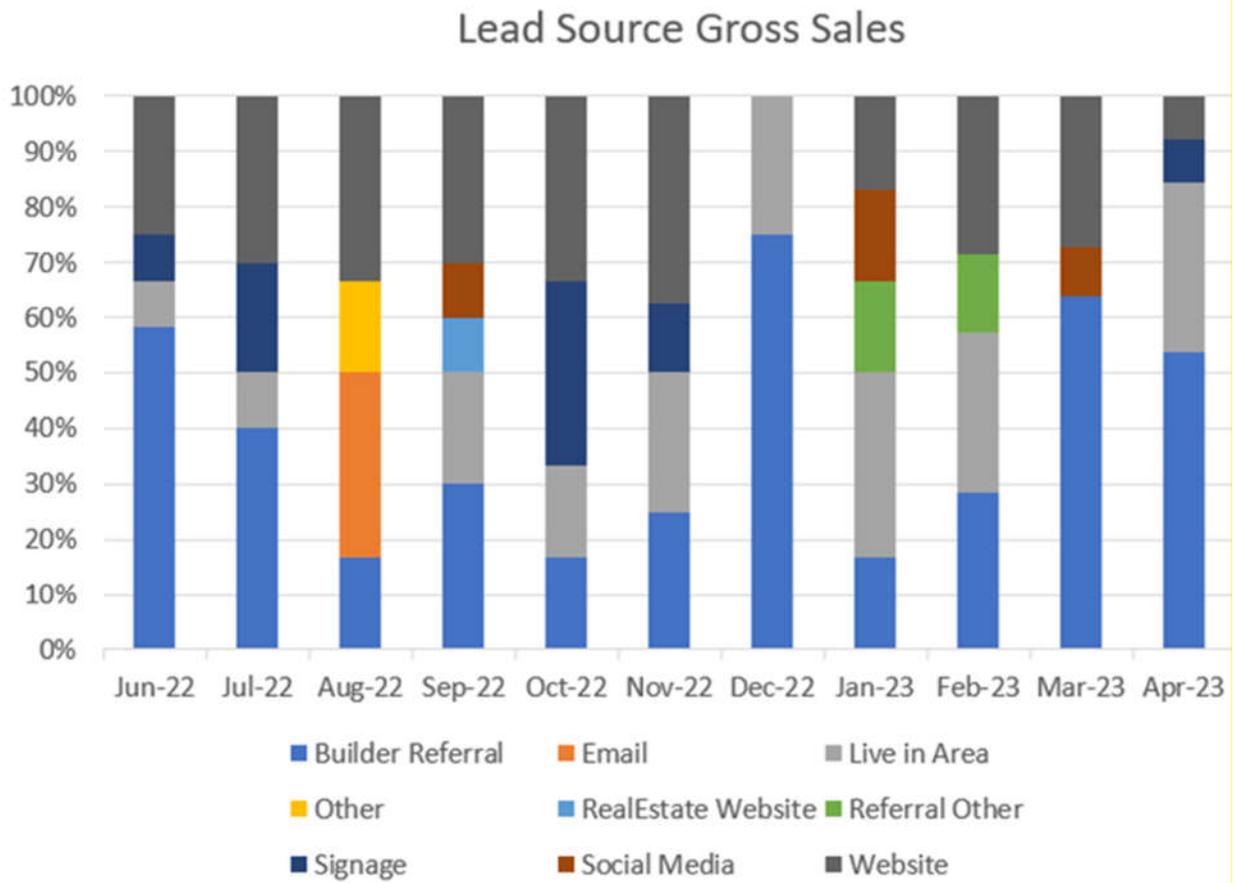
Marketing

Catalina’s website traffic in April was again strong, however this partially reflects the changeover from Google Universal Analytics (GUA) to Google Analytics 4 (GA4). GUA will no longer be able to process data from 1 July 2023, however GA4 allows for more accurate reporting of web traffic. Leads have bounced back from the previous month’s dip with gross sales continuing to track upwards. The main lead sources for April were from the website and social media.

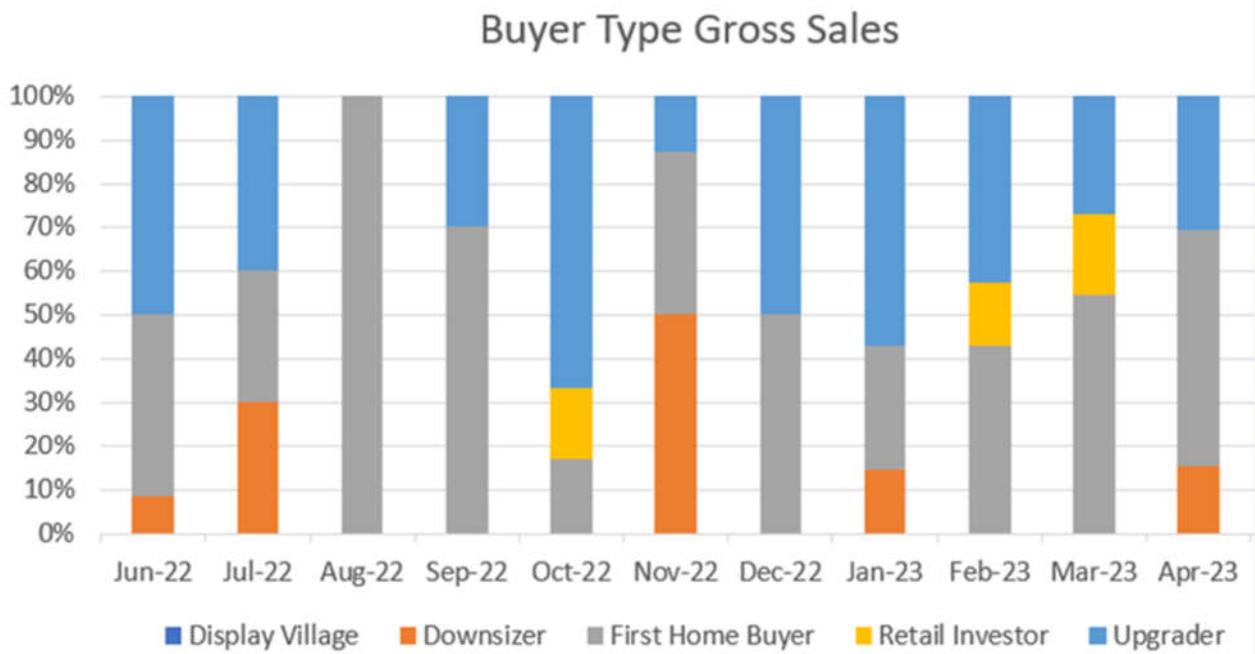


Lead source types at the point of sale continue to fluctuate month on month, although builder referral remains strong. Signage has appeared as a lead source for the first time since November 2022, which may reflect the recent changes to signage artwork and new signage being installed in Catalina Green. Leads who live in the local area have been recorded again after not being represented the previous month.





The percentage of first home buyers remains strong, possibly reflecting the availability of affordable stock in Catalina Green. Upgraders continue to be represented month on month, however the sporadic downsizer buyer type appears again.



Satterley CRM Data 01/03/22 – 31/04/23

Over the last month electronic direct messages (eDM) were sent to the Satterley database to promote sales releases in Stages 37 and 38 and signage to promote the 'land now selling' message was refreshed at the corner of Connolly Drive and Neerabup Road in Catalina Green. Plans for the installation of a new Information Bay and artwork for a new hoarding at the corner of Connolly Drive and Exhibition Drive were also progressed.

Upcoming activity includes installation of vinyl banners around the future grouped housing site and along the soon to be completed Longbeach Promenade extension in Catalina Beach. A promotional eDM to the Catalina radio competition entrants' database is also to be sent. Advertising results from this competition and associated campaign are currently being collated and will be reported to the Council at the earliest opportunity.

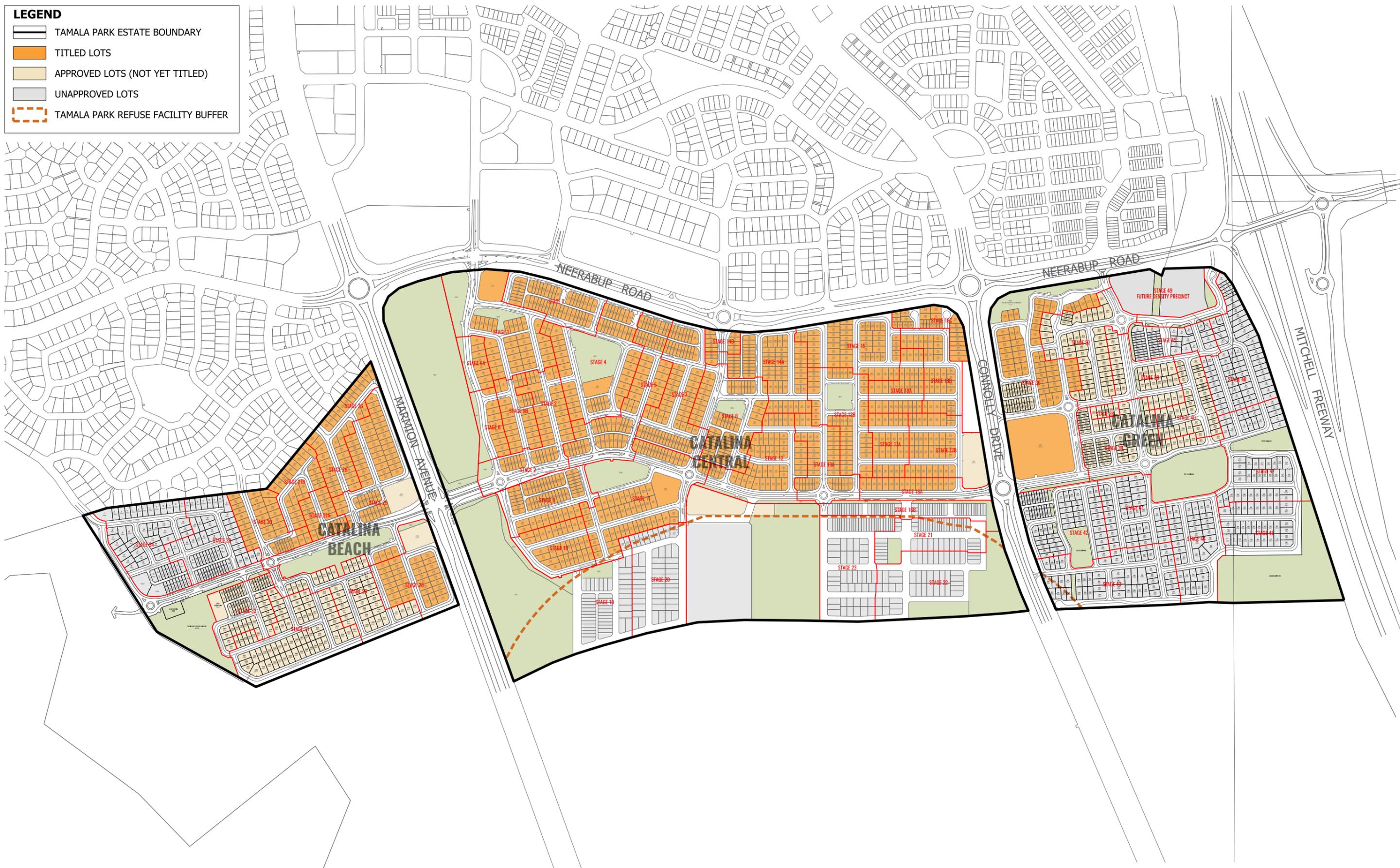
The FYE 2024 marketing plan was prepared and is the subject of Item 14.3 on this agenda.



Refreshed signage – corner Connolly Drive and Neerabup Road, Catalina Green

LEGEND

-  TAMALA PARK ESTATE BOUNDARY
-  TITLED LOTS
-  APPROVED LOTS (NOT YET TITLED)
-  UNAPPROVED LOTS
-  TAMALA PARK REFUSE FACILITY BUFFER



ESTATE LAYOUT & STAGING PLAN
Catalina Estate, TAMALA PARK

Aerial supplied by:	0	80	160	240	320	400	480m
Aerial Date Stamp:							
Survey supplied by: MNG							
Plan Number: NPS1059 - 023	Scale: 1:8000 @A3	Date Issued: 15.03.2023	©Niche Planning Studio				
Revision Number: A	<small>DISCLAIMER: Town Planning compliance is subject to approval from the Tamala Park Regional Council and a suitable town planner will need to be appointed. All Dimensions, Areas and Calculations are subject to Detailed Survey and Design before Town Planning Permit application. This plan has been prepared for illustrative purposes only and should not be used as a means to judge any properties value or yield potential.</small>						
Drawn By: JP							
Client: Tamala Park Regional Council							



8.8. ESTABLISHMENT AGREEMENT – UPDATE ON AMENDMENT

Responsible Officer:	Chief Executive Officer
Attachments:	1. Attachment - Brand Concepts v2
Voting Requirement:	Simple Majority

RECOMMENDATION

That the Council:

- 1. NOTE the status of proposed amendments to the TPRC Establishment Agreement and the associated works program with the proposed change of organisational name from Tamala Park Regional Council to Catalina Regional Council.**
 - 2. SELECT the preferred logo/corporate identity for newly named Catalina Regional Council.**
-

PURPOSE

To update the Council on the proposed changes to the TPRC Establishment Agreement and for the Council to select the new logo/corporate identity for the rebranded Catalina Regional Council.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

S3.65 of the *Local Government Act 1995*

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

To date, there have been minimal financial and resource implications from implementing the proposed changes to the Establishment Agreement with the only cost being officer time.

Some costs will be incurred to change the name of the organisation from TRPC to CRC. These include:

Logo/Corporate Identity Design:	Approx. \$ 6,000
Signage and Stationary Updates	Approx. \$ 30,000

These costs can be accommodated within existing approved TPRC budget allocations. While the logo/corporate identity will change immediately, external signage and corporate livery will be updated on an 'as needs' basis rather than as a single tranche of works. This is due to the fact that the organisation's logo and identify is secondary to the primary brand of Catalina Estate that is predominant on all external marketing materials.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and Effective governance environment.	Moderate
Action:	
Amendments to the TPRC Establishment Agreement are proposed to modernise the agreement and enable more flexibility/usability for Members in relation to Divestment and Withdrawal from the organisation.	

BACKGROUND

At its meeting on 20 February 2023, the Council resolved to support proposed amendments to the organisation's Establishment Agreement. The Establishment Agreement is essentially the organisation's constitution that sets out the rules of how the organisation is to operate. The purposes of the proposed changes were to:

1. Bring greater clarity to Participants around the Divestment process;
2. Create more realistic and achievable timelines for Member Councils to undertake Land Divestment and Withdrawal processes from the TPRC;
3. Rename the regional council to Catalina Regional Council;
4. Remove references to payments and processes which have been completed;
5. Update and clarify terminology, legislative references and names of Member Councils.

COMMENT

Subsequent to the February 2023 Council decision, the Draft Agreement Amendments were sent to the Department of Local Government for their review/comment. The Department's Strategy and Legal teams reviewed the document and suggested minor changes. These suggested amendments were largely administrative in nature and did not materially affect the purpose or intent of the agreement.

Each member Council has also considered the proposed changes and resolved to support the amendments. The Mayor and CEO of all seven member Councils have signed the required documentation and affixed the Local Government's Common Seal and the final endorsed document was sent to the Minister for Local Government on 6 June 2023 for his approval. The Amended Agreement will become operational once the Minister approves it. It is anticipated that this will occur prior to 30 June 2023.

The vast majority of the Amendments to the agreement have negligible impact on the day to day operations of the TPRC and the transition to the Amended Agreement will have no impact on the running of the organisation. The notable exception to this is the change of name of organisation

from Tamala Park Regional Council to Catalina Regional Council. While important, the change of name is not as significant as it would be for other Local Governments as the:

- TPRC has no ratepayers and few customers; and
- TPRC brand/name isn't particularly well recognised in the public environment as the predominant branding used by the organisation is the Catalina Estate branding.

Changes that are planned to implement the new name change include:

- External Marketing and Communications: After seeking quotes from WALGA preferred suppliers, Market Creations were engaged to assist with the rebranding of the new Catalina Regional Council. The firm has been engaged to design and create a corporate branding suite including website, brochures, signage, print material and advertising. Four (4) logo options have been prepared. The Council will be asked to select the proposed logo. The logo options are attached.
- Internal Documents: Internal forms, registers, policies and procedures will be updated to reflect the new logo/branding.
- Supplier Advice: All debtors and creditors of the TPRC will be formally advised of the name change.
- Legal Review: A review of legal instruments that are commonly used by the TPRC is being undertaken. This includes the review of standard land sales contract and the power of attorney that has been provided from each Local Government to the TPRC/CRC to sell land to third parties on behalf of member Councils.

CONCLUSION

The TPRC Establishment Agreement amendment process has progressed relatively smoothly and it is anticipated that the new Amended Agreement will be enacted by the Minister in the coming days/weeks.

The key outstanding activity that needs to occur is selection of the new Catalina Regional Council's logo and corporate identity. The Council is requested to select the preferred logo so that the new livery can be progressively rolled out internally and externally.



CATALINA

REGIONAL COUNCIL

Building a sustainable community

Concept 1





Concept 2





Concept 3



CATALINA

Regional Council

Concept 4



8.9. SCOPING STUDY – TPRC AND MRC COLLABORATION OPPORTUNITIES

Responsible Officer: Chief Executive Officer

Attachments: None

Voting Requirement: Simple Majority

RECOMMENDATION

That the Council APPROVE co-funding a Scoping Study with the Mindarie Regional Council that explores options, opportunities, risks, costs and impediments for potential greater collaboration and/or resource sharing between the two Local Government authorities.

PURPOSE

For the Council to consider co-funding a study that explores opportunities for increased collaboration and/or resource sharing between Tamala Park Regional Council (TPRC) and Mindarie Regional Council (MRC).

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

The TPRC was established under the *Local Government Act 1995 - Division 4: Regional local governments and regional subsidiaries* on 24 January 2006.

The MRC was established under *Section 697 of the Local Government Act 1960* on 22 December 1987.

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

The anticipated total cost of a Scoping Study is approximately \$50,000 with the proposal being that the two Councils share the project costs on a 50/50 basis (this being a \$25,000 contribution from the TPRC).

The TPRC can accommodate these proposed costs within existing approved budget allocations for Planning and Administration.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 1	Risk Rating:
Strategic - Common Vision	Moderate
Action:	
Establishment Agreement sets regional purpose and TPRC objectives.	

