



# Special Meeting of Council

Thursday, 21 September 2023

## Agenda

### Notice of Meeting

**Councillors of the Catalina Regional Council are advised that a Special Meeting will be held on Thursday 21 September 2023 at 6:00pm at the City of Stirling, 25 Cedric Street, Stirling.**

A handwritten signature in black ink, appearing to read 'Chris Adams', is positioned above the printed name and title.

**CHRIS ADAMS**  
Chief Executive Officer

**MEMBERSHIP**

| <b>OWNER COUNCIL</b>  | <b>MEMBER</b>   | <b>ALTERNATE MEMBER</b>            |
|-----------------------|---|------------------------------------|
| Town of Cambridge     | Cr Alaine Haddon-Casey  |                                    |
| City of Joondalup     | Cr John Chester<br>Cr Nige Jones  | Cr Russ Fishwick<br>Cr John Raftis |
| City of Perth         | Cr Brent Fleeton  | Cr Clyde Bevan                     |
| City of Stirling      | Cr Tony Krsticevic<br>Cr Suzanne Migdale<br>Cr Bianca Sandri<br>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<br>Cr Glynis Parker  | Cr Linda Aitken<br>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. ADMINISTRATION REPORTS AS PRESENTED
  - 6.1. STATEMENT OF FINANCIAL ACTIVITY - JULY 2023
  - 6.2. LIST OF MONTHLY ACCOUNTS SUBMITTED - JULY 2023
  - 6.3. STAGE 39 CIVIL CONSTRUCTION & 41-43 BULK EARTHWORKS
7. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN
8. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
9. URGENT BUSINESS APPROVED BY THE CHAIR
10. GENERAL BUSINESS
11. FORMAL CLOSURE OF MEETING

## 6.1. STATEMENT OF FINANCIAL ACTIVITY - JULY 2023

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|                             |                                |
|-----------------------------|--------------------------------|
| <b>Responsible Officer:</b> | Chief Executive Officer        |
| <b>Attachments:</b>         | 1. SOFA (July)                 |
|                             | 2. SOFA - Supplementary (July) |
|                             | 3. Investment Report (July)    |
| <b>Voting Requirement:</b>  | Simple Majority                |

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### RECOMMENDATION

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

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### 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

N/A

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**RISK MANAGEMENT IMPLICATIONS**

|   |                     |
|---|---------------------|
| <b>Risk Ref: 8</b>  | <b>Risk Rating:</b> |
| CRC Operations - Financial Management of CRC.                       | Low                 |
| <b>Action:</b>  |                     |
| 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.

Of note, the total equity position increased over the month from \$46.84M to \$51.57M, an increase of \$4.73M, mainly as a result of 16 lot settlements.