BACKGROUND

The TPRC and MRC are both independent regional Local Government authorities that have been established/approved under State legislative instruments. The Vision / Mission statements for the two organisations are:

- TPRC: *To create a sustainable urban community offering diverse housing choice, social connectivity and employment opportunities.*
- MRC Vision: *Collaborating for a regional Circular Economy.* Mission: *To deliver sustainable waste management options for members.*

While the purposes of the organisations vary greatly, increasingly, the futures of the two organisations are becoming more closely linked. This is due to many factors including:

- Lifespan: The TPRC Catalina Project has a finite lifespan as the land available for development and sale will ultimately run out. The operation of the Tamala Park Waste Facility as an active tip facility is also finite as the landfill site will be eventually be filled to its capacity, the site will cease to operate and the land will be rehabilitated and/or used for alternate purposes. The 'end dates' for these projects/facilities are linked. This has not been a critical issue in the past, but as the end dates come closer, the need for communication and collaboration is increasing rapidly.
- TPRC Development Front: The TPRC has traditionally been able to develop and sell land that is outside of restricted areas/buffer zones associated with the operation of the Tamala Park Waste Facility. There are approximately 660 lots left in Catalina Green and Catalina Beach with the TPRC averaging selling 111 lots per annum over the life of the project. If the TPRC is to achieve the development potential of its land, planning and approvals work for the development of Catalina Central (the area closest to the Tamala Park Waste Facility) will need to occur in the short/medium term.
- Environmental Impact Monitoring: The MRC's operations have impacts on the TPRC primarily through ground water contamination, landfill gas and odour. These impacts are actively being monitored and addressed by MRC. As Catalina develops closer to the Tamala Park Waste Facility these issues become more pressing/pertinent as TPRC will not be able to achieve its objectives without access to land that is currently impacted by MRC operations.

The TPRC and MRC have always communicated well as related organisations that have common ownership. There has been sharing of information on pertinent matters such as odour, ground water monitoring, dust management and other strategic and operational matters. While the communication has been good, it has been sporadic as the organisations are independent and have had vastly different strategic imperatives and key issues to address.

This issue of greater collaboration was highlighted at the April 2023 Council Meeting where a report on the proposed development of the area to the south of Catalina Central was considered. At that meeting the TPRC Council resolved (in part):

That Council REQUEST that the CEO and Chair hold regular discussions with the Mindarie Regional Council (MRC) CEO and Chair regarding:

- a. Future plans for their waste facility;*
- b. Current odour, noise, landfill gas, groundwater and dust monitoring programs and findings; and*
- c. Current and future remediation programs that are scheduled in and around the MRC site;*

and report back to the TPRC Council periodically on these matters.

The first meeting between the two Chairs and CEOs was held on 23 May 2023. The concept of undertaking the Scoping Study proposed in this report was discussed at that meeting with the parties agreeing that both CEOs would present a report to their respective Councils on this matter at their earliest convenience. The MRC is proposing to consider this matter at its July Council meeting.

COMMENT

The scope of the proposed Scoping study would be to consider:

- Options for future collaboration and/or resource sharing between TPRC and MRC;
- Pros and Cons (risks) of each option;
- Process and timeframes that would be required (including legal, financial, etc.) to implement preferred/recommended option/s.

If supported by both TPRC and MRC Councils, it is proposed that a Request for Quotations (RFQ) would be released to call for suitably qualified and experienced consultancy firms to quote on the brief. The quote process would be run by the TPRC, but both CEOs would be involved in the RFQ evaluation process and consultant selection and would meet regularly with the selected consultant during the development of the study. Consultant engagement with the elected members is also likely to be required.

The indicative timeframe for the delivery of the Scoping Study is:

Date	Action
Jun/Jul	TPRC and MRC agree to progressing scoping study
Jul	Consultant's brief released
Aug	Consultant selected
Aug/Oct	Consultant undertakes consultation with Member Councils and stakeholders, develops options, undertakes analysis/assessment of options and prepares report.
Oct/Nov	TPRC and MRC Councils consider the findings on the Scoping Study and agree on the next steps.

While a Scoping Study is recommended, the TPRC is not obliged to undertake this work and may elect to not proceed with the proposal if it feels that the organisation's time and efforts should be spent on other activities at this time.

CONCLUSION

Given that the TPRC and MRC manage land that is directly adjacent to each other and owned by the same Member Councils, have planning and approval matters that directly impact on each other and are increasingly impacting on each other's operations, there is sense in considering options for closer alignment between the LGAs. There are also potential opportunities for economy of scale through the two organisations jointly working on administrative and governance matters. A scoping study is proposed as the 'first step' into potentially progressing options for better collaboration between TPRC and MRC.

8.10. PROPERTY CONGRESS 2023: TPRC ATTENDANCE

Responsible Officer: Chief Executive Officer

Attachments: 1. Attachment - Property Congress 2023 Program

Voting Requirement: Simple Majority

RECOMMENDATION

That the Council consider whether to send representative/s to the Property Council of Australia's: Property Congress which is being held in Adelaide from 11-13 September 2023.

PURPOSE

To consider Councillor attendance at the Property Council of Australia's 2023 Property Congress.

POLICY REFERENCE

Elected Member Conference Attendance Policy (Adopted December 2022)

The TPRC Elected Member Conference Attendance Policy requires approval by Councillors who are seeking to attend an interstate and/or international conference. The Policy indicates that, when considering whether to approve attendance, the following seven (7) guidelines/factors need to be considered by Council:

	Guideline	Officer Comment
1	The conference focuses on issues of importance to the TPRC.	Conference program is relevant to TPRC
2	The conference addresses important development industry issues, including: <ul style="list-style-type: none"> • Property and housing trends; • Liveable communities; • Innovations in property; • Planning and development of master planned communities; • Sustainability and best practice in residential development; • Planning for Cities of the future; and • Trends influencing building design and development. 	Conference program addresses many of these topics

3	The conference topics are integral to the TPRC objectives and related to the areas currently being contemplated in the Catalina Project.	Conference topics are relevant to TPRC objectives
4	The conference provides opportunities to visit significant projects interstate or internationally which are considered to have achieved excellence in urban design, best practice and innovation, sustainability and building design and development.	Site tours of 'best practice' developments and a session on the World's Best Projects are included in the conference program.
5	The conference is directly relevant to the TPRC activities and there would be benefits in Elected Members attending the conference.	The program has some relevance to TPRC activities
6	The conference will assist Elected Members to develop and maintain skills and knowledge relevant to their role as a representative of the TPRC.	Attendance is likely to increase exposure to new information on property and land development
7	Funds are available for attending the conference from approved TPRC budget.	Sufficient budget exists in FYE 2023 Budget and/or can be made available in FYE 2024.

While Councillor attendance at the Property Congress largely addresses the above provisions, the following Policy provision is also relevant:

*Where an Elected Member, at the date of the conference, has an electoral term **of less than six months** to complete, such Elected Member shall be ineligible to attend, unless it is determined by the Council that attendance by the Elected Member would be of specific benefit to the Council and approval is granted by the Council.*

All Councillors are up for nominations to the TPRC from their respective Local Governments in October, post the 2023 Local Government Elections.

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

Ordinary Council Meeting – 8 December 2022

FINANCIAL/BUDGET IMPLICATIONS

The anticipated cost of sending a delegate to the Property Congress is:

Early Bird (Member Registration):	\$	3,149
Economy Flights:	\$	520
Accommodation (3 nights):	\$	780
Meals, car hire/taxi and incidentals:	\$	300
TOTAL	\$	4,749

Expenditure under this matter will be posted under item E041020 (Conference Expenses):

Budget Amount:	\$	5,125
Spent to Date:	\$	1,295
Balance:	\$	3,830

RISK MANAGEMENT IMPLICATIONS

N/A

BACKGROUND

The Property Congress has been operating for 45 years and is marketed as Australia's biggest and best property conference. Cr Nige Jones has indicated an interest in attending the 2023 event. While attendance may be relevant and add value to the TPRC, Councillor attendance so close to expiry of Councillor terms is not consistent with Council's Elected Member Conference Attendance Policy. This report has been prepared to enable Council to consider whether to vary/waive the policy provisions to allow attendance by Cr Jones and/or other TPRC Councillors.

Council's alternative resolutions in relation to this matter are listed below:

Option 1: That Council APPROVES Cr Nige Jones' attendance at the 2023 Property Congress in Adelaide from 11-13 September 2023.

Option 2: That Council RESOLVES to not send any Councillor delegates to the 2023 Property Congress as the conference is being held close to Local Government elections and therefore attendance is in contravention with Council Policy on Attendance at Conferences.

Option 3 *: That Council APPROVES Cr Nige Jones and Cr _____ attendance at the 2023 Property Congress in Adelaide from 11-13 September 2023.

**Council's Policy states that 'When it is considered desirable that the Council be represented at an interstate/international conference, up to a maximum of one Elected Member and one Employee may normally attend, unless otherwise approved by the Council'*

COMMENT

While there may be value in attending the Property Congress, the conference is being held 5½ weeks prior to the 2023 West Australian Local Government elections. Council's Policy specifically precludes Councillor attendance at Conferences within six months of the expiry of their term. Having said that, if the Council feels that there is sufficient value in attending the Property Congress, it may elect to waive the Council Policy provision in this instance and support attendance by Councillor/s.

CONCLUSION

Council direction is sought on whether it wishes to send delegate/s to the 2023 Property Congress in Adelaide.



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congress
11-13 SEPTEMBER 2023 | ADELAIDE



PRINCIPAL SPONSOR



DAY ONE

DAY TWO

DAY THREE

PROGRAM

See what big issues are going to be discussed at Australia's biggest property conference.





DAY ONE | MONDAY 11 SEPTEMBER 2023

7:00AM - 2:00PM

THE PROPERTY CONGRESS GOLF CHALLENGE (SEPARATELY TICKETED)

 TO BE ANNOUNCED

Includes travel, lunch and awards presentation ceremony.

1:00PM - 2:15PM

MASTERCLASS SERIES (SEPARATELY TICKETED)

 ADELAIDE CONVENTION CENTRE

In conversation with our industry leaders and experts. Taking a deep dive into specific topics and sectors to identify opportunities and challenges.

Masterclasses will run concurrently and will be attended by Property Council staff and complimentary for Future Directions, committee members, 500 WIP, National Mentoring Program and First Nations Professionals participants.

2:30PM - 4:30PM

SITE TOURS (SEPARATELY TICKETED)

 TO BE ANNOUNCED

Introducing Site Tours to the Congress program. Two sites are included, and tickets can be purchased in addition to your registration once projects are announced.

2:30PM - 4:00PM

MEET & GREET

 ADELAIDE CONVENTION CENTRE

All Property Congress first timers, masterclass attendees, First Nations Professionals, Future Directions delegates, 500 WIP and National Mentoring Program participants, committee members and Property Congress sponsors are invited to attend an informal networking function prior to official conference program.

7:00PM - 11:00PM



WELCOME PARTY PRESENTED BY YARDI

 ADELAIDE OVAL

10:30PM - LATE

THE OFFICIAL AFTER PARTY

 STRATHMORE HOTEL


BACK TO TOP

DAY TWO | TUESDAY 12 SEPTEMBER 2023

7:30AM - 8:15AM

REGISTRATION OPENS

 ADELAIDE CONVENTION CENTRE

8:30AM - 8:45AM

WELCOME

 ADELAIDE CONVENTION CENTRE

MC Welcome & Housekeeping:



Ellie Laing-Southwood, Director of Marketing, Media & Communications, Property Council of Australia

8:45AM - 9:45AM

SESSION 1 - OPENING KEYNOTE: TO BE ANNOUNCED

 ADELAIDE CONVENTION CENTRE

9:45AM - 10:30AM

SESSION 2 - VIEW FROM THE TOP

 ADELAIDE CONVENTION CENTRE

Leaders from across the industry will share their views on emerging trends and demand forecasts, alongside their thoughts on the opportunities and challenges ahead for the property sector.

Panel:



Anastasia Clarke, Chief Financial Officer, The GPT Group

More announced soon...

Moderator:



Jess Adamson, Journalist

10:30AM - 11:00AM

MORNING TEA

 ADELAIDE CONVENTION CENTRE

11:00AM - 11:30AM

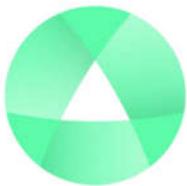
SESSION 3 - WORLD'S BEST PROJECTS

 ADELAIDE CONVENTION CENTRE

Two of the world's best projects will be showcased and discussed in a highly interactive and informative session, providing tangible take-outs for home grown developments and projects.

11:30AM - 12:10PM

SESSION SPONSOR



The APP Group

SESSION 4 – AUSTRALIA'S ECONOMIC OUTLOOK

 ADELAIDE CONVENTION CENTRE

What will Australia's economy look like over the next 18 months?

12:10PM - 12:45PM

SESSION 5 – DESIGNING WITH COUNTRY

 ADELAIDE CONVENTION CENTRE

As we increasingly recognise the importance of designing and connecting with Country as an industry and community, the question is no longer 'why' but 'how'.

12:45PM - 12:50PM

PROPERTY COUNCIL/RIDER LEVETT BUCKNALL INNOVATION & EXCELLENCE AWARDS SHOWCASE

 ADELAIDE CONVENTION CENTRE

A showcase of the projects, people and innovations that demonstrated excellence in 2023.

12:50PM - 1:50PM

NETWORKING LUNCH

 ADELAIDE CONVENTION CENTRE

1:50PM - 2:20PM

SESSION 6 – RETURN OF GROWTH IN RETAIL

 ADELAIDE CONVENTION CENTRE

2:20PM - 2:50PM

SESSION 7 – RESIDENTIAL’S BACKLOG OF DEMAND

 ADELAIDE CONVENTION CENTRE

2:50PM - 3:20PM

SESSION 8 – OFFICE & WORKPLACE

 ADELAIDE CONVENTION CENTRE

3:20PM - 3:50PM

AFTERNOON TEA

 ADELAIDE CONVENTION CENTRE

3:50PM - 4:00PM

PROPERTY COUNCIL REPORT CARD

 ADELAIDE CONVENTION CENTRE

Presenter:



Mike Zorbas, Chief Executive Officer, Property Council of Australia

4:00PM - 4:45PM

SESSION 9 – CLOSING KEYNOTE: PETER GARRETT

Peter Garrett is one of our most prominent living Australians. A renowned activist, the former politician and lead singer of Midnight Oil is a long-time advocate and campaigner on a range of local and global issues. Sit down, live and in person, with an Australian rock legend and former MP as he reflects on activism, politics and reconciliation.

Keynote Speaker:



Peter Garrett, Activist, Former Politician & Lead Singer of Midnight Oil

Interviewer:



Mike Zorbas, Chief Executive Officer, Property Council of Australia

4:45PM - 5:00PM

WRAP & CLOSE

MC:



Ellie Laing-Southwood, Director of Marketing, Media & Communications, Property Council of Australia

7:00PM - 11:00PM

SESSION SPONSOR



PROPERTY CONGRESS STREET PARTY PRESENTED BY NBN

 VARDON AVENUE

11:00PM - LATE

OFFICIAL AFTER PARTY


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DAY THREE | WEDNESDAY 13 SEPTEMBER 2023

8:00AM - 9:00AM

RECOVERY BREAKFAST

 ADELAIDE CONVENTION CENTRE

9:00AM - 9:15AM

WELCOME

MC:



Ellie Laing-Southwood, Director of Marketing, Media & Communications, Property Council of Australia

9:15AM - 10:00AM

SESSION SPONSOR



SESSION 10 – DIVERSITY IN LEADERSHIP & CHALLENGING INEQUALITY

Natasha Stott Despoja AO is a former Senator for South Australia and is the youngest woman ever to enter the Australian Federal Parliament. She is the former inaugural Chair of Our Watch, the national foundation to prevent violence against women and children and in 2020 was elected to a top-level United Nations committee fighting for equality for women.

Sit down, LIVE and in person with the former South Australian senator as she reflects openly on her life during and after politics, with a focus on diversity in leadership and challenging inequality.

Keynote Speaker:



Natasha Stott Despoja AO , Australian Politician, Diplomat, Advocate & Author

10:00AM - 10:30AM

SESSION 11 - CHAMPIONS OF CHANGE

 ADELAIDE CONVENTION CENTRE

Moderator:



Jane Fitzgerald , Chief Operating Officer, Property Council of Australia

10:30AM - 11:00AM

MORNING TEA

 ADELAIDE CONVENTION CENTRE

11:00AM - 12:00PM

SESSION 12 – NEDD BROCKMANN: GET COMFORTABLE BEING UNCOMFORTABLE

 ADELAIDE CONVENTION CENTRE

Nedd Brockmann is a 24 year old sparky from Central West NSW that is focused on changing the world one step at a time. In 2022 he achieved the unthinkable: 3,953 kilometres in 46 days and 12 hours. Nedd is also now the fastest ever Australian to run across the country and raised \$2.5 million for homelessness.

Nedd will take to the stage at Congress to speak about his incredible feat of endurance, his mental and physical journey and how he inspired the nation.

Keynote Speaker:



12:00PM - 12:10PM

THE WRAP

 ADELAIDE CONVENTION CENTRE

Presenter:



Mike Zorbas, Chief Executive Officer, Property Council of Australia

12:10PM - 1:30PM

FAREWELL LUNCH

 ADELAIDE CONVENTION CENTRE


BACK TO TOP

EARLY BIRD ENDS IN...

22
DAYS

21
HOURS

58
MINUTES

[VIEW ALL TICKET OPTIONS](#)

9.1. FINANCIAL MANAGEMENT REVIEW

Responsible Officer:	Chief Executive Officer
Attachments:	1. Attachment - Financial Management Review Report
Voting Requirement:	Simple Majority

AUDIT and RISK COMMITTEE RECOMMENDATION

Moved Cr, Seconded Cr.

That the Council:

1. **RECEIVES the Moore Australia Financial Management Review (June 2023) of the TPRC financial management systems and procedures in accordance with *Local Government (Financial Management) Regulations*.**
2. **NOTES the recommended changes to the TPRC financial management systems and procedures in accordance with the Moore Australia Financial Management Review (June 2023).**

The motion was put and declared CARRIED/NOT CARRIED.

PURPOSE

To present the Financial Management Review 2023 and report recommendations.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

Local Government Act 1995 - Section 6.10. - Financial Management Regulations

Local Government (Financial Management) Regulations 1996 - Regulation 5 - Financial management duties of the CEO

PREVIOUS MINUTES

Council Meeting – 20 February 2020

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
TPRC Operations – Internal Controls.	Low
Action:	
Management Policies and Procedures reviewed and approved by Council.	

BACKGROUND

The *Local Government (Financial Management) Regulations 1996*, Regulation 5(2)(c) requires the CEO to review the appropriateness and effectiveness of the financial management systems and procedures of the local government and report findings to the Council.

Moore Australia (WA) Pty Ltd was appointed to undertake an independent analysis of the financial management systems and procedures of the TPRC in accordance with *Local Government (Financial Management) Regulations*.

The objective of the Moore Australia' review was to ascertain the appropriateness and effectiveness of the Council's financial management systems and procedures as required by *Local Government (Financial Management) Regulation 5(2)(c)*. The review covered the period 1 July 2022 to 31 May 2023.

COMMENT

Moore Australia has completed its review of the TPRC financial management systems and procedures and presented a report on its findings/recommendations, as attached.

The Review determined that controls and procedures are effective and appropriate for the Council's current scope of operations for the following areas:

- Cost and Administration Allocation
- Receipts and Receivables
- Payroll
- Policy Review
- Insurance
- Investments
- IT Controls
- General Journals
- Fixed Assets
- Storage of Documents / Record Keeping

The Review recommended matters in the following areas for attention;

- Bank Reconciliation
- Budget Review

- Credit Card Procedures
- Purchases, Payments and Payables
- Financial Reports
- Council Meetings

The Review noted six matters which required consideration by the Council. The matters noted are detailed as follows, including recommendations and management comments:

1. Budget Review

The annual budget review for the year ended 30 June 2023 was not submitted to the Department of Local Government, Sport and Cultural Industries (DLGSC) within 30 days as required by regulation 33A of the Local Government (Financial Management) Regulations 1996.

Review Recommendation:

To help ensure compliance with statutory provisions, the annual budget review should be submitted to the DLGSC as soon as possible after being adopted by Council.

Management Comments:

Noted. The Budget Review was submitted to DLGSC as required by the Regulations but not within the 30 days of adoption. Review recommendation supported.

2. Minutes of Ordinary Meeting of Council

The minutes of the Council meetings for the months of August 2022 and March 2023 have not been signed at the next Council meeting as required by section 5.22(3) of the *Local Government Act 1995*. The minutes for the Council meeting for the month of April 2023 had been signed before it was confirmed at the next Council meeting.

Review Recommendation:

To help ensure compliance with statutory provisions, the minutes of previous council meetings should be signed by the Chair at the next Council meeting.

Management Comments:

Noted. Review recommendation supported.

3. 2022 Annual Financial Report

The annual financial report for the year ended 30 June 2022 was not submitted to the Department of Local Government, Sport and Cultural Industries (DLGSC) within 30 days after it has been signed off by the OAG as required by the Local Government (Financial Management) 1996 Regulation 51(2).

Review Recommendation:

To help ensure compliance with statutory provisions, the annual financial report should be submitted to the DLGSC as soon as possible after the audit report has been signed by the auditor.

Management Comments:

Noted. The Financial Report for FYE 2022 was submitted to DLGSC as required by the Regulations but not within the regulatory 30 days of signing off. Review recommendation supported.

4. Primary and Annual Returns

Review of the register of financial interests noted one instance where one designated employee did not lodge their annual return before 31 August as required by Section 5.76(1) of the Local Government Act 1995.

Review Recommendation:

To help ensure compliance with statutory provisions, all annual returns should be completed and lodged before 31 August.

Management Comments:

The Executive Assistant/Office Manager has not previously completed an Annual Return as it was not deemed necessary by previous management. The current CEO requested her to complete a return which was done but not before 31 August. Review recommendation supported.

5. Credit Card Controls

Evidence of credit card reconciliations for the CEO having been reviewed by an independent person was not available.

Review Recommendation:

To help ensure all credit transactions have been reviewed, the independent person performing the review should sign and date the reconciliations every month, prior to transactions being posted.

Management Comments:

CEO's credit card reconciliations are reviewed by the Executive Assistant/Office Manager every month prior to transactions being posted but they have not been signed by her. Review recommendation supported.

6. Purchasing Controls

It was noted that during testing there were two instances (out of 12 samples tested) where purchase orders were raised after the invoice was received.

Review Recommendation:

All authorised officers should be reminded of the need to ensure purchase orders are raised and authorised prior to incurring expenditure. This will provide a key control to ensure payment transactions as detailed in tax invoiced received are in line with authorised expenditure. Further this will assist the Regional Council in managing its budget responsibility.

Management Comments:

The examples quoted were for services where the cost was unknown until the invoices were received. Staff have been briefed on the requirement and internal procedures have been amended to ensure purchase order requirements are adhered to. Review recommendation supported.

CONCLUSION

The review by Moore Australia Financial Management Review (June 2023) of the TPRC financial management systems and procedures in accordance with *Local Government (Financial Management) Regulations* has identified some process improvement opportunities that will be implemented to further enhance the TPRC control environment. The Review has identified some compliance matters which have been immediately addressed.

The recommendations of the Moore Australia Financial Management Review (June 2023) of the TPRC financial management systems and procedures are all supported with the majority already implemented.

It is recommended that the Council RECEIVES the Moore Australia Financial Management Review (June 2023) of the TPRC financial management systems and procedures in accordance with *Local Government (Financial Management) Regulations*. It is further recommended that the Council notes the changes to the TPRC financial management systems and procedures in accordance with the Moore Australia Financial Management Review (June 2023).

Financial Management Review Draft Report

Tamala Park Regional Council

June 2023



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- 3.0 Methodology 4
- 4.0 Matters Identified 5
- 5.0 Other Matters 7
- Appendix A – Financial Management Systems Review 8

1.0 Engagement Overview

1.1 Scope of Services

The Tamala Park Regional Council (Regional Council) engaged Moore Australia to undertake a review of financial management systems to assess the appropriateness and effectiveness of these systems and procedures, as required by *Local Government (Financial Management) Regulations 1996* Regulation 5(2)(c).

A risk based review of financial management systems was undertaken by examination of the following three key areas of financial management systems:

- Financial management framework;
- Implementation of financial management framework; and
- Evaluation of financial management

Where opportunities for improvement were identified, they are reported within the relevant section of this report. Matters examined in respect of financial management systems review are detailed in Appendix A.

1.1.1 Procedures – Financial Management Review

Our procedures for the Financial Management Review encompassed of the Regional Council's financial systems including, but not necessarily limited to:

- Collection of money owed;
- Custody and security of money and investments held;
- Rates;
- Maintenance and security of financial records;
- Accounting and controls for revenue and expenses;
- Accounting and controls for assets and liabilities;
- Accounting and controls for trust transactions;
- Authorisation of purchases;
- Authorisation of payments;
- Borrowings;
- Maintenance and processing of payroll;
- Stock controls and costing records;
- Record keeping for financial records;
- Preparation of budgets and budget reviews; and
- Preparation of financial reports.

Our procedures and approach have been developed over a number of years taking into account our extensive local government background and seeks to examine both financial systems and procedures in use.

The financial management review does not examine systems and procedures which are non-financial in nature and did not specifically test for legislative breaches or fraud or error.

2.0 Review Summary

2.1 Financial Management

The Regional Council has a number of financial management system controls to cover the land development operations undertaken. Council has responsibility for the adoption of the annual budget and annual report, review of the monthly statement of financial activity and review of the monthly list of payments. Responsibility for the financial management of the Regional Council rests with the CEO, as detailed under *Financial Management Regulation 5(1)*.

Internal controls relating to financial management systems are of critical importance to operations and should provide for appropriate segregation of duties, execution by experienced and qualified staff, risk management, documented procedures and effective monitoring and adherence to documented procedures. As inherent limitations will always be present in internal control frameworks, routine review and controlled regular updates may assist to ensure control environments are suitable.

2.2.1 Appropriateness

Considering the size, resources, operations and the context in which the Regional Council operates, documented internal control procedures relating to financial management systems, are considered largely appropriate as a means of maintaining a high level of control over the financial management of the Regional Council. Our assessment as to the appropriateness is subject to identified weaknesses being addressed, and provided internal control procedures are routinely and consistently applied.

Some weaknesses were identified with current controls and procedures, these are further explained within Section 5.0 Framework Design of this report.

2.2.2 Effectiveness

Considering the results of other elements of financial management systems and processes where documented and routinely tested, the current practices undertaken by the Tamala Park Regional Council may be considered generally effective. Our assessment as to effectiveness is subject to the implementation of the improvements highlighted in Section 6.0 Framework Implementation of this report.

Whilst generally considered effective, weaknesses were identified where internal controls are not considered effective. These are explained within Section 6.0 Framework Implementation of this report.

2.2.3 Improvements

Details of recommended improvements to the current financial management, procedures and systems for the Regional Council are set out within the framework design and implementation sections of this report. Key improvements to the appropriateness and effectiveness of these procedures and internal controls include:

- Financial management compliance matters;
- Credit card control weakness
- Purchasing controls

3.0 Methodology

3.1 Review Methodology – Financial Management Review

The objective of this review is to assist the CEO of the Tamala Park Regional Council to discharge responsibilities in respect to Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* (as amended).

In carrying out our review, we examined documented policies / procedures, undertook walkthroughs of key systems and procedures and performed limited risk based detailed testing procedures to identify weaknesses in the financial management system and report to the CEO on the appropriateness and effectiveness of the control environment within the Regional Council, as required by regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*.

Whilst the operations of the Regional Council are the responsibility of the CEO, the Council is responsible for setting the framework for operations via adopted Council policies. These policies represent an overarching framework relevant to financial management and have been reviewed for appropriateness and effectiveness.

The systems and procedures controlled by the CEO were examined to evaluate the appropriateness and effectiveness of financial management system controls. These are detailed at Appendix A – Financial Management Systems Review.

4.0 Matters Identified

4.1 Operational and Financial Procedures

Meetings were undertaken with key staff, as well as examination of documented processes, to determine the practices applied to financial management. A summary of the review undertaken to evaluate the controls is included at Appendix A.

We observed a number of practices and procedures in place and identified some instances of non compliance with legislative requirements in relation to financial management. The table below details areas of suggested improvements in relation to procedures examined during our review.

Component	Purpose / Goal	Matters Identified / Improvements
Budget Review	Statutory review of the annual budget undertaken between 31 December and 31 March	<p>The annual budget review for the year ended 30 June 2023 was not submitted to the Department of Local Government, Sport and Cultural Industries (DLGSC) within 30 days as required by regulation 33A of the <i>Local Government (Financial management) Regulations 1996</i>.</p> <hr/> <p>Improvement:</p> <p>To help ensure compliance with statutory provisions, the annual budget review should be submitted to the DLGSC as soon as possible after being adopted by Council.</p>
Minutes of Ordinary meeting of Council	Official record of proceedings at Ordinary meeting of Council	<p>The minutes of the ordinary council meetings for the month of August 2022 and March 2023 have not been signed at the next Council meeting as required by section 5.22(3) of the <i>Local Government Act 1995</i>.</p> <hr/> <p>Improvement:</p> <p>To help ensure compliance with statutory provisions, the minutes of previous council meetings should be signed by the Chairman at the next Council meetings.</p> <hr/> <p>The minutes for the ordinary council meeting for the month of April 2023 had been signed before it was confirmed at the next council meeting.</p> <hr/> <p>Improvement:</p> <p>To help ensure compliance with section 5.22(2) and (3) of the <i>Local Government Act 1995</i>, previous council meetings should only be signed at the next council meeting.</p>

4.0 Matters Identified (continued)

Component	Purpose / Goal	Matters Identified / Improvements
2022 Annual Financial Report	General purpose financial report prepared in accordance with legislative requirements.	<p>The annual financial report for the year ended 30 June 2022 was not submitted to the Department of Local Government, Sport and Cultural Industries (DLGSC) within 30 days after it has been signed off by the OAG as required by the <i>Local Government (Financial Management) 1996</i> Regulation 51(2)</p> <hr/> <p>Improvement:</p> <p>To help ensure compliance with statutory provisions, the annual financial report should be submitted to the DLGSC as soon as possible after the audit report has been signed by the auditor.</p>
Primary and annual returns	Statutory disclosures required of elected members and senior employees	<p>Our review of the register of financial interests noted one instance where one designated employee did not lodge their annual return before 31 August as required by Section 5.76(1) of the <i>Local Government Act 1995</i>.</p> <hr/> <p>Improvement:</p> <p>To help ensure compliance with statutory provisions, all annual returns should be completed and lodged before 31 August.</p>
Credit card controls	Controls to minimise risk in relation to the use of credit cards.	<p>Evidence of credit card reconciliations for the CEO having been reviewed by an independent person were not available.</p> <hr/> <p>Improvement:</p> <p>To help ensure all credit transactions have been reviewed, the independent person performing the review should sign and date the reconciliations every month, prior to transactions being posted.</p>
Purchasing controls	Controls to minimise risk in relation to the purchasing of goods or services.	<p>We noted 2 instances (out of 12 samples tested) where purchase orders were raised after the invoice was received.</p> <hr/> <p>Improvement:</p> <p>All authorised officers should be reminded of the need to ensure purchase orders are raised and authorised prior to incurring expenditure. This will provide a key control to ensure payment transactions as detailed in tax invoiced received are in line with authorised expenditure. Further this will assist the Regional Council in managing its budget responsibility.</p>

5.0 Other Matters

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Document control

Version: 1

Status: Draft for client comment

Document Date: 12 June 2023

Appendix A – Financial Management Systems Review

The following reviews were undertaken to evaluate the appropriateness and effectiveness of financial management system controls:

System	Description
Bank reconciliation and petty cash management	Examination of procedures and records for preparation and review of bank reconciliations to confirm they are being appropriately prepared on a regular and prompt basis for all bank accounts.
Petty cash management	Examination of procedures and documentation in relation to cash floats and petty cash
Trust funds	Trust funds held by the Regional Council were examined through testing a sample of receipts and refunds to determine proper accountability in the Regional Council's financial management system and compliance with regulatory requirements.
Receipts and receivables	Examination of end of day banking procedures to determine if they were adequate in ensuring cash collection is being recorded and allocated properly to the general ledger. The receivables system including raising of invoices was also reviewed with limited testing in respect to allocation/posting
Purchases, payments and payables (including purchase orders)	<p>Random selection of payment transactions to determine whether purchases were authorised/budgeted and payments were supported, certified/authorised and correctly allocated. The Regional Council's purchases, payments and payables system was also examined to determine if adequate controls were in place in ensuring liabilities are properly recorded and payments are properly controlled.</p> <p>We are aware of many incidents of payment scams/frauds within the local government industry during recent years. As a consequence of this activity, we have had a specific focus on the controls around the changes to supplier details within the EFT payment system</p>
Payroll	<p>A sample of employees were randomly selected and detailed testing of each employee's pay was performed to help ensure:</p> <ul style="list-style-type: none"> the employee existed; the correct rate of pay was used; non-statutory deduction authorities are on hand; time sheets were properly completed and authorised; hours worked were properly authorised; and allocations were reasonable and correctly posted. <p>The Regional Council's payroll system was also reviewed to determine if adequate controls were in place to help ensure wages and salaries are properly processed and payments are properly controlled</p>
Credit card procedures	<p>A review of the Regional Council's credit card procedures was performed to determine if adequate controls were in place. We randomly selected and tested credit card transactions to determine whether they are legitimate and usual in the context of the Regional Council's operations. This included:</p> <ul style="list-style-type: none"> sighting tax invoices; ascertaining whether the transaction is for bona fide Regional Council business; and determining whether transactions are in line with the Regional Council's policy.

Appendix A – Financial Management Systems Review

System	Description
Fixed assets (including depreciation, acquisition, and disposal of property)	<p>The fixed assets system including controls over acquisition and disposal of assets, updating of the fixed assets register, depreciation of fixed assets and reconciliation of the fixed assets register to the general ledger was examined. A sample of asset additions and disposals were judgmentally selected, and testing performed to ensure:</p> <ul style="list-style-type: none"> the tax invoices existed; correct posting to the general ledger; fixed assets register was promptly updated; and classification of assets was correct. <p>In addition, a sample of four assets were judgmentally selected and testing performed to ensure the depreciation rates used are in line with the Regional Council's policy.</p>
Cost and administration allocation	The Regional Council's cost and administration allocation system was examined to determine if indirect costs have been properly reallocated to various jobs/programs. This included review of the allocation basis and rates used to ensure they are appropriate and regularly reviewed
Financial reports controls	The format of the annual report, annual financial report and monthly financial reports were reviewed for compliance with legislative requirements
Budget and budget review	The 2022-23 budget document and documents surrounding budget adoption were reviewed to ensure compliance with regulatory requirements
Borrowings	No borrowings were identified.
Inventory	No inventory was identified
General journals	Random selection of general journals to determine whether journals were supported and certified/authorised. The Regional Council's general journal system was also examined to determine if adequate controls were in place to ensure journals are properly recorded and controlled.
Investments	A review of cash investments to ensure appropriate controls are in place to monitor, record and manage the Regional Council investments
Insurance	An insurance process review is undertaken to ensure appropriate consideration of insurance coverage is undertaken.
Records	Record keeping systems are reviewed to ensure the capture, storage, monitoring and disposal of financial records are appropriate and regularly reviewed
IT System	Review of IT systems, processes, and procedures to ensure that adequate mechanisms are in place to monitor, manage, and test IT systems and controls that are critical to the Regional Council's financial management.
Policy review	Regional Council financial management policies are reviewed to ensure compliance with relevant legislation

CONTACT US

Level 15, 2 The Esplanade,
Perth WA 6000

T 08 9225 5355

F 08 9225 6181

E localgov-wa@moore-australia.com.au

www.moore-australia.com.au



9.2. REVIEW OF LOT PRICING POLICY

Responsible Officer: Chief Executive Officer
Attachments: 1. Attachment - Lot Pricing Policy
Voting Requirement: Simple Majority

AUDIT and RISK COMMITTEE RECOMMENDATION

Moved Cr, Seconded Cr.

That Council ADOPTS the Lot Pricing Policy (June 2023).

The motion was put and declared CARRIED/NOT CARRIED.

PURPOSE

To re-adopt the TPRC Lot Pricing Policy.

POLICY REFERENCE

Lot Pricing Policy

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

- Ordinary Council Meeting – 19 August 2021
- Ordinary Council Meeting – 19 April 2019

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and Effective governance environment.	Moderate
Action:	
Annual review and approval by Council of TPRC strategic documents	

BACKGROUND

At its meeting of 13 October 2011, the Council approved the following lot pricing practice for the sale of public release lots at Catalina:

The approved lot pricing practice at Catalina involves obtaining recommended lot pricing from the Development Manager and a lot valuation from the Council appointed Valuer, with the higher value determining the sale price. In the event that the lot pricing, based on the lot pricing practice, is less than the lot values for a stage in the Project Budget then lot pricing is referred to Council for approval.

At the Council Meeting held 19 April 2019, the Council approved a Lot Pricing Policy. This formally delegated to the CEO approval to determine lot pricing based on the approved lot pricing practice. This policy was based on the lot pricing practice at Catalina Estate at the time.

The Policy was reviewed and re-approved at the Council meeting held 19 August 2021.

COMMENT

The Lot Pricing Policy has been reviewed in the context of recent lot sales at Catalina Estate. The Policy continues to operate satisfactorily and no changes to the Policy are proposed at this time.

The TPRC lot pricing policy essentially established the organisation as a 'market follower' rather than a 'market leader' when it comes to lot pricing. Given the large amount of TPRC land available and strong competition within Perth's North-West residential development corridor for residential land sales, this strategy is considered to be appropriate. As TPRC land supply and quality residential land within close proximity to the Perth CBD diminishes, the beach and major transport networks availability becomes more scarce, Council may consider changing its strategy and policy position to become more of a 'price setter' rather than a 'price follower'.

LOT PRICING POLICY

Responsible Officer	Chief Executive Officer
Initial Council adoption	18 April 2019
Amendments	
Last Council adoption	19 August 2021
Review due	2022 2024

PURPOSE/OBJECTIVE

To provide clarity and direction in terms of lot pricing requirements.

SCOPE

This policy applies to public release of lots at Catalina.

POLICY

The Regional Purpose for which the TPRC is established is to undertake, in accordance with the objectives, the rezoning, subdivision, development, marketing and sale of the Land.

The objectives of the TPRC are:

- (i) To develop and improve the value of the Land;
- (ii) To maximise, within prudent 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.

The *Local Government Act 1995* does not preclude the Council from selling land for less than the market value of that land as ascertained by a valuation. Although a local government (or regional local government) may generally seek a sale price that is higher than the market value, there is no obligation, legal or otherwise, to pursue that outcome.

The legal obligation is for the TPRC to exercise its judgment in determining how best to achieve the regional purpose, as set out in its Establishment Agreement, for the good government of persons in the region.