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

**Financial Snapshot as at 31 July 2023**

|  | 2023-24<br>Adopted<br>BUDGET | 2023-24<br>Budget<br>YTD | 2023-24<br>Actual<br>YTD | Variance           |                    | Variance<br>% |
|--|------------------------------|--------------------------|--------------------------|--------------------|--------------------|---------------|
|  |                              |                          |                          | Favourable         | Unfavourable       |               |
| <b>REVENUE</b>                             | \$                           | \$                       | \$                       | \$                 | \$                 | %             |
| Interest Earnings                          | 2,115,000                    | 176,180                  | 847,923                  | 671,743            |                    | 381.28%       |
| Other Revenue                              | 0                            | 0                        | 1,561                    | 1,561              |                    | 100.00%       |
|  | <b>\$2,115,000</b>           | <b>\$176,180</b>         | <b>\$849,484</b>         | <b>\$673,304</b>   | <b>\$0</b>         |               |
| <b>LESS EXPENDITURE</b>                    |                              |                          |                          |                    |                    |               |
| Depreciation                               | (43,932)                     | (3,661)                  | (2,987)                  | 674                |                    | 18.41%        |
| Employee Costs                             | (727,668)                    | (64,527)                 | (55,783)                 | 8,744              |                    | 13.55%        |
| Insurance                                  | (23,302)                     | (11,653)                 | (10,591)                 | 1,062              |                    | 9.11%         |
| Finance Costs                              | (2,691)                      | (224)                    | (260)                    |                    | (36)               | -16.07%       |
| Materials and Contracts                    | (277,100)                    | (20,237)                 | 9,353                    | 29,590             |                    | 146.22%       |
| Other                                      | (170,464)                    | 0                        | (16)                     |                    | (16)               | -100.00%      |
| Utilities                                  | (5,000)                      | 0                        | 0                        |                    |                    |               |
| <b>Members Equity</b>                      |                              |                          |                          |                    |                    |               |
| Income Sale of Lots - Subdivisions         | 40,078,630                   | 3,279,504                | 4,853,153                | 1,573,649          |                    | 47.98%        |
| Land Production Costs                      | (24,619,525)                 | (4,347,075)              | (562,720)                | 3,784,355          |                    | 87.06%        |
| GST Withheld Member Councils               | (2,863,004)                  | (234,270)                | (343,000)                |                    | (108,730)          | -46.41%       |
| Profit distribution/Contributions Returned | (20,057,000)                 | 0                        | 0                        |                    |                    |               |
|  | <b>(\$8,711,056)</b>         | <b>(\$1,402,143)</b>     | <b>\$3,887,149</b>       | <b>\$5,398,074</b> | <b>(\$108,782)</b> |               |
| Total Change in Equity                     | <b>(\$6,596,056)</b>         | <b>(\$1,225,963)</b>     | <b>\$4,736,633</b>       | <b>\$6,071,378</b> | <b>(\$108,782)</b> |               |

**Statement of Financial Position as at 31 July 2023**

|                                      | Actual<br>2022-23<br>\$ | Actual<br>2023-24<br>\$ | Variance<br>\$   | Variance<br>% |
|--------------------------------------|-------------------------|-------------------------|------------------|---------------|
| <b>Current assets</b>                |                         |                         |                  |               |
| Cash and cash equivalents            | 43,645,428              | 47,709,793              | 4,064,365        | 9.31%         |
| Trade and other receivables          | 1,227,886               | 1,679,984               | 452,098          | 36.82%        |
| <b>Total current assets</b>          | <b>44,873,314</b>       | <b>49,389,777</b>       | <b>4,516,463</b> | <b>10.1%</b>  |
| <b>Non-current assets</b>            |                         |                         |                  |               |
| Inventories                          | 2,515,000               | 2,515,000               | 0                | 0.00%         |
| Right of use assets                  | 125,157                 | 122,170                 | (2,987)          | -2.39%        |
| Property, plant and equipment        | 0                       | 0                       | 0                | 0.00%         |
| <b>Total non-current assets</b>      | <b>2,640,157</b>        | <b>2,637,170</b>        | <b>(2,987)</b>   | <b>-0.11%</b> |
| <b>Total assets</b>                  | <b>47,513,471</b>       | <b>52,026,947</b>       | <b>4,513,476</b> | <b>9.50%</b>  |
| <b>Current liabilities</b>           |                         |                         |                  |               |
| Trade and other payables             | 497,176                 | 276,917                 | 220,259          | 44.30%        |
| Lease Liabilities                    | 35,214                  | 32,316                  | 2,899            | 8.23%         |
| Provisions                           | 27,532                  | 27,532                  | 0                | 0.00%         |
| <b>Total current liabilities</b>     | <b>559,922</b>          | <b>336,764</b>          | <b>223,158</b>   | <b>39.9%</b>  |
| <b>Non-current liabilities</b>       |                         |                         |                  |               |
| Lease Liabilities                    | 93,832                  | 93,832                  | 0                | 0.00%         |
| Provisions                           | 19,795                  | 19,795                  | 0                | 0.00%         |
| <b>Total non-current liabilities</b> | <b>113,627</b>          | <b>113,627</b>          | <b>0</b>         | <b>0.00%</b>  |
| <b>Total liabilities</b>             | <b>673,549</b>          | <b>450,391</b>          | <b>223,158</b>   | <b>33.13%</b> |
| <b>Net assets</b>                    | <b>46,839,922</b>       | <b>51,576,556</b>       | <b>4,736,633</b> | <b>10.11%</b> |