The Policy is intended to demonstrate a high degree of independence and be able to be subject to third-party review in the administration of setting lot prices for sale to the public. It should demonstrate good practice in terms of probity and accountability.

LOT PRICING PROCESS

When the TPRC intends to release lots to the public for sale it will obtain recommended lot pricing from the Development Manager and lot valuations from the Council appointed Valuer. The lot sale price will be determined by the higher value from the Development Manager and the Council appointed Valuer, unless otherwise determined by Council. In the event that the lot pricing, based on the lot pricing practice, is less than the lot values for a stage in the Project Budget then lot pricing is referred to Council for approval.

LEGISLATION / LOCAL LAW REQUIREMENTS

Local Government (Financial Management) Regulations 1996

Adopted by Council: ~~19 August 2021~~22 June 2023

9.3. REVIEW OF FRAUD AND CORRUPTION PREVENTION POLICY

Responsible Officer: Chief Executive Officer

Attachments: 1. Attachment - Fraud & Corruption Prevention Policy

Voting Requirement: Simple Majority

AUDIT and RISK COMMITTEE RECOMMENDATION

Moved Cr, Seconded Cr.

That the Council DELETES the Fraud and Corruption Prevention Policy.

The Motion was put and declared CARRIED/NOT CARRIED.

PURPOSE

To delete the Fraud and Corruption Prevention Policy, which after review has been deemed to be superfluous and of little current benefit to the operations of TPRC.

POLICY REFERENCE

Fraud and Corruption Prevention Policy

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*
- *Corruption, Crime and Misconduct Act 2003*

PREVIOUS MINUTES

Council Meeting – 18 February 2021

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and Effective governance environment.	Moderate
Action:	
Annual review and approval by Council of TPRC strategic documents	

BACKGROUND

At its meeting held 18 February 2021, the Council adopted a Fraud Prevention Plan and a Fraud and Corruption Prevention Policy. The report presented to the Council at the time indicated that the introduction of the Plan and Policy was necessary in response to the findings of the Office of the Auditor-General's *Report 5: 2019-2020 – Fraud Prevention in Local Government* which was tabled in State Parliament on 15 August 2019.

The Policy, when adopted, specified that it should be reviewed in 2022. The recent review of the Policy has resulted in the recommendation that it be deleted.

COMMENT

The current Fraud and Corruption Prevention Policy has been recommended for deletion for several reasons. Firstly, the Policy in its current format does not meet the broad definition of a local government policy. The Policy document is in fact a replication of much of the material in the Fraud Prevention Plan and only makes a series of motherhood statements around fraud and corruption. It does not detail any specific TPRC practices or procedures that should be followed to mitigate risk in this area. The document serves little practical purpose and does not add any value to the current governance framework.

The recommendations of the Auditor-General's *Report 5: 2019-2020 – Fraud Prevention in Local Government* suggested that Local Governments should seek to focus on the objectives and principles contained in Appendix 2 of the report. TPRC has in place a Fraud Prevention Plan, and has practices in place which meet the objectives and principles in Appendix 2. This section of the Auditor-General's report does not suggest that a standalone Fraud and Corruption Prevention Policy is necessary, as much of the regulation of employee behaviour is already covered by other policies in place, such as Codes of Conduct.

The retention of the Fraud and Corruption Prevention Policy also presents a risk to the good governance of TPRC. While reference is made to definitions of 'Fraud' and 'Corruption' in Australian Standard AS8001-2008, no reference is made to legislative requirements under the *Local Government Act 1995* or the *Corruption, Crime and Misconduct Act 2003*. There is a potential risk for confusion where a policy exists in a space where employees should be referring to legislation and working within the regulatory environment as set out in the Auditor-General's report. The deletion of the Policy would assist in eliminating this risk. Employees should refer to TPRC's Fraud Prevention Plan, relevant legislation and other existing policies to understand their obligations in preventing fraud and misconduct.

POLICY MANUAL

Fraud and Corruption Prevention Policy (February 2021)

OBJECTIVE

To articulate the Tamala Park Regional Council's (TPRC) commitment to the prevention, detection, response and monitoring of fraud and corrupt activities.

POLICY SCOPE

This policy applies to all employees, Elected Members and contractors. Fraud and corruption control is the responsibility of everyone in or associated with the TPRC.

DEFINITIONS

Fraud is defined by Australian Standard AS8001-2008 as:

"Dishonest activity causing actual or potential financial loss to any person or entity including theft of monies or other property by employees or persons external to the entity and where deception is used at the time, immediately before or immediately following the activity."

Corruption is defined by Australian Standard AS8001-2008 as:

"Corruption is dishonest activity in which an employee or contractor of the entity acts contrary to the interests of the entity and abuses their position of trust in order to achieve some personal gain or advantage for themselves or for another person or organisation. The concept of 'corruption' can also involve corrupt conduct by the entity, or a person purporting to act on behalf of and in the interests of the entity, in order to secure some form of improper advantage for the entity."

Corruption is any deliberate or intentional wrongdoing that is improper, dishonest or fraudulent and may include:

- Conflict of interest;
- Failure to disclose acceptance of gifts or hospitality;
- Acceptance of a bribe;
- Misuse of internet or email; or
- Release of confidential or private information or intellectual property.

Corrupt conduct tends to show a deliberate intent or an improper purpose and motivation and may involve conduct such as the deliberate failure to perform the functions of office properly; the exercise of a power or duty for an improper purpose; or dishonesty.

POLICY STATEMENT

Fraud and corruption is illegal, and contrary to the organisational values of the TPRC. The TPRC aims to foster a culture which upholds trust and honesty as part of its core values. In doing so, the TPRC will ensure that the effective prevention of fraud and corruption is an integral part of its operating activities.

POLICY MANUAL

Fraud and Corruption Prevention Policy (February 2021)

All employees are accountable for, and have a role to play in, fraud and corruption prevention and control. The TPRC encourages staff to disclose actual or suspected fraudulent or corrupt activity. When identified, any suspected fraudulent or corrupt activity will be promptly investigated, and where appropriate legal remedies available under the law will be pursued.

All alleged incidences will be investigated thoroughly. Where appropriate, the TPRC will protect the anonymity of those responsible for reporting the activity.

The TPRC will ensure that systems and procedures are in place to prevent, detect, report and investigate incidents of fraudulent or corrupt behaviour or activities. It will also ensure that staff are aware of their responsibilities in respect to the prevention, detection, reporting and investigation of fraudulent or corrupt behaviour.

A Fraud and Corruption Prevention Plan (“the Plan”) has been developed to assist to meet the objectives of this Policy. The Plan will ensure that the TPRC has procedures in place to mitigate the risk of fraud or corruption occurring in the organisation.

This Fraud and Corruption Prevention Policy is authorised by the Chief Executive Officer on 18 February 2021.

Signature:

Name: JOHN ANTHONY ARIAS

Date: 18 February 2021

Adopted by Council: 18 February 2021

Reviewed / Amended:

Next Review Date:

9.4. PROJECT BUDGET FYE 2024 (MAY 2023)

Responsible Officer:	Manager Project Coordination
Attachments:	1. Attachment - Project Budget FYE 2024_Satterley Ltr 2. Attachment - Project Budget FYE 2024_Budget Pack
Voting Requirement:	Simple Majority

MANAGEMENT COMMITTEE RECOMMENDATION

Moved Cr Sandri, Seconded Cr Krsticevic.

That the Council APPROVES the Project Budget FYE 2024 (May 2023), submitted by the Satterley Property Group, including the updated long-term Project Forecast, to be used for the purposes of project and financial planning and as the basis for preparation of the TPRC Budget FYE 2024.

The Motion was put and declared CARRIED (5/0).

PURPOSE

To review the Project Budget FYE 2024 (May 2023) prepared by the Satterley Property Group (Satterley).

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

- Council Meeting – 20 April 2023 (Item 8.9 Project Budget FYE 2023 Assumptions)
- Council Meeting – 8 December 2022 (Item 9.1 – Project Budget FYE 2023 – Mid Year Review)
- Council Meeting – 16 June 2022 (Item 8.1 – Project Budget FYE 2023)

FINANCIAL/BUDGET IMPLICATIONS

Input into TPRC project and financial planning.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Development Manager ability to deliver	Moderate
Action:	
Development Manager required to provide an Annual Plan, Annual Budget for approval.	

This report relates to the draft Project Budget FYE 2024 (May 2023) provided by Satterley and includes market commentary and advice on potential risks for the TPRC.

BACKGROUND

At its meeting of 16 June 2022, the Council approved the Project Budget FYE 2023 as the basis for project and financial planning and preparation of the TPRC Budget. The Project Budget FYE 2023 also included an updated Project Forecast (June 2022) for the purposes of long-term project and financial planning.

At its meeting of 8 December 2022, the Council received the FYE 2023 Mid-Year Project Budget Review and resolved that it be used as the basis for financial planning, including for the TPRC Mid-Year Budget FYE 2023 review.

At its meeting of 20 April 2023, the Council supported a set of assumptions for preparation of the Project Budget FYE 2024 as follows:

Income

- Sales: Nett 80 residential sales for FYE 2024.
- Special Sites: No new 'special site' sales in FYE 2024. (NB - Income for Lot 341 (Grouped Housing site in Catalina Central) to be received in FYE 2024).

Expenditure

- Project Operating Expenditure: Maintenance expenditure at FYE 2023 actual rates or contracted rates from TPRC suppliers.
- Consultants: Community development, marketing and other consultant budgets to be set at historical average expenditure levels.
- Lot Development Costs: Complete development stages currently under construction or contracted (Stages 29, 31 and 37) and commence delivery of Stage 38 Catalina Green – 37 Lots.
- Design/Approvals: Undertake design/approvals processes for Stage 39 (Catalina Green – 65 Lots) and Stage 32 (Catalina Beach – 44 Lots).
- Planning: Commence planning for delivery of the following Special Sites within the Catalina Estate:
 1. Catalina Beach Entry Grouped Housing Site.
 2. Catalina Beach Commercial Site.

3. Catalina Green Display Village.

4. Catalina Green: 7.5m Front loaded lots.

- Landscape Construction: Complete currently approved works (New Catalina Beach Foreshore park, Catalina Green Entry Park/Landscaping, Portofino Promenade: Park extension). No new landscaping projects to commence.
- Land Acquisition: Nil. No allocation of funding for acquisition of Part Lot 711 (WAPC Land).
- Distribution to Members: \$20M in distributions to members with \$10M payments scheduled in December 2023 and June 2024.

COMMENT

Satterley has prepared a draft Project Budget FYE 2024 and supporting correspondence of 9 May 2023 that sets out the context for the Budget's preparation, as contained in the attachment.

The Project Budget FYE 2024 includes:

- Review of forecast FYE 2023 outcomes;
- Budget for operations for FYE 2024;
- Forecast Budget for operations for FYE 2025;
- Updated long-term Project Forecast.

Market Conditions

Satterley advises that the Project Budget FYE 2024 (May 2023) has been prepared in the light of the following market conditions:

- Relatively flat lot pricing over the past 12 months. The majority of lots in Catalina are above \$300,000; \$75,000 above the Perth average.
- Interest rate rises have effectively reduced prospective buyers borrowing capacity by over \$100,000 and have been a big contributor to an increase in contract cancellations.
- 5,277 vacant land settlements across Perth in 2022, down -41% on the previous year. Additionally, first home owner grants were down 52% year on year.
- Although flattening, building cost increases continued to impact the industry over the past 12 months shifting demand to more affordable product.
- Median new build house and land price \$530,000, reported in December 2022 by UDIA.
- BGC closed doors to any new sales in April 2023, further tightening builder capacity.
- Median Perth house rent at \$550 per week.
- Median Perth house price \$550,000.
- Perth rental vacancy rate 0.4%, tightest in 17 years.
- April 2023 total listings 7,015 (balanced market 12,000) (REIWA).

Review of Project Budget FYE 2023

Satterley has forecast outcomes for the current year FYE 2023 and variances to the approved Project Budget FYE 2023 (December 2022), having regard to the current sales/settlement rates, works progress and costs and expectations for revenue and expenditure

for the remainder of FYE 2023. The following table shows a comparison for Gross Income, Development Costs, Cashflow and Distributions:

	Forecast FYE 2023 (May 2023)	Budget 2023 (Dec 2022)	Variance
Gross Income	\$32.85M	\$36.72M	(\$3.87M)
Development Costs	\$23.68M	\$32.45M	\$8.77M
Cashflow	\$9.17M	\$4.27M	\$4.90M
Distributions	\$20.00M	\$20.00M	\$0

Key points to note include:

- Nett sales expected to be 65 lots, 14 less than the approved budget;
- Gross income to be \$3.89M lower, due to settlements reducing from 110 lots to 97 lots;
- Development costs to be \$8.77M lower than budgeted due to:
 - Infrastructure costs \$1.3M lower due to \$0.9M in savings for Longbeach Promenade extension, Connolly Drive and deferral of costs, including developer contribution charges to FYE 24.
 - Lot production is \$3.8M lower due to \$2.2M in savings across current Stages 18C, 29, 30, 36, and 37, \$0.7M savings for Stage 36-37 bulk earthworks and \$0.8M of costs remaining in stage 37 deferred to FY24E.
 - Landscaping costs \$2.9m lower due to deferral of works: \$1.0M for Catalina Green POS and streetscapes, \$0.7M for Foreshore POS, \$0.2M for Portofino Park extension and \$0.4m in landscape consultancy. These works will now fall into early FYE 24.
- Due to timing of bonds paid/received, Finance/Bonds are (\$0.7m) higher in FYE23 but are offset the following year.
- \$1.0m reduction in unused and deferred contingency.
- Cashflow before distributions forecast to be \$9.17M, \$4.90M higher than the approved budget; and
- Distributions to member Councils in FYE 2023 to remain unchanged at \$20M.

Operations for FYE 2024

The Project Budget FYE 2024 has been prepared on the basis of the Council-approved April 2023 assumptions detailed above. When compared to the December 2022 forecast Budget FYE 2023, there are some substantial revisions as follows:

Sales/Settlements/Titles:

- 93 sales – reduced by 56. This is 13 more than the approved April 2023 assumption, but has been adjusted to add the sale of display village lots in Catalina Green.
- 114 settlements – reduced by 22, reducing lot income by \$6.9M.
- 103 titles lots (Stage 31 Catalina Beach – 66 lots, Stage 38 Catalina Green – 37 lots).

Cashflow:

Net cashflow before distributions of \$15.56M, \$7.33M higher.

Direct selling expenses:

\$1.6M lower due to the combined effects of lower settlement volumes, removal of campaign incentives and reduced provision for rebates and packages for previously settled lots to align to the accounting provision.

Infrastructure:

Costs are \$0.2M lower at \$1.4m and will provide for completion of the Longbeach Promenade extension and first \$1M payment for developer contributions to City of Wanneroo. Catalina Green pump station costs removed to align with the recently approved revised sewer strategy.

Lot Production:

Costs are \$6.5M lower, with lower sales over FYE 2023 and FYE 2024 bulk earthworks and stage production costs are deferred given sufficient stock levels going into FYE 2024. Key items for FYE 2024 include:

- \$3.9M for the completion of Stage 31 in Catalina Beach;
- \$0.2m for initial surveying and engineering design in Stage 32 in Catalina Beach;
- \$0.8M in final invoices for Stage 37 in Catalina Green;
- \$3.7M for Stage 38 construction in Catalina Green;
- \$0.3M for Stage 39 initial surveying and engineering design in Catalina Green.

Landscaping:

Works will focus on Catalina Beach (Foreshore POS, Longbeach Prom) and Green (Phase 1 POS and streetscapes) and Offset Revegetation works in the coastal reserve to the west of Catalina. Costs have decreased by \$0.9M to \$9.4M due mainly to timing of works.

Marketing and Community Development:

Budget has been reduced by a combined \$0.9M, to \$0.2M and \$0.1M respectively.

Administration:

\$0.1M lower at \$1.45M. The main component is Estate maintenance which has been set at \$1m to uphold good presentation and achieving the sales forecast.

Bonds:

Due to the timing of bond payments and refunds, bonds are \$1.0m lower.

Contingency:

Set at the lower level of \$0.5M for FYE24, a reduction of \$1.0M.

Distributions:

Distributions are forecast at \$20M, unchanged. A closing cash balance of \$41.8m is forecast.

The following table shows the variance between the proposed Project Budget FYE 2024 (May 2023) and the FYE 2024 Forecast (December 2022) for Income, Development Costs, Cashflow and Distributions.

	Project Budget FYE 2024 (May 2023)	FYE 2024 Forecast (Dec 2022)	Variance
Gross Income	\$36.31M	\$38.89M	\$2.58M
Development Costs	(\$20.74M)	(\$30.65M)	\$9.91M
Cashflow	\$15.56M	\$8.23M	\$7.33M
Distributions	\$20.0M	\$20.0M	\$0.0M

Key Risks for Achieving FYE 2024 Budget

Satterley has identified the following items as key risks to achieving the Project Budget FYE 2024 outcomes:

- Delay obtaining timely City of Wanneroo approval of the Catalina Beach Urban Water Management Plan in late FYE2023, which may prevent progress of construction of Stage 31.
- Catalina Green Display Village tender fails to achieve the forecast 10 sales.
- Title dates and therefore settlement revenues not achieved.

Title dates are based on the following key assumptions:

- Approvals are achieved within statutory timeframes or better;
- Construction contracts are awarded on engineering design prior to City of Wanneroo Approval;
- Pre-award budgets are provided to the civil contractor to commence pre-work plans (traffic, safety etc) prior to the stage being awarded;
- No allowance made for further extension of construction periods caused by shortages of labour or materials;
- Assumes a cross-over of earthworks and civil works is allowed within Catalina Green;
- Settlement of the Lot 341 group housing site occurs as budgeted - \$2.75M in March 2024;
- No significant delays or deferrals of the \$9.4M landscape works budgeted in FYE 2024;
- The project is not impacted by delays associated with the new Aboriginal Cultural Heritage Act, which comes into place on 1 July 2023.

The risks identified would be considered typical for a project such as Catalina, which is heavily influenced by market conditions. These risks will continue to be managed by project supervision and management, monthly financial review and reporting, application of construction triggers and monitoring market and economic conditions. The specific project risks are actively being managed to minimise potential exposure to the TPRC and to achieve budget predictions.

Forecast Budget FYE 2025

Satterley has prepared a forecast Budget for FYE 2025 for financial planning purposes and information. It is not intended to be endorsed by the Council at this time.

The following table shows the variance between the forecasts for Income, Development Costs, Cashflow and Distributions.

	FYE 2025 Forecast (May 2023)	FYE 2025 Forecast (December 2022)	Variance
Gross Income	\$30.50M	\$42.36M	(\$11.86M)
Development Costs	(\$21.05M)	\$38.47M	\$17.42M
Cashflow	\$9.45M	\$3.90M	\$5.55M
Distributions	\$17.0M	\$17.0M	\$0.0M

The major variances result from the following:

- Gross Income decreased \$11.89M due to 51 fewer settlements;
- Development Costs decreased \$17.42M due to deferral of Western Australian Planning Commission land acquisition in Catalina Green and reduced civil construction program.

Distributions are to remain as previously forecast at \$17M, with an anticipated closing cash balance of \$34.3M.

These estimates should only be considered as a general guide for the Forecast FYE 2025. The budget for FYE 2025 will be next reviewed in light of the Western Australian economy and the residential land market in December 2023 as part of the Mid-Year Budget Review.

Updated Long Term Project Forecast (May 2023)

Satterley has updated the approved Project Forecast (December 2022). The Project Forecast sets out costs and revenue over the rest of the Project's life to guide Project and financial planning.

Project Forecast Assumptions

The updated Project Forecast has been prepared on the following assumptions:

Cost Escalation:

- The updated project forecast has reduced the allowance of 8% increased costs for the first half of FYE 2024 to 5% and 5% increase for the second half of FYE 2024 to 4%. It has also reduced the allowance of 5% increased costs for the first half of FYE 2025 to 2%. From that point, the long-term assumption of 2% cost escalation continues to apply. This assumes some easing of development cost increases seen over the past two years.
- Income escalation rates have been maintained at 5% for FYE 2024 but reduced from 5% to 2% for the first half of FYE 2025. The changes to escalation rates and timing from the approved Project Forecast are shown below: _

CATALINA Escalation Rates							
INCOME							
From	Jan-11	Jan-23	Jul-23	Jan-24	Jan-25	Jan-26	
To	Dec-22	Jun-23	Dec-23	Dec-24	Dec-25	End	
Current	0.0%	0.0%	5.0%	5.0%	3.0%	3.0%	
Previous	0.0%	5.0%	5.0%	5.0%	3.5%	3.0%	
COST							
From	Jan-11	Jan-23	Jul-23	Jan-24	Jul-24	Jan-25	
To	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24	End	
Current	0.0%	0.0%	5.0%	4.0%	2.0%	2.0%	
Previous	0.0%	8.0%	8.0%	5.0%	5.0%	2.0%	

Pricing:

The updated Project Forecast is based on the standard base lot pricing shown in the following table and is unchanged from the December 2022 forecast.

CATALINA Standard Pricing - Future Stages			
LOT TYPE	BEACH	CENTRAL	GREEN
Rear loaded 6m x 30m 180m ²	225,000	n/a	137,500
Rear loaded 7.5m x 30m 225m ²	260,000	185,000	167,500
Front loaded 10.5m x 30m 315m ²	355,000	n/a	235,000
Front loaded 12.5m x 30m 375m ²	390,000	285,000	275,000
Front loaded 15m x 30m 450m ²	460,000	320,000	310,000

Yield:

The updated forecast incorporates approved plans for Catalina Beach (north of Portofino) and the balance of Catalina Green. In Beach, 25 residential lots have been replaced by two special sites, and in Green larger lot sizes have reduced residential yield by 81 lots, but for no material change in saleable area.

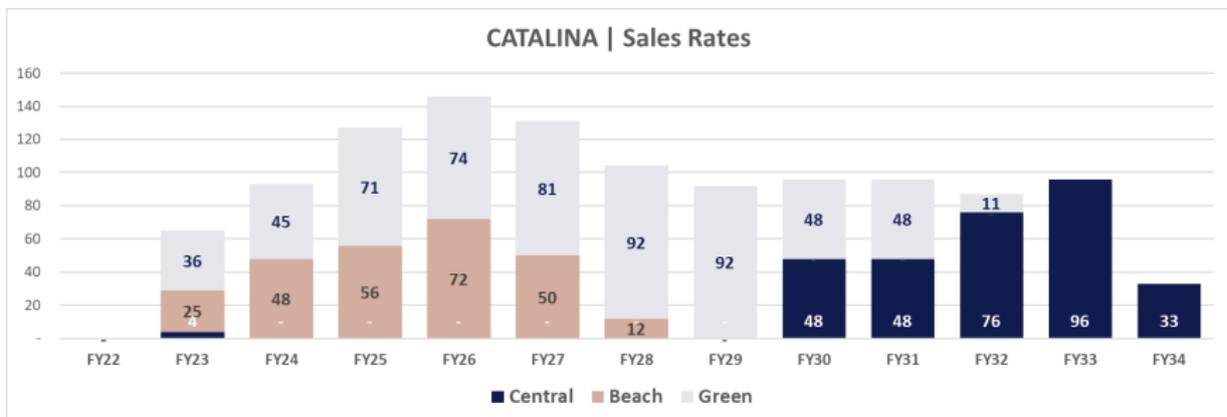
CATEGORY	CURRENT	PREVIOUS	VARIANCE
Beach Yield	474	499	(25)
Beach Residential Area	177,369m ²	179,311m ²	(1,942m ²)
Beach Special Sites Area	13,186m ²	10,585m ²	2,601m ²
Green Yield	638	719	(81)
Green Residential Area	231,219m ²	231,083m ²	136m ²
Green Special Sites Area	34,456m ²	34,456m ²	-

Sales Rates

- The updated project forecast allows for a reduction to sales rates in FY24 until consumer confidence and loan serviceability improves following the period of interest rate rises. Satterley considers that long-term fundamentals for the land market in Perth remain strong, which should see improved sales rates from FYE 2025 onwards.

CATALINA Sales Rates			
FINANCIAL YEAR	CURRENT JUN-23	APPROVED DEC-22	VARIANCE
PTD FY22	1,200	1,200	-
FY23	65	79	(14)
FY24	93	149	(56)
FY25	127	144	(17)
FY26	146	136	10
FY27	131	112	19
FY28	104	101	3
FY29	92	106	(14)
FY30	96	99	(3)
FY31	96	105	(9)
FY32	87	96	(9)
FY33	96	104	(8)
FY34	33	41	(8)
Total	2,366	2,472	(106)
Final Sale	Nov-33	Nov-33	+0 Mths
Final Settlement	May-34	May-34	+0 Mths

- The mix of sales between precincts has changed from previous forecasts due to amended assumptions regarding the landfill site buffer restriction affecting Catalina Central. The resumption of sales from Stages 16B and 19 to 23 has been deferred to FYE 2030 and have been replaced by sales from Catalina Green in the period between FYE 2028 and FYE 2030. Anticipated Project duration is unchanged.



Other Assumptions:

- WAPC land acquisition deferred until required for Stages 46-48. A payment of \$12.3M in Feb 2028 is now assumed.
- To ensure adequate supply, Beach sales equate to approximately a 40-50% split over the remaining years that sales continue.
- Stage 16B and Primary School GHS deferred until FYE 2030, when the buffer restrictions are expected to be lifted.
- Marketing budgets after FYE 2024 have been set at \$200,000 per annum plus escalation for project duration, community development at \$90,000 per annum plus escalation.
- High quality estate presentation will be key to achieving the sales rates in the Project Forecast. As such, unescalated maintenance budgets have been set at \$990,000 per annum.

- All IRR calculations assume a notional land payment based on historical valuation estimate of \$77.4M at commencement of the Project, consistent with IRR methodology for other residential development projects

Comparison between Project Forecast (December 2022) and Project Forecast (May 2023)

Satterley advises that the May 2023 forecast indicates an overall Project net cash profit of \$282.84M (\$25.17M increase between forecasts) on the basis of:

- Improved escalation – \$10M income escalation reduction offset by \$17M cost escalation improvement.
- Updated revenue assumptions reflecting adopted development strategy for Beach north of Portofino Promenade design, particularly grouped housing sites.
- Removal of certain contingencies in the engineering costings.
- Reduced construction costs driven by reduction in yield after adoption of new design in Green (balance) and Beach (north of Portofino).
- Reduced rebate provisions that are unlikely to be claimed.
- Reduction in overall marketing costs reflecting more appropriate long-term budgets.

Overall, the net present value (NPV) has increased because of the improved cashflow, with no significant project duration change, that is, returns have increased over the same remaining project life as previously forecast.

CATALINA Summary			
CATEGORY	CURRENT JUN-23	APPROVED DEC-22	VARIANCE
Total Lots	2,366	2,472	(106)
Residential Area	828,582m ²	830,388m ²	(1,806m ²)
Special Sites Area	75,189m ²	72,588m ²	2,601m ²
GROSS INCOME			
Income - Lots	710,570,146	729,732,343	(19,162,197)
Income - Special Sites	30,358,836	27,578,061	2,780,775
Income - Other	288,959	287,545	1,414
Direct Selling Expenses	72,641,522	80,132,182	7,490,660
GROSS INCOME	668,576,419	677,465,767	(8,889,348)
DEVELOPMENT COSTS			
Land	12,265,200	12,265,200	-
Consultants	9,519,639	10,075,776	556,136
Infrastructure	18,982,211	16,144,568	(2,837,643)
Special Sites/Other Development	6,554,965	4,703,970	(1,850,995)
Lot Production	237,203,756	260,894,299	23,690,543
Landscape	60,549,702	63,916,539	3,366,837
Marketing	5,414,340	11,079,677	5,665,337
Community Development	1,722,027	2,534,860	812,833
Administration	23,297,477	25,104,045	1,806,568
Finance/Bonds	-	-	-
Contingency	10,226,785	13,078,447	2,851,662
DEVELOPMENT COSTS	385,736,102	419,797,380	34,061,278
CASHFLOW	282,840,317	257,668,387	25,171,930
Capital IRR	10.6%	10.4%	0.1%
Project IRR	16.9%	16.2%	0.8%
Profit on Cost	73.3%	61.4%	11.9%
Profit /Lot	119,544	104,235	15,309

CATALINA NPV Analysis			
DISCOUNT RATE	6%	8%	10%
Current NPV of cashflows Oct-22 onwards	\$102.5m	\$93.3m	\$85.3m
Previous NPV of cashflows Oct-22 onwards	\$81.3m	\$73.0m	\$66.0m
Variance	\$21.3m	\$20.2m	\$19.3m

Given the current interest rate environment, higher discount or hurdle rates are more appropriate for NPV analysis.

Distributions

Distributions to the member Councils are forecast in the following table and maintain a \$15M minimum cash reserve. Distributions are to be maintained in line with the December 2022 forecast for FYE 2024 and 2025, before increasing from FYE 2026 to FYE 2032.

CATALINA | Distributions

FINANCIAL YEAR	CURRENT JUN-23	APPROVED DEC-22	VARIANCE	CUMULATIVE VARIANCE
PTD FY22	83,700,000	83,700,000	-	-
FY23	20,000,000	20,000,000	-	-
FY24	20,000,000	20,000,000	-	-
FY25	17,000,000	17,000,000	-	-
FY26	15,000,000	12,000,000	3,000,000	3,000,000
FY27	14,000,000	10,000,000	4,000,000	7,000,000
FY28	14,000,000	10,000,000	4,000,000	11,000,000
FY29	14,000,000	10,000,000	4,000,000	15,000,000
FY30	14,000,000	10,000,000	4,000,000	19,000,000
FY31	11,000,000	10,000,000	1,000,000	20,000,000
FY32	17,000,000	7,000,000	10,000,000	30,000,000
FY33	8,000,000	9,000,000	(1,000,000)	29,000,000
FY34	21,000,000	26,000,000	(5,000,000)	24,000,000
FY35	-	-	-	24,000,000
FY36	14,140,317	12,968,387	1,171,930	25,171,930
Total	282,840,317	257,668,387	25,171,930	25,171,930

CONCLUSION

Satterley has prepared a Project Budget for FYE 2024 that is consistent with assumptions approved by the Council for its preparation in April 2023. It recommends a conservative lot production and infrastructure program given current stock constructed and under construction and anticipated sales rates. Allowance is made for several landscaping works to be completed to boost Estate amenity and appeal.

The Project Budget FYE 2024 prepared by Satterley reflects a sales and revenue position that is considered appropriate given the position of the land sales market and the condition of the Western Australian economy. It forecasts that the TPRC can meet all cashflow obligations without the need to call upon member local government funds to meet any operating or capital expenditure and will be able to increase distributions to the member local governments.

The Project Budget FYE 2024 includes an updated Project Forecast to provide a general guide to the long term cashflow direction. The latest iteration follows a period during which there has been considerable review and revision of key Project assumptions in a time when the market and construction environment has been dynamic.

The key objective of the Economic pillar of the Strategic Community Plan (2020), adopted by the Council at its February 2020 meeting, is to maximise returns for member Councils while delivering environmental, social and economic objectives.

Despite the inherent uncertainties associated with forecasting over the lengthy timeframe of the Project's lifecycle, it is considered that the Project Forecast (May 2023) is a reasonable basis for Project and financial planning and that the forecasted Project profit and distributions can be relied upon by the member local governments.

It is recommended that Council approves the Project Budget FYE 2024 (May 2023), submitted by Satterley including the long term Project Forecast (May 2023) as the basis of project and financial planning for FYE 2024 and beyond.

9 May 2023

Mr. Chris Adams
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6019

Dear Chris,

Catalina FY24 Budget

Please find attached the FY24 Catalina Budget and revised Project Forecast. The review is discussed under the following headings:

1. Market Observations
2. Budget Comparisons
3. Financial Year Ending 2023 (FY23)
4. Review of Financial Year Ending 2024 (FY24)
5. Key Risks for Achieving FY24 Budget
6. Overview of Financial Year Ending 2025 (FY25)
7. Project Forecast
8. Assumptions
9. Cash Requirement, Capital Return and Profit Distribution Capacity

1. Market Observations

- › Average lot price in March 2023 was ~\$225,000. The average lot price has remained relatively flat over the past 12 months. The majority of lots in Catalina are above \$300,000.
- › Reserve Bank interest rate rises have effectively reduced prospective buyers borrowing capacity by well over \$100,000.
- › Interest rate rises have been a big contributor to an increase in cancellations.
- › 5,277 vacant land settlements to December 2022, -41% 12-month change. Additionally, FHOG down 52% YoY.
- › Although flattening, building cost increases continued to impact the industry over the past 12 months shifting demand to more affordable product. Median new build house and land price \$530,000, reported in December 2022 by UDIA.
- › BGC closed doors to any new sales in April 2023, further tightening builder capacity.
- › Median house rent at \$550 per week
- › Median house price \$550,000
- › Vacancy rate 0.4%, tightest in 17 years
- › April 2023 total listings 7,015 (balanced market 12,000) (REIWA)

2. Budget Comparisons

Budget review and analysis in this document compares all cashflow years to the budget and Project Forecast approved in December 2022.

3. Financial Year Ending 2023 (FY23)

The key outcomes for the 2023 financial year as forecast in this review are as follows:

This review forecasts a cashflow before distributions of \$9.2m, which is \$4.9m higher than the budget approved in December 2022. The high-level areas of variance are summarised below:

- 65 net sales are forecast in FY23, (14) lots lower than the approved budget.
- Gross income is forecast to be (\$3.9m) lower, which is driven by (13) fewer lot settlements and deferral of the stage 17B group housing site (Lot 341 - \$2.75m).
- Development costs are forecast to be \$8.8m lower than the budget approved in December 2022, driven by the following:
 - Net infrastructure costs are \$1.3m lower driven by \$0.9m in savings for Long Beach Extension, Connolly Drive and deferral of scheme road costs, in addition to \$0.4m of final Long Beach costs deferred to FY24.
 - Lot production is \$3.8m lower driven by \$2.2m in savings across current stages 18C, 29, 30, 36, and 37, \$0.7 of savings for stage 36-37 bulk earthworks and \$0.8m of costs remaining in stage 37 deferred to FY24.
 - Landscaping costs are \$2.9m lower due to a deferral in costs across Beach and Green, most notably \$0.7m for Foreshore POS Area 1, \$0.2m for Beach Park 2, \$0.1m for Foreshore Access Area 1, \$1.0m for Catalina Green POS and streetscapes and \$0.4m in landscape consultancy. Most of these works will now fall into early FY24.
 - Due to timing of bonds paid/received, Finance/Bonds are (\$0.7m) higher in FY23 but are offset the following year.
 - The FY23 forecast sees a \$1.0m reduction in unused and deferred contingency.
- Distributions for FY23 are forecast as \$20m as per the budget approved in December 2022.

4. Review of Financial Year Ending 2024 (FY24)

This review forecasts a net cashflow before distributions of \$15.6m for the year to 30 June 2024, which is \$7.3m higher than the approved budget. The main areas of variance are summarised below:

- Annual sales have been reduced by (56) lots for FY24, reflecting a more conservative forecast on the back of a challenging market following successive interest rate rises and construction constraints in FY23. The annual budget allows for ten (10) display village sales in Jan-24.
- Following the reduction in sales achieved in FY23 and forecast for FY24, expected settlements are (22) lower at 114 which in-turn has reduced expected lot income by (\$6.9m).
- Special site income is \$2.75m higher due to the stage 17B group housing site in Catalina Central deferred from FY23.

- Direct selling expenses are \$1.6m lower due to the combined effects of lower settlement volumes, removal of campaign incentives and reduced provision for rebates and packages for previously settled lots to align to the accounting provision.
- FY24 infrastructure costs are \$0.2m lower at \$1.4m. Infrastructure works for FY24 will include the completion of the Long Beach Extension and first \$1m payment for scheme road costs, with the Catalina Green pump station costs now removed to align with the new sewer strategy.
- Overall lot production costs are \$6.5m lower than previous, with lower sales over FY23 and FY24 resulting in bulk earthworks and stage production costs being deferred and sufficient stock on hand going into FY24. Key items for FY24 include:
 - \$3.9m for the completion of stage 31 in Catalina Beach, with \$0.2m budgeted for initial survey and engineering in stage 32
 - \$0.8m in final invoices for stage 37 in Catalina Green
 - \$3.7m for stage 38 construction (titles Nov-23)
 - \$0.3m for stage 39 initial survey and engineering costs
- Landscaping works will focus on Beach and Green and have decreased by \$0.9m from the approved budget to \$9.4m with the following key movements:
 - Landscape consultancy is \$0.1m lower due to overall lower costs forecast for the financial year.
 - In Catalina Beach there is a (\$0.4m) increase of works forecast to \$5.6m due to works carried over from FY23 being greater than the works deferred to FY24. The budget includes \$4.6m for Foreshore POS Area 1 and \$0.7m for the initial Offset Area Revegetation.
 - With development for initial stages of Catalina Green deferred, landscape works for this precinct have also been deferred with a total of \$2.6m now forecast for FY24 compared to \$3.5m previously. Key budget items include \$1.4m for POS 1 and \$1.2m in streetscape works for stages 36-38 (previously \$2.3m).
- Marketing and community development budgets have been reduced by a combined \$0.9m to \$0.2m and \$0.1m respectively.
- The administration budget for FY23 is \$0.1m lower at \$1.45m. The main component of administration costs is the maintenance provision which has been set at \$1m and is key to upholding a good estate presentation and achieving the sales forecast.
- Due to the timing of bonds and bond returns, Finance/Bonds are \$1.0m lower than previously forecast, reversing the FY23 variance.
- Contingency has been set at the lower level of \$0.5m for FY24, a reduction of \$1.0m from the previous forecast.
- Distributions for FY24 have been budget at \$20m per the previous approved, with a closing cash balance of \$41.8m.

5. Key Risks for Achieving FY24 Budget

The following are key risks to achieving the outcomes in this review:

- CoW provides prompt approval of the Beach UWMP in FY23 allowing construction of Stage 31 to progress.
- Successful Green Display Village tender to achieve the forecast 10 sales.
- Achieving title dates and therefore settlement revenues is based on the following key assumptions:
 - Approvals are achieved within statutory timeframes or better
 - Construction contracts are awarded on engineering design prior to City of Wanneroo Approval
 - Pre-award budgets are provided to the civil contractor to commence pre-work plans (traffic, safety etc) prior to the stage being awarded
 - No allowance has been made for further extension of construction periods caused by shortages of labour or materials
 - Assumptions have been made to allow a cross-over of earthworks and civil works within Catalina Green
- Settlement of the Lot 341 group housing site occurs as budgeted - \$2.75m in Mar-24.
- There are no significant delays or deferrals of the \$9.4m in landscape works budgeted in FY24.
- The project is not impacted by delays associated with the new Aboriginal Cultural Heritage Act which comes into place on 1 July 2023.

6. Overview of Financial Year Ending 2025 (FY25)

This review forecasts cashflow before distributions of \$9.4m for the year to 30 June 2025, which is \$5.6m higher than the budget approved in December 2022. The high-level areas of variance are summarised below:

- Gross income has decreased by (\$11.9m) driven by (51) fewer settlements resulting in a decrease in lot revenue of (\$13.7m).
- Overall development costs are \$17.4m lower in FY25 than previously forecast driven by the deferral of the \$12.3m WAPC land acquisition in addition to the reduced construction program in response to lower forecast sales rates.
- Forecast distributions for FY25 are as per the December 2022 approved budget at \$17m, with a closing cash balance of \$34.3m.

7. Project Forecast

The summary outcome of the updated overall project forecast is as follows:

CATALINA Summary			
CATEGORY	CURRENT JUN-23	APPROVED DEC-22	VARIANCE
Total Lots	2,366	2,472	(106)
Residential Area	828,582m ²	830,388m ²	(1,806m ²)
Special Sites Area	75,189m ²	72,588m ²	2,601m ²
GROSS INCOME			
Income - Lots	710,570,146	729,732,343	(19,162,197)
Income - Special Sites	30,358,836	27,578,061	2,780,775
Income - Other	288,959	287,545	1,414
Direct Selling Expenses	72,641,522	80,132,182	7,490,660
GROSS INCOME	668,576,419	677,465,767	(8,889,348)
DEVELOPMENT COSTS			
Land	12,265,200	12,265,200	-
Consultants	9,519,639	10,075,776	556,136
Infrastructure	18,982,211	16,144,568	(2,837,643)
Special Sites/Other Development	6,554,965	4,703,970	(1,850,995)
Lot Production	237,203,756	260,894,299	23,690,543
Landscape	60,549,702	63,916,539	3,366,837
Marketing	5,414,340	11,079,677	5,665,337
Community Development	1,722,027	2,534,860	812,833
Administration	23,297,477	25,104,045	1,806,568
Finance/Bonds	-	-	-
Contingency	10,226,785	13,078,447	2,851,662
DEVELOPMENT COSTS	385,736,102	419,797,380	34,061,278
CASHFLOW	282,840,317	257,668,387	25,171,930
Capital IRR	10.6%	10.4%	0.1%
Project IRR	16.9%	16.2%	0.8%
Profit on Cost	73.3%	61.4%	11.9%
Profit /Lot	119,544	104,235	15,309

CATALINA NPV Analysis			
DISCOUNT RATE	6%	8%	10%
Current NPV of cashflows Oct-22 onwards	\$102.4m	\$93.1m	\$85.1m
Previous NPV of cashflows Oct-22 onwards	\$81.3m	\$73.0m	\$66.0m
Variance	\$21.1m	\$20.0m	\$19.1m

Overall, the project forecast has improved by \$25.2m driven by the following:

Satterley Property Group Pty Ltd
 Level 3, 27-31 Troode Street, West Perth WA 6005
 PO Box 1346, West Perth WA 6872

T 08 9368 9000
 F 08 9368 9003

ABN 38 009 054 979

Licensee: Satterley Property Group Pty Ltd. (Inc in WA). Licensed Real Estate Agent trading as Satterley Real Estate.

SATTERLEY.COM.AU

- Improved escalation – (\$10m) income escalation reduction offset by \$17m cost escalation improvement.
- Updated revenue assumptions reflecting adopted development strategy for Beach north of Portofino design, particularly grouped housing sites.
- Removal of certain contingencies in the engineering costings.
- Reduced construction costs driven by reduction in yield after adoption of new design in Green (balance) and Beach (north of Portofino).
- Reduced rebate provisions that are unlikely to be claimed.
- Reduction in overall marketing costs reflecting more appropriate long-term budgets.

Overall, the net present value (NPV) has increased because of the improved cashflow, with no significant project duration change, that is, returns have increased over the same remaining project life as previously forecast.

8. Assumptions

Escalation

The updated project forecast assumes cost escalation within the industry has peaked and will start to moderate over the next 12 months, heading toward more normal levels of ~2% by FY25.

Given the significant production cost increases experienced across the industry, and with strong underlying demand for well-located land, there will still be opportunities for price growth in coming years. Income escalation has been set at 5% for the next 18 months, returning to 3% beyond that.

The changes to escalation rates and timing from the approved Project Forecast are shown below:

CATALINA Escalation Rates							
INCOME							
From	Jan-11	Jan-23	Jul-23	Jan-24	Jan-25	Jan-26	
To	Dec-22	Jun-23	Dec-23	Dec-24	Dec-25	End	
Current	0.0%	0.0%	5.0%	5.0%	3.0%	3.0%	
Previous	0.0%	5.0%	5.0%	5.0%	3.5%	3.0%	
COST							
From	Jan-11	Jan-23	Jul-23	Jan-24	Jul-24	Jan-25	
To	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24	End	
Current	0.0%	0.0%	5.0%	4.0%	2.0%	2.0%	
Previous	0.0%	8.0%	8.0%	5.0%	5.0%	2.0%	

Pricing

Standard base prices used in the updated project forecast are as shown below, which is unchanged from the previous forecast:

CATALINA | Standard Pricing - Future Stages

LOT TYPE	BEACH	CENTRAL	GREEN
Rear loaded 6m x 30m 180m ²	240,000	n/a	137,500
Rear loaded 7.5m x 30m 225m ²	280,000	185,000	167,500
Front loaded 10.5m x 30m 315m ²	370,000	n/a	235,000
Front loaded 12.5m x 30m 375m ²	400,000	285,000	275,000
Front loaded 15m x 30m 450m ²	490,000	320,000	310,000

Yield

The updated forecast incorporates approved plans for Catalina Beach (north of Portofino) and the balance of Catalina Green. In Beach, 25 residential lots have been replaced by two special sites, and in Green larger lot sizes have reduced residential yield by 81 lots, but for no material change in saleable area.

CATEGORY	CURRENT	PREVIOUS	VARIANCE
Beach Yield	474	499	(25)
Beach Residential Area	177,369m ²	179,311m ²	(1,942m ²)
Beach Special Sites Area	13,186m ²	10,585m ²	2,601m ²
Green Yield	638	719	(81)
Green Residential Area	231,219m ²	231,083m ²	136m ²
Green Special Sites Area	34,456m ²	34,456m ²	-

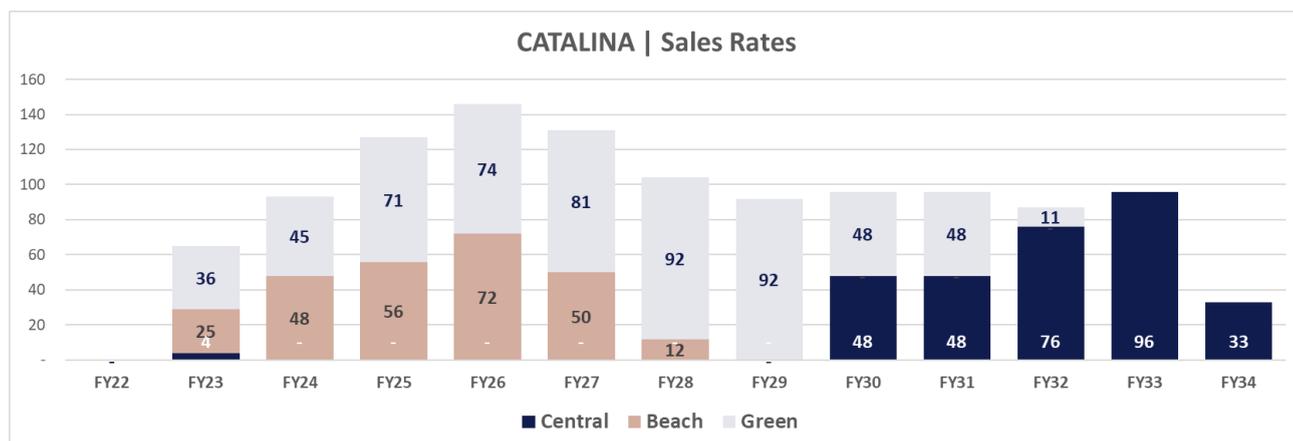
Sales Rates

The updated project forecast allows for a reduction to sales rates in FY24 until consumer confidence and loan serviceability improves following the period of interest rate rises. Long-term fundamentals for the land market in Perth remain strong, which should see improved sales rates from FY25 onwards.

CATALINA | Sales Rates

FINANCIAL YEAR	CURRENT JUN-23	APPROVED DEC-22	VARIANCE
PTD FY22	1,200	1,200	-
FY23	65	79	(14)
FY24	93	149	(56)
FY25	127	144	(17)
FY26	146	136	10
FY27	131	112	19
FY28	104	101	3
FY29	92	106	(14)
FY30	96	99	(3)
FY31	96	105	(9)
FY32	87	96	(9)
FY33	96	104	(8)
FY34	33	41	(8)
Total	2,366	2,472	(106)
Final Sale	Nov-33	Nov-33	+0 Mths
Final Settlement	May-34	May-34	+0 Mths

The mix of sales between precincts has changed from previous budgets due to assumptions regarding the buffer restriction affecting Catalina Central. The resumption of sales from Central stages 16B and 19-23 has been deferred to FY30, which have been replaced by sales from Catalina Green in the period between FY28 and FY30.



Other Assumptions

The following assumptions have been used in the revised project forecast:

- › WAPC land acquisition deferred until required for stages 46-48. A payment of \$12.3m in Feb-28 is now assumed.
- › To ensure adequate supply, Beach sales equate to approximately a 40-50% split over the remaining years it continues to sell.

- › Stage 16B and Primary School GHS deferred until the project returns to Catalina Central once buffer restrictions have been lifted in FY30.
- › Marketing budgets after FY24 have been set at \$200,000 per annum plus escalation for project duration, community development at \$90,000 per annum plus escalation.
- › High quality estate presentation will be key to achieving the sales rates in the Project Forecast. As such, unescalated maintenance budgets have been set at \$990,000 per annum.
- › All IRR calculations assume a notional land payment based on historical valuation estimate of \$77.4m at commencement of the project, consistent with IRR methodology for other residential development projects.

9. Cash Requirement, Capital Return and Profit Distribution Capacity

This review forecasts a minimum cash balance for the project of \$34.3m in FY24, with \$20m forecast to be distributed over the financial year in line with the approved budget.

Should you have any queries on this report, please do not hesitate to contact me.

Yours sincerely



Drew Tomkins
Project Director

CATALINA | Summary

CATEGORY	CURRENT JUN-23	APPROVED DEC-22	VARIANCE
Total Lots	2,366	2,472	(106)
Residential Area	828,582m ²	830,388m ²	(1,806m ²)
Special Sites Area	75,189m ²	72,588m ²	2,601m ²
GROSS INCOME			
Income - Lots	710,570,146	729,732,343	(19,162,197)
Income - Special Sites	30,358,836	27,578,061	2,780,775
Income - Other	288,959	287,545	1,414
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Profit on Cost	73.3%	61.4%	11.9%
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CATALINA | NPV Analysis

DISCOUNT RATE	6%	8%	10%
Current NPV of cashflows Oct-22 onwards	\$102.4m	\$93.1m	\$85.1m
Previous NPV of cashflows Oct-22 onwards	\$81.3m	\$73.0m	\$66.0m
Variance	\$21.1m	\$20.0m	\$19.1m

Given the current interest rate environment, higher discount or hurdle rates are more appropriate for NPV analysis.

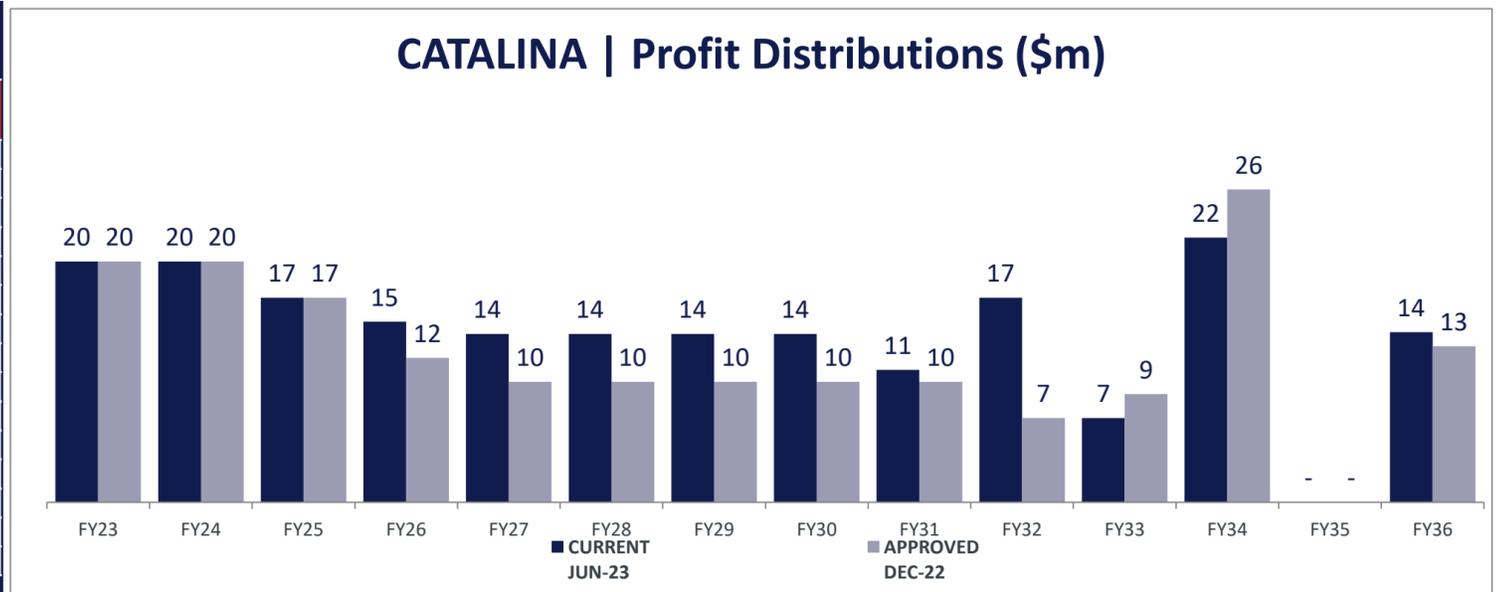
CATALINA | Distributions

FINANCIAL YEAR	CURRENT JUN-23	APPROVED DEC-22	VARIANCE	CUMULATIVE VARIANCE
PTD FY22	83,700,000	83,700,000	-	-
FY23	20,000,000	20,000,000	-	-
FY24	20,000,000	20,000,000	-	-
FY25	17,000,000	17,000,000	-	-
FY26	15,000,000	12,000,000	3,000,000	3,000,000
FY27	14,000,000	10,000,000	4,000,000	7,000,000
FY28	14,000,000	10,000,000	4,000,000	11,000,000
FY29	14,000,000	10,000,000	4,000,000	15,000,000
FY30	14,000,000	10,000,000	4,000,000	19,000,000
FY31	11,000,000	10,000,000	1,000,000	20,000,000
FY32	17,000,000	7,000,000	10,000,000	30,000,000
FY33	7,000,000	9,000,000	(2,000,000)	28,000,000
FY34	22,000,000	26,000,000	(4,000,000)	24,000,000
FY35	-	-	-	24,000,000
FY36	14,140,317	12,968,387	1,171,930	25,171,930
Total	282,840,317	257,668,387	25,171,930	25,171,930

CURRENT JUN-23 PER LOT	APPROVED DEC-22 PER LOT	PER LOT VARIANCE
2,366	2,472	(106)
350m ²	336m ²	14m ²
3,759m ²	3,629m ²	130m ²
300,326	295,199	5,126
12,831	11,156	1,675
122	116	6
30,702	32,416	1,714
282,577	274,056	8,521
5,184	4,962	(222)
4,024	4,076	52
8,023	6,531	(1,492)
2,770	1,903	(868)
100,255	105,540	5,285
25,592	25,856	265
2,288	4,482	2,194
728	1,025	298
9,847	10,155	309
4,322	5,291	968
163,033	169,821	6,788
119,544	108,905	10,639

Note: All IRR calculations assume a notional land payment of \$77.4m at commencement of the project.
 Note: All IRR calculations assume a notional land payment of \$77.4m at commencement of the project.

FEASIBILITY	VARIANCE
2,310	56
828,075m ²	507m ²
7,826m ²	67,363m ²
797,371,531	(86,801,385)
2,997,655	27,361,181
-	288,959
130,908,852	58,267,330
669,460,334	(883,915)
-	(12,265,200)
5,672,600	(3,847,039)
26,107,961	7,125,750
935,121	(5,619,844)
245,536,927	8,333,171
36,363,281	(24,186,421)
11,234,127	5,819,786
2,904,656	1,182,629
11,881,589	(11,415,888)
-	-
17,031,813	6,805,028
357,668,075	(28,068,027)
311,792,259	(28,951,942)
17.4%	(6.8%)
18.2%	(1.3%)
87.2%	(13.8%)
134,975	(15,431)



CATALINA | Escalation Rates

INCOME						
From	Jan-11	Jan-23	Jul-23	Jan-24	Jan-25	Jan-26
To	Dec-22	Jun-23	Dec-23	Dec-24	Dec-25	End
Current	0.0%	0.0%	5.0%	5.0%	3.0%	3.0%
Previous	0.0%	5.0%	5.0%	5.0%	3.5%	3.0%
COST						
From	Jan-11	Jan-23	Jul-23	Jan-24	Jul-24	Jan-25
To	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24	End
Current	0.0%	0.0%	5.0%	4.0%	2.0%	2.0%
Previous	0.0%	8.0%	8.0%	5.0%	5.0%	2.0%

CATALINA | Sales Rates

FINANCIAL YEAR	CURRENT JUN-23	APPROVED DEC-22	VARIANCE
PTD FY22	1,200	1,200	-
FY23	65	79	(14)
FY24	93	149	(56)
FY25	127	144	(17)
FY26	146	136	10
FY27	131	112	19
FY28	104	101	3
FY29	92	106	(14)
FY30	96	99	(3)
FY31	96	105	(9)
FY32	87	96	(9)
FY33	96	104	(8)
FY34	33	41	(8)
Total	2,366	2,472	(106)
Final Sale	Nov-33	Nov-33	+0 Mths
Final Settlement	May-34	May-34	+0 Mths

FEASIBILITY	VARIANCE
1,872	(672)
180	(115)
180	(87)
78	49
-	146
-	131
-	104
-	92
-	96
-	96
-	87
-	96
-	33
2,310	56
Dec-24	+107 Mths
Mar-25	+110 Mths

CATALINA | Annual Cashflow (June 2023)

CATEGORY	PROJECT TOTAL	PTD FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
STOCK											
Sales Release	2,366	1,222	153	37	107	138	135	92	174	62	48
Sales	2,366	1,200	65	93	127	146	131	104	92	96	96
Titles	2,366	1,133	176	103	64	141	175	55	108	103	110
Settlements	2,366	1,112	97	114	97	145	136	96	117	100	88
Closing Stock	-	22	110	54	34	26	30	18	100	66	18
Contracts on Hand	-	88	56	35	65	66	61	69	44	40	48
AVERAGE SETTLEMENT PRICE	300,326	274,599	295,589	327,444	341,436	289,284	355,735	348,180	288,206	295,835	302,444
GROSS INCOME											
Income - Lots	710,570,146	305,354,500	28,672,166	37,328,630	33,119,327	41,946,177	48,379,903	33,425,236	33,720,052	29,583,517	26,615,050
Income - Special Sites	30,358,836	4,479,500	7,150,000	2,750,000	1,515,579	2,093,566	4,418,673	2,416,952	3,325,306	423,324	1,285,937
Income - Other	288,959	286,887	2,072	-	-	-	-	-	-	-	-
Direct Selling Expenses	72,641,522	25,751,384	2,976,530	3,772,577	4,137,881	4,245,830	5,391,093	4,080,153	4,403,930	3,608,860	3,310,987
GROSS INCOME	668,576,419	284,369,502	32,847,709	36,306,053	30,497,024	39,793,912	47,407,483	31,762,035	32,641,427	26,397,981	24,590,000
DEVELOPMENT COSTS											
Land	12,265,200	-	-	-	-	-	-	12,265,200	-	-	-
Consultants	9,519,639	4,170,078	478,589	484,377	420,209	456,197	459,301	451,732	469,869	471,904	476,065
Infrastructure	18,982,211	16,572,783	645,609	1,397,072	1,652,447	100,000	100,000	100,000	100,000	(2,085,700)	100,000
Special Sites/Other Development	6,554,965	1,798,873	18,236	388,984	657,097	1,173,259	204,105	200,006	1,552,839	408,407	153,158
Lot Production	237,203,756	88,701,579	13,954,121	9,616,444	12,784,206	18,082,270	13,944,496	9,102,166	18,379,406	14,767,832	11,197,541
Landscape	60,549,702	20,702,537	4,930,760	9,404,829	2,084,651	8,445,220	3,219,844	301,844	757,927	6,320,361	945,203
Marketing	5,414,340	2,830,192	236,000	200,000	211,468	215,736	220,091	224,533	229,065	233,689	238,406
Community Development	1,722,027	595,360	70,000	90,000	95,161	97,081	99,041	101,040	103,079	105,160	107,282
Administration	23,297,477	5,529,601	1,279,154	1,448,562	1,473,010	1,484,018	1,485,418	1,488,077	1,498,437	1,504,218	1,513,248
Finance/Bonds	-	2,697,485	1,839,709	(2,788,020)	700,000	(283,284)	(350,000)	350,000	-	(350,000)	-
Contingency	10,226,785	-	228,506	500,000	968,912	1,502,689	986,615	1,211,730	1,154,531	1,086,294	736,545
DEVELOPMENT COSTS	385,736,102	143,598,487	23,680,684	20,742,246	21,047,161	31,273,187	20,368,910	25,796,328	24,245,154	22,462,165	15,467,450
CASHFLOW	282,840,317	140,771,016	9,167,025	15,563,807	9,449,863	8,520,725	27,038,573	5,965,707	8,396,273	3,935,816	9,122,550
Capital Calls	(13,300,000)	(13,300,000)	-	-	-	-	-	-	-	-	-
Capital Returns	13,300,000	13,300,000	-	-	-	-	-	-	-	-	-
PROFIT DISTRIBUTIONS	282,840,317	83,700,000	20,000,000	20,000,000	17,000,000	15,000,000	14,000,000	14,000,000	14,000,000	14,000,000	11,000,000
Cash Balance at Year End	-	57,071,016	46,238,041	41,801,847	34,251,710	27,772,435	40,811,008	32,776,716	27,172,989	17,108,805	15,231,355

CATALINA Annual											
CATEGORY	FY32	FY33	FY34	FY35	FY36	FY37	FY38	FY39	FY40	FY41	FY42
STOCK											
Sales Release	91	107	-	-	-	-	-	-	-	-	-
Sales	87	96	33	-	-	-	-	-	-	-	-
Titles	50	88	60	-	-	-	-	-	-	-	-
Settlements	93	90	81	-	-	-	-	-	-	-	-
Closing Stock	22	33	-	-	-	-	-	-	-	-	-
Contracts on Hand	42	48	-	-	-	-	-	-	-	-	-
AVERAGE SETTLEMENT PRICE	347,316	343,479	360,643	-	-	-	-	-	-	-	-
GROSS INCOME											
Income - Lots	32,300,405	30,913,080	29,212,103	-	-	-	-	-	-	-	-
Income - Special Sites	-	-	500,000	-	-	-	-	-	-	-	-
Income - Other	-	-	-	-	-	-	-	-	-	-	-
Direct Selling Expenses	3,296,624	3,279,946	3,211,940	1,173,787	-	-	-	-	-	-	-
GROSS INCOME	29,003,781	27,633,135	26,500,163	(1,173,787)	-	-	-	-	-	-	-
DEVELOPMENT COSTS											
Land	-	-	-	-	-	-	-	-	-	-	-
Consultants	487,955	344,275	349,088	-	-	-	-	-	-	-	-
Infrastructure	100,000	100,000	100,000	-	-	-	-	-	-	-	-
Special Sites/Other Development	-	-	-	-	-	-	-	-	-	-	-
Lot Production	8,448,691	13,813,790	4,411,214	-	-	-	-	-	-	-	-
Landscape	87,228	2,885,536	463,762	-	-	-	-	-	-	-	-
Marketing	243,218	248,127	83,817	-	-	-	-	-	-	-	-
Community Development	109,448	111,657	37,718	-	-	-	-	-	-	-	-
Administration	1,524,642	1,534,768	907,019	468,908	158,396	-	-	-	-	-	-
Finance/Bonds	350,000	-	(2,165,889)	-	-	-	-	-	-	-	-
Contingency	550,059	951,908	317,631	23,445	7,920	-	-	-	-	-	-
DEVELOPMENT COSTS	11,901,240	19,990,062	4,504,359	492,353	166,316	-	-	-	-	-	-
CASHFLOW	17,102,541	7,643,073	21,995,804	(1,666,140)	(166,316)	-	-	-	-	-	-
Capital Calls	-	-	-	-	-	-	-	-	-	-	-
Capital Returns	-	-	-	-	-	-	-	-	-	-	-
PROFIT DISTRIBUTIONS	17,000,000	7,000,000	22,000,000	-	14,140,317	-	-	-	-	-	-
Cash Balance at Year End	15,333,896	15,976,969	15,972,773	14,306,633	-	-	-	-	-	-	-

CATALINA | FY23 Cashflow (June 2023)

CATEGORY	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	FY23 TOTAL	APPROVED DEC-22	VARIANCE
Sales - Stage 18C	3	(2)	1	(1)	3	-	(1)	(1)	-	1	1	-	4	4	-
Sales - Stage 29	-	-	2	2	4	(3)	2	2	2	4	4	3	22	24	(2)
Sales - Stage 30	2	1	-	(1)	-	-	-	-	1	-	-	-	3	3	-
Sales - Stage 36	2	-	-	(1)	(3)	(1)	2	2	(1)	3	1	1	5	8	(3)
Sales - Stage 37	-	3	4	1	-	2	1	1	5	3	8	3	31	40	(9)
Total Sales	7	2	6	-	5	(2)	4	4	7	11	14	7	65	79	(14)
Titles	-	-	-	28	57	-	-	-	-	43	-	48	176	167	9
Settlements	10	6	2	1	22	10	6	6	3	10	14	7	97	110	(13)
Contracts on hand	85	81	85	84	67	55	53	51	55	56	56	56	56	57	(1)
Average Settlement Price	346,000	446,667	307,500	445,000	235,091	272,500	239,500	246,500	283,667	230,192	362,485	347,351	295,589	274,810	20,779
GROSS INCOME															
Income - Stage 18C	-	-	-	-	2,400,000	823,000	205,000	514,000	-	459,750	362,083	171,833	4,935,667	5,409,557	(473,890)
Income - Stage 27A	-	-	-	-	-	395,000	-	-	-	-	-	-	395,000	395,000	-
Income - Stage 27B	825,000	-	-	-	-	-	-	-	-	-	-	-	825,000	825,000	-
Income - Stage 29	-	-	-	-	-	-	-	-	-	-	3,795,000	1,734,773	5,529,773	7,168,926	(1,639,153)
Income - Stage 30	2,635,000	2,680,000	615,000	445,000	-	-	-	-	-	-	370,000	-	6,745,000	6,375,000	370,000
Income - Stage 36	-	-	-	-	2,772,000	1,507,000	1,232,000	965,000	851,000	1,842,167	547,708	524,852	10,241,727	10,055,628	186,099
Income - Stage 37	-	-	-	-	-	-	-	-	-	-	-	-	-	1,915,949	(1,915,949)
Income - Lots Total	3,460,000	2,680,000	615,000	445,000	5,172,000	2,725,000	1,437,000	1,479,000	851,000	2,301,917	5,074,792	2,431,458	28,672,166	32,145,059	(3,472,893)
Income - Special Sites	-	-	-	-	-	-	-	-	-	7,150,000	-	-	7,150,000	9,101,682	(1,951,682)
Income - Other	-	658	-	-	-	1,414	-	-	-	-	-	-	2,072	658	1,414
Direct Selling Expenses	217,322	168,538	73,205	47,816	329,141	180,754	98,291	92,008	65,192	1,163,571	346,948	193,745	2,976,530	4,525,759	1,549,229
GROSS INCOME	3,242,678	2,512,120	541,795	397,184	4,842,859	2,545,660	1,338,709	1,386,992	785,808	8,288,346	4,727,844	2,237,714	32,847,709	36,721,641	(3,873,932)
DEVELOPMENT COSTS															
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consultants	24,569	4,141	23,837	59,603	27,653	36,772	22,943	12,125	33,608	77,779	77,779	77,779	478,589	474,874	(3,715)
Infrastructure	500	-	-	25,939	-	-	10,740	-	16,527	197,301	197,301	197,301	645,609	1,992,501	1,346,892
Special Sites/Other Development	-	-	-	-	2,393	-	917	14,927	-	-	-	-	18,236	200,313	182,077
Catalina Green Cell Bulk Earthworks Stgs 36-37	-	-	-	-	-	-	-	19,660	-	36,117	36,117	-	91,894	839,642	747,748
Scheme costs - Stages 1-18	-	-	-	-	-	-	-	-	-	-	-	-	-	333,215	333,215
Lot Production - Stage 18C	184,605	50,579	358,754	329,748	85,682	465	137,139	160,739	68,091	46,529	46,529	9,917	1,478,777	1,973,073	494,297
Lot Production - Stage 25	-	-	-	-	-	-	-	-	-	-	-	-	-	20,894	20,894
Lot Production - Stage 26	-	-	-	-	-	-	-	-	-	-	-	-	-	13,689	13,689
Lot Production - Stage 27A	-	-	-	-	-	-	-	-	-	-	-	-	-	7,205	7,205
Lot Production - Stage 27B	750	12,500	-	43,817	-	-	-	-	-	2,659	2,659	80,631	143,016	220,171	77,155
Lot Production - Stage 28	-	-	-	-	-	-	-	-	-	-	-	-	-	12,248	12,248
Lot Production - Stage 29	171,744	10,058	302,531	186,078	208,615	5,528	477,608	228,522	881,456	12,647	563,023	672,703	3,720,512	4,197,884	477,372
Lot Production - Stage 30	11,794	19,308	52,301	8,671	-	-	4,813	10,566	-	3,212	5,667	18,769	135,099	633,592	498,493
Lot Production - Stage 31	17,114	9,780	60,227	15,958	33,689	3,546	1,773	2,955	85,642	7,051	638,349	651,949	1,528,034	288,607	(1,239,427)
Lot Production - Stage 32	-	-	-	-	-	-	-	-	-	-	-	-	-	169,848	169,848
Lot Production - Stage 33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lot Production - Stage 36	317,981	363,394	554,423	902,674	440,543	1,135	245,278	366,286	479,319	3,623	354,749	685,613	4,715,019	5,522,075	807,055
Lot Production - Stage 37	4,884	21,978	26,174	106,585	124,354	15,006	190,429	61,302	212,718	18,390	818,322	424,662	2,024,804	3,333,664	1,308,860
Lot Production - Stage 38	-	2,020	-	-	-	27,378	18,954	12,636	27,378	9,533	9,533	9,533	116,966	202,606	85,640
Landscape	798,748	14,508	568,704	258,587	59,151	856,603	169,150	230,023	123,405	574,360	594,123	683,398	4,930,760	7,833,277	2,902,517
Marketing	24,006	32,483	10,104	12,172	18,074	7,703	20,824	18,677	24,094	22,621	22,621	22,621	236,000	540,000	304,000
Community Development	8,325	-	3,119	2,229	6,224	8,696	2,015	3,693	1,470	11,409	11,409	11,409	70,000	150,000	80,000
Administration	56,705	69,483	56,862	104,745	81,094	44,366	41,159	459,512	68,578	98,883	98,883	98,883	1,279,154	1,122,651	(156,503)
Finance/Bonds	-	849,330	976,781	-	-	(205,520)	6,944	591,266	(37,153)	350,000	172,387	(627,811)	2,076,224	1,337,899	(738,324)
Debtor/Creditor Movement	(186,152)	7,435	(53,790)	(677,817)	788,932	(69,381)	24,374	(75,423)	(1,194,695)	1,200,000	-	-	(236,515)	(256,615)	(20,100)
Contingency	-	-	-	-	-	-	-	-	41,006	62,500	62,500	62,500	228,506	1,291,652	1,063,146
DEVELOPMENT COSTS	1,435,574	1,466,997	2,940,027	1,378,990	1,876,405	732,298	1,375,059	2,117,466	831,444	2,734,615	3,711,951	3,079,857	23,680,684	32,454,964	8,774,281
CASHFLOW	1,807,103	1,045,123	(2,398,232)	(981,807)	2,966,455	1,813,363	(36,350)	(730,474)	(45,636)	5,553,731	1,015,892	(842,144)	9,167,025	4,266,676	4,900,349
Capital Calls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Returns	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Distributions	-	-	-	-	-	10,000,000	-	-	-	10,000,000	-	-	20,000,000	20,000,000	-
Cumulative Cash Balance	58,878,119	59,923,242	57,525,010	56,543,203	59,509,657	51,323,020	51,286,670	50,556,197	50,510,561	46,064,292	47,080,184	46,238,041	46,238,041	41,337,692	4,900,349

CATALINA | FY24 Cashflow (June 2023)

CATEGORY	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FY24 TOTAL	APPROVED DEC-22	VARIANCE
Sales - Stage 29	2	2	2	2	2	2	2	1	-	-	-	-	15	13	2
Sales - Stage 31	2	2	2	2	2	2	2	3	4	4	4	4	33	53	(20)
Sales - Stage 36	2	-	-	-	-	-	10	-	-	-	-	-	12	-	12
Sales - Stage 37	1	3	3	1	1	-	-	2	2	2	2	-	17	8	9
Sales - Stage 38	-	-	-	2	2	-	-	2	2	2	2	4	16	36	(20)
Sales - Stage 39	-	-	-	-	-	-	-	-	-	-	-	-	-	39	(39)
Total Sales	7	7	7	7	7	4	14	8	8	8	8	8	93	149	(56)
Titles	-	-	66	-	37	-	-	-	-	-	-	-	103	144	(41)
Settlements	10	7	6	8	6	8	12	17	12	9	8	11	114	136	(22)
Contracts on hand	53	53	54	53	54	50	52	43	39	38	38	35	35	70	(35)
Average Settlement Price	218,647	218,840	217,453	267,654	329,129	247,416	165,265	217,079	146,105	194,807	271,042	234,856	219,739	170,921	48,818
GROSS INCOME														38,885,713	
Income - Stage 18C	171,833	171,833	171,833	171,833	-	-	-	-	-	-	-	-	687,333	198,443	488,890
Income - Stage 29	1,763,636	890,699	898,214	904,573	909,953	914,506	918,358	921,618	923,112	923,112	923,112	923,112	11,814,004	6,233,330	5,580,674
Income - Stage 31	-	-	-	830,152	830,152	830,152	830,152	830,152	830,152	830,152	1,245,227	1,660,303	8,716,591	14,527,652	(5,811,061)
Income - Stage 32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income - Stage 36	250,998	469,344	234,672	234,672	234,672	234,672	234,672	1,938,571	-	-	-	-	3,832,273	2,285,777	1,546,496
Income - Stage 37	1,093,037	546,523	546,535	546,546	273,275	273,276	1,366,382	819,829	2,186,243	819,857	273,290	819,883	9,564,675	11,201,551	(1,636,876)
Income - Stage 38	-	-	-	-	-	542,751	542,751	-	-	542,751	542,751	542,751	2,713,754	9,755,000	(7,041,246)
Income - Lots Total	3,279,504	2,078,399	1,851,255	2,687,776	2,248,051	2,795,356	3,892,314	4,510,170	3,939,506	3,115,871	2,984,380	3,946,048	37,328,630	44,201,753	(6,873,123)
Income - Special Sites	-	-	-	-	-	-	-	-	2,750,000	-	-	-	2,750,000	-	2,750,000
Income - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Direct Selling Expenses	250,686	186,235	172,646	218,821	185,333	219,385	289,916	414,006	701,327	359,991	400,288	373,944	3,772,577	5,316,040	1,543,463
GROSS INCOME	3,028,818	1,892,165	1,678,609	2,468,955	2,062,719	2,575,972	3,602,397	4,096,163	5,988,180	2,755,880	2,584,092	3,572,104	36,306,053	38,885,713	(2,579,660)
DEVELOPMENT COSTS															
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consultants	39,506	39,671	39,836	40,002	40,169	40,336	40,471	40,606	40,741	40,877	41,013	41,150	484,377	525,306	40,929
Infrastructure	198,123	198,949	-	-	-	1,000,000	-	-	-	-	-	-	1,397,072	1,645,454	248,382
Special Sites/Other Development	-	-	-	-	-	-	64,292	64,507	64,722	64,938	65,154	65,371	388,984	-	(388,984)
Catalina Beach Bulk Earthworks Stgs 33-34	-	-	-	-	-	-	-	-	-	-	-	-	-	980,195	980,195
Catalina Green Cell Bulk Earthworks Stgs 39-40	-	-	-	-	-	-	-	-	-	-	-	-	-	863,727	863,727
Catalina Green Bulk Earthworks Stgs 41-44	-	-	-	-	-	-	-	-	-	-	-	-	-	21,978	21,978
Lot Production - Stage 29	218,075	-	-	-	-	-	-	-	-	-	-	-	218,075	-	(218,075)
Lot Production - Stage 31	651,949	1,269,893	651,949	651,949	651,949	-	-	-	-	-	-	-	3,877,690	6,404,724	2,527,034
Lot Production - Stage 32	-	-	-	-	-	-	37,804	37,930	38,056	38,183	38,311	38,438	228,722	59,023	(169,699)
Lot Production - Stage 37	424,738	406,271	-	-	-	-	-	-	-	-	-	-	831,009	-	(831,009)
Lot Production - Stage 38	425,261	425,301	425,341	726,650	425,421	425,462	425,494	415,688	-	-	-	-	3,694,616	3,631,800	(62,817)
Lot Production - Stage 39	52,886	53,106	53,328	53,550	53,773	53,997	-	-	-	-	-	-	320,640	3,471,248	3,150,607
Lot Production - Stage 40	-	-	-	-	-	-	-	-	-	-	-	-	-	201,031	201,031
Lot Production - Stage 41	-	-	-	-	-	-	-	-	-	-	-	-	-	25,504	25,504
Landscape	1,467,243	1,427,806	1,302,753	1,389,522	1,003,061	1,007,240	930,078	122,665	200,110	184,169	184,783	185,399	9,404,829	10,258,693	853,864
Marketing	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000	1,012,422	812,422
Community Development	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000	223,500	133,500
Administration	99,295	99,709	331,250	100,542	100,961	101,381	101,719	102,058	102,399	102,740	103,082	103,426	1,448,562	1,594,717	146,155
Finance/Bonds	-	-	(1,010,141)	-	-	-	(577,105)	-	(850,774)	-	-	(350,000)	(2,788,020)	(1,811,155)	976,865
Debtor/Creditor Movement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	500,000	1,545,966	1,045,966
DEVELOPMENT COSTS	4,088,600	3,986,539	1,860,149	3,028,048	2,341,167	2,694,250	1,088,587	849,286	(338,913)	496,740	498,176	149,617	20,742,246	30,654,134	9,911,887
CASHFLOW	(1,059,782)	(2,094,375)	(181,540)	(559,094)	(278,448)	(118,278)	2,513,811	3,246,877	6,327,092	2,259,140	2,085,916	3,422,487	15,563,807	8,231,579	7,332,227
Capital Calls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Returns	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Distributions	-	-	-	-	-	10,000,000	-	-	-	-	-	10,000,000	20,000,000	20,000,000	-
Cumulative Cash Balance	45,178,259	43,083,884	42,902,344	42,343,251	42,064,803	31,946,525	34,460,335	37,707,212	44,034,305	46,293,445	48,379,361	41,801,847	41,801,847	29,569,271	12,232,576

CATALINA | FY25 Cashflow (June 2023)

CATEGORY	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	FY24 TOTAL	APPROVED DEC-22	VARIANCE
Sales - Stage 31	4	4	4	4	4	4	4	4	1	-	-	-	33	13	20
Sales - Stage 32	-	-	-	-	-	-	-	-	5	6	6	6	23	43	(20)
Sales - Stage 33	-	-	-	-	-	-	-	-	-	-	-	-	-	16	(16)
Sales - Stage 37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales - Stage 38	3	3	3	6	6	-	-	-	-	-	-	-	21	-	21
Sales - Stage 39	-	-	-	-	1	7	7	7	7	7	7	7	50	3	47
Sales - Stage 40	-	-	-	-	-	-	-	-	-	-	-	-	-	42	(42)
Sales - Stage 41	-	-	-	-	-	-	-	-	-	-	-	-	-	27	(27)
Total Sales	7	7	7	10	11	11	11	11	13	13	13	13	127	144	(17)
Titles	-	-	-	-	-	-	-	-	-	64	-	-	64	85	(21)
Settlements	11	11	8	7	7	12	12	6	6	4	5	8	97	148	(51)
Contracts on hand	31	27	26	29	33	32	31	36	43	52	60	65	65	66	(1)
Average Settlement Price	234,856	234,856	207,538	237,186	237,186	138,359	138,359	276,717	276,717	415,076	332,061	51,884	211,594	316,306	(104,712)
GROSS INCOME															
Income - Stage 29	923,112	923,112	-	-	-	-	-	-	-	-	-	-	1,846,223	5,787,744	(3,941,521)
Income - Stage 31	1,660,303	1,660,303	1,660,303	1,660,303	1,660,303	1,660,303	1,660,303	1,660,303	1,660,303	1,660,303	1,660,303	415,076	18,678,409	12,867,348	5,811,061
Income - Stage 32	-	-	-	-	-	-	-	-	-	-	-	-	-	9,698,240	(9,698,240)
Income - Stage 37	819,883	273,294	273,294	-	-	546,588	546,588	546,588	546,588	-	-	-	3,552,825	-	3,552,825
Income - Stage 38	542,751	1,085,502	814,126	814,126	814,126	1,628,252	1,628,252	-	-	-	-	-	7,327,135	-	7,327,135
Income - Stage 39	-	-	-	-	-	-	-	-	-	-	214,099	1,500,635	1,714,734	10,215,185	(8,500,451)
Income - Stage 40	-	-	-	-	-	-	-	-	-	-	-	-	-	8,244,745	(8,244,745)
Income - Lots Total	3,946,048	3,942,210	2,747,723	2,474,429	2,474,429	3,835,144	3,835,144	2,206,891	2,206,891	1,660,303	1,874,402	1,915,711	33,119,327	46,813,262	(13,693,936)
Income - Special Sites	-	-	-	-	-	-	1,515,579	-	-	-	-	-	1,515,579	1,341,518	174,061
Income - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Direct Selling Expenses	406,062	371,482	293,308	399,853	278,232	388,487	637,444	385,509	283,303	214,221	212,711	267,271	4,137,881	5,789,641	1,651,759
GROSS INCOME	3,539,986	3,570,728	2,454,415	2,074,576	2,196,198	3,446,657	4,713,279	1,821,383	1,923,589	1,446,082	1,661,692	1,648,440	30,497,024	42,365,139	(11,868,115)
DEVELOPMENT COSTS															
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	12,265,200	12,265,200
Consultants	34,698	34,755	34,813	34,871	34,929	34,988	35,046	35,104	35,163	35,222	35,280	35,339	420,209	486,966	66,757
Infrastructure	-	-	100,000	25,399	25,441	25,484	244,997	245,406	245,815	246,224	246,635	247,046	1,652,447	638,461	(1,013,986)
Special Sites/Other Development	130,960	131,179	131,397	131,616	65,918	66,028	-	-	-	-	-	-	657,097	-	(657,097)
Catalina Beach Bulk Earthworks Stgs 33-34	-	-	-	-	-	-	-	-	-	-	-	-	-	970,792	970,792
Catalina Green Cell Bulk Earthworks Stgs 39-40	304,354	304,861	305,369	305,878	306,388	306,899	-	-	-	-	-	-	1,833,750	-	(1,833,750)
Catalina Green Bulk Earthworks Stgs 41-44	-	-	-	-	-	-	-	3,533	3,539	3,545	3,551	3,557	17,725	1,772,641	1,754,916
Lot Production - Stage 32	-	-	-	-	-	-	-	-	702,051	703,221	704,393	1,277,080	3,386,746	4,941,048	1,554,302
Lot Production - Stage 33	-	-	-	-	-	-	33,545	33,601	33,657	33,713	33,769	33,825	202,111	2,267,590	2,065,479
Lot Production - Stage 34	-	-	-	-	-	-	-	-	-	-	-	-	-	114,961	114,961
Lot Production - Stage 39	-	-	-	-	-	1,103,881	1,105,721	1,107,564	1,668,731	1,111,259	1,113,111	-	7,210,267	650,717	(6,559,551)
Lot Production - Stage 40	-	-	-	-	-	-	22,175	22,212	22,249	22,286	22,323	22,361	133,607	4,024,274	3,890,667
Lot Production - Stage 41	-	-	-	-	-	-	-	-	-	-	-	-	-	2,924,480	2,924,480
Lot Production - Stage 42	-	-	-	-	-	-	-	-	-	-	-	-	-	157,807	157,807
Landscape	278,653	279,117	279,582	280,048	280,515	280,982	85,580	85,723	56,230	56,324	60,898	60,999	2,084,651	2,042,815	(41,836)
Marketing	17,461	17,490	17,520	17,549	17,578	17,607	17,637	17,666	17,696	17,725	17,755	17,784	211,468	909,615	698,147
Community Development	7,858	7,871	7,884	7,897	7,910	7,923	7,937	7,950	7,963	7,976	7,990	8,003	95,161	216,000	120,839
Administration	103,598	103,771	322,315	104,117	104,291	104,464	104,639	104,813	104,988	105,163	105,338	105,513	1,473,010	1,648,906	175,896
Finance/Bonds	-	-	-	-	350,000	-	-	350,000	-	-	-	-	700,000	350,000	(350,000)
Debtor/Creditor Movement	-	-	-	-	-	-	-	-	-	-	-	-	-	283,505	283,505
Contingency	43,879	43,952	59,944	45,369	42,149	97,413	82,864	83,179	144,904	117,133	117,552	90,575	968,912	1,801,614	832,702
DEVELOPMENT COSTS	921,461	922,997	1,258,825	952,745	1,235,119	2,045,670	1,740,141	2,096,751	3,042,985	2,459,791	2,468,595	1,902,083	21,047,161	38,467,392	17,420,230
CASHFLOW	2,618,525	2,647,732	1,195,590	1,121,831	961,079	1,400,987	2,973,138	(275,368)	(1,119,396)	(1,013,709)	(806,904)	(253,643)	9,449,863	3,897,748	5,552,115
Capital Calls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Returns	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Distributions	-	-	-	-	-	10,000,000	-	-	-	-	-	7,000,000	17,000,000	17,000,000	-
Cumulative Cash Balance	44,420,372	47,068,104	48,263,695	49,385,526	50,346,605	41,747,592	44,720,730	44,445,362	43,325,966	42,312,257	41,505,353	34,251,710	34,251,710	16,467,019	17,784,691

9.5. NEERABUP ROAD BUS UNDERPASS AND SUPPORTING ROAD NETWORK

Responsible Officer: Manager Project Coordination
Attachments: None
Voting Requirement: Absolute Majority

MANAGEMENT COMMITTEE RECOMMENDATION

Moved Cr Perkov, Seconded Cr Jones.

That the Council:

- 1. COMMITS to funding the design and construction of the remaining future Clarkson train station to Mindarie Marina bus route road network within Catalina by FYE 2025, subject to reasonable design and construction costs being achieved.**
- 2. INFORMS the Perth Transport Authority of its plans to achieve 1. above and ADVOCATES that it allocate funds to construct the Neerabup Road bus underpass in FYE 2025.**

The Motion was put and declared CARRIED (5/0).

PURPOSE

To consider a report on options to achieve the timely construction of the Neerabup Road bus underpass near Clarkson train station and the required road network within Catalina Estate that is intended to support a future bus service.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Report relates to consideration of a future Budget expenditure commitment.

RISK MANAGEMENT IMPLICATIONS

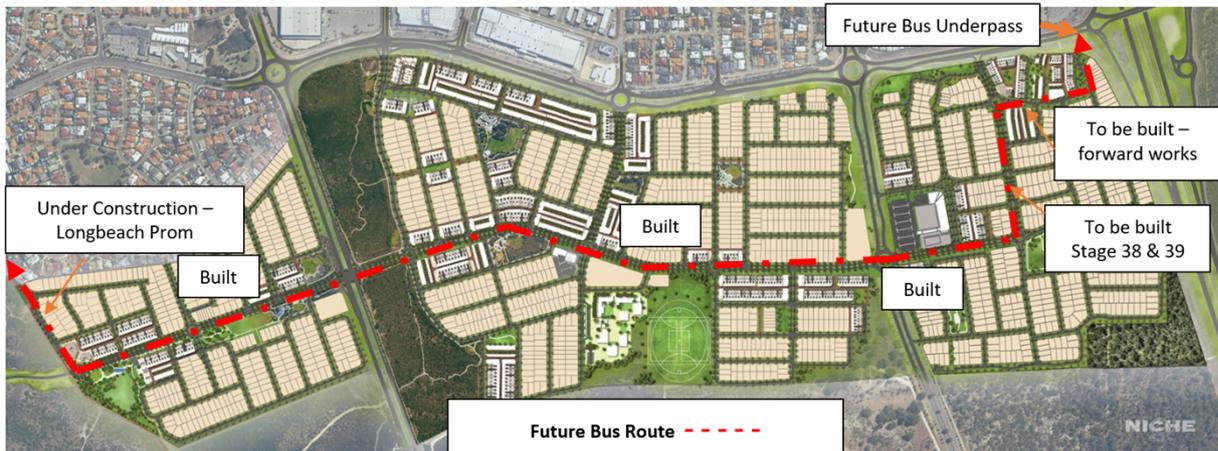
Risk Ref: 1	Risk Rating:
Strategic - Common Vision	Moderate
Action:	
Corporate Business Plan which aligns financial outcomes with the Vision and Objectives	

This report concerns the achievement of strategic objectives to provide Catalina Estate with a functioning movement network, with good access to public transport and cycle and walking paths.

BACKGROUND

The Perth Transport Authority (PTA) has long-held plans to add a bus service to its network to link Clarkson train station and Mindarie Marina, through Catalina Estate. Commencement of the service is dependent on the TPRC constructing the road network through Catalina and the PTA constructing the bus underpass beneath Neerabup Road and its connection with the station. It also requires adequate funding being allocated by the PTA to operate a regular bus service.

Provision for the future construction of the underpass was made when the Neerabup Road/Mitchell Freeway interchange was built in 2016. A substantial proportion of the road network for the bus service has either since been completed or is under construction. With the completion of the first stage of development in Catalina Green and additional stages underway, the Catalina Project is reaching a level of maturity that warrants the Council’s consideration of the timing for the construction of the remaining road network in Catalina Green needed to provide for the commencement of the bus service.



COMMENT

The Project Budget FYE 2024, which is the subject of Item 7.4 of this Agenda, proposes the allocation of funds to complete the road design for the remaining sections of the bus route road network that are still to be built. This includes Stage 38, which is about to commence construction and be completed by the end of 2023, design work that is soon to commence in for the construction of Stage 39 and forward works for the road connection between Stage 39 and the underpass.

Funds are allocated for this design work in recognition of the approved Catalina Built Environment and Social Strategies, which both identify opportunities to create a strong walking and cycling

network through the Project, activate important connections and provide early access to amenities and infrastructure like the Clarkson rail station.

The PTA has completed comprehensive design for the underpass but has yet to allocate funding for its construction. It advises that it has estimated the cost of the underpass works to be in the order of \$2.5M. The earliest opportunity for further consideration for funding by the PTA will be in late 2023 when it undertakes a mid-year review of its FYE 2024 budget. The PTA has advised that while there is a prospect that funding could be allocated for the underpass construction to commence in late FYE 2024 through this process, the higher likelihood is that funding will be allocated in its FYE 2025 budget, particularly if there is a strong commitment by the TPRC to construct the linking road network in early FYE 2025.

Assuming that the Council adopts the Project Budget FYE 2024 to commence design and allocates funding in FYE 2025 to build Stage 39 and forward works on the connection to the underpass and will be able to secure a construction contract for these works at a reasonable price, the Council should be in a position to commit to completing the remaining section of the bus route network in early FYE 2025. This prompts consideration of options to best achieve the timely the construction of the bus underpass to either coincide with or follow soon after completion of the Catalina roadworks. The following options are open to the Council in relation to this matter:

No.	Option	Advantages	Disadvantages
1	<p>Collaborate with the PTA - Design and construct the remaining bus route road network within Catalina by FYE 2025.</p>	<ul style="list-style-type: none"> • Completes the remaining sections of the bus route road network within Catalina Green by FYE 2025. • Should result in bus services commencing late FYE 2025 or early FYE 2026. • Should achieve the Council's strategic objectives for good public transport, cycling and pedestrian connections between the Clarkson train station, marina and beyond. 	<ul style="list-style-type: none"> • Requires the Council to allocate funds to design the remaining sections of the bus route in FYE 2024 and complete construction in FYE 2025. • Relies on the PTA to allocate funds to construct the underpass at the same time or soon after – achievement of advantages 2 and 3 will be delayed if this does not occur. • There is no guarantee bus services will commence upon the bus route road network and underpass being completed – as this is dependent of PTA funding.
2	<p>TPRC Prefund Underpass - Design and construct the remaining bus route road network within Catalina and construct the bus underpass for the PTA by FYE 2025.</p>	<ul style="list-style-type: none"> • Completes the remaining sections of the bus route road network within Catalina Green by FYE 2025, as well as 	<ul style="list-style-type: none"> • Requires the Council to allocate funds to design the remaining sections of the bus route in FYE 2024 and complete

		<p>the underpass at the same time.</p> <ul style="list-style-type: none"> • Bus underpass costs likely to eventually be recouped from PTA. • Should result in a higher likelihood that bus services will commence late FYE 2025 or early FYE 2026 than would be the case with Option 1. • Potentially achieves the Council's strategic objectives for good public transport, cycling and pedestrian connections between the Clarkson train station, marina and beyond sooner than could result under Option 1. 	<p>construction in FYE 2025, as well as the bus underpass and carry the holding costs until reimbursed by the PTA.</p> <ul style="list-style-type: none"> • Such arrangements are not commonly undertaken – would require extensive liaison and agreement with the PTA to facilitate.
3	<p>Wait for PTA – Design the remaining bus route road network within Catalina, but not construct it until the bus underpass is constructed by the PTA.</p>	<p>Does not require the Council to allocate funding for the bus route road network or the bus underpass construction for several years.</p>	<ul style="list-style-type: none"> • Delays completion of the remaining sections of the bus route road network within Catalina Green and commencement of bus services for an undetermined timeframe. • Lack of intent by the Council to construct the bus route road network would be unlikely to encourage the PTA to fund the bus underpass. • Delays achieving the Council's strategic objectives for good public transport, cycling and pedestrian connections between the Clarkson train station, marina and beyond for an undetermined timeframe.
4	<p>Do Nothing – Not progress any design work of the remaining road network to be built to connect to the</p>	<p>Does not require the Council to allocate any immediate funding for the bus route road network.</p>	<p>As for Option 3.</p>

	underpass, or take any advocacy action with the PTA to build the underpass.		
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CONCLUSION

Options 3, Wait for PTA, and 4, Do Nothing, are not recommended as they would significantly delay achievement of key Council strategic objectives.

Option 1, Collaborate with the PTA, is recommended on the basis that it would complete the remaining sections of the bus route road network within Catalina Green by FYE 2025 and in doing so likely provide impetus to the PTA to allocate funds to construct the bus underpass, resulting in bus services commencing late FYE 2025 or early FYE 2026 and achieving TPRC strategic objectives for good public transport, cycling and pedestrian connections between the Clarkson train station, marina and beyond in a timely manner.

Option 2, TPRC Prefund Underpass, would likely result in better advantages than Option 1, however the Council would incur greater upfront costs funding construction and bearing these costs until reimbursed by the PTA. While it may eventuate that proposing a pre-funding arrangement in itself may prompt the PTA to bring forward plans for constructing the bus underpass, Option 1 is preferred on the basis that the deliverables are achievable given the position of the Project and the Council's resources, without incurring additional un-envisaged costs.

Option 1 could also be accompanied by advocacy efforts to demonstrate the Council's intent to put the road network in place to support the bus route and encourage PTA to take timely action to put the bus route infrastructure in place and the bus service into operation.