**Investment Summary as at 31 July 2023**

| <b>Cash Accounts</b> |                     |                     |                |                  |                       |
|----------------------|---------------------|---------------------|----------------|------------------|-----------------------|
|                      | Face<br>Value (\$)  | Current<br>Rate (%) | Institution    | Credit<br>Rating | Current<br>Value (\$) |
|                      | 1,121,891.54        | 4.1773%             | Macquarie Bank | A+               | 1,121,891.54          |
|                      | <b>1,121,891.54</b> | <b>4.1773%</b>      |                |                  | <b>1,121,891.54</b>   |

| <b>Term Deposits</b> |                      |                     |                                |                  |                        |                  |                       |
|----------------------|----------------------|---------------------|--------------------------------|------------------|------------------------|------------------|-----------------------|
| Maturity<br>Date     | Face<br>Value (\$)   | Current<br>Rate (%) | Institution                    | Credit<br>Rating | Purchase<br>Price (\$) | Purchase<br>Date | Current<br>Value (\$) |
| Aug-23               | 2,000,000.00         | 4.6500%             | AMP Bank                       | BBB              | 2,000,000.00           | Nov-22           | 2,068,030.14          |
| Aug-23               | 3,000,000.00         | 4.6500%             | AMP Bank                       | BBB              | 3,000,000.00           | Nov-22           | 3,102,045.21          |
| Sep-23               | 1,000,000.00         | 4.4700%             | Commonwealth Bank of Australia | AA-              | 1,000,000.00           | Feb-23           | 1,021,431.51          |
| Sep-23               | 3,012,115.07         | 4.8400%             | Westpac Group                  | AA-              | 3,012,115.07           | Sep-22           | 3,135,534.22          |
| Oct-23               | 3,000,000.00         | 4.5800%             | Westpac Group                  | AA-              | 3,000,000.00           | Oct-22           | 3,109,543.56          |
| Nov-23               | 1,000,000.00         | 4.8200%             | Westpac Group                  | AA-              | 1,000,000.00           | Mar-23           | 1,018,355.62          |
| Nov-23               | 1,000,000.00         | 5.2800%             | National Australia Bank        | AA-              | 1,000,000.00           | Jul-23           | 1,000,867.95          |
| Dec-23               | 4,000,000.00         | 4.7200%             | National Australia Bank        | AA-              | 4,000,000.00           | Mar-23           | 4,074,485.48          |
| Dec-23               | 2,500,000.00         | 5.1000%             | Suncorp Bank                   | A+               | 2,500,000.00           | Jun-23           | 2,519,561.64          |
| Dec-23               | 3,000,000.00         | 4.8500%             | Westpac Group                  | AA-              | 3,000,000.00           | Mar-23           | 3,058,598.63          |
| Jan-24               | 2,000,000.00         | 4.4900%             | Commonwealth Bank of Australia | AA-              | 2,000,000.00           | Jan-23           | 2,046,499.18          |
| Feb-24               | 1,004,763.01         | 4.9500%             | Westpac Group                  | AA-              | 1,004,763.01           | Feb-23           | 1,027,655.09          |
| Feb-24               | 1,009,374.25         | 5.0500%             | Westpac Group                  | AA-              | 1,009,374.25           | Feb-23           | 1,031,718.75          |
| Mar-24               | 2,000,000.00         | 4.8600%             | Westpac Group                  | AA-              | 2,000,000.00           | May-23           | 2,020,505.21          |
| Apr-24               | 2,000,000.00         | 5.4700%             | Suncorp Bank                   | A+               | 2,000,000.00           | Jul-23           | 2,004,196.16          |
| May-24               | 3,000,000.00         | 5.0500%             | AMP Bank                       | BBB              | 3,000,000.00           | May-23           | 3,037,356.16          |
| May-24               | 1,500,000.00         | 5.1000%             | AMP Bank                       | BBB              | 1,500,000.00           | May-23           | 1,516,138.36          |
| May-24               | 1,000,000.00         | 5.5500%             | AMP Bank                       | BBB              | 1,000,000.00           | Jul-23           | 1,000,912.33          |
| May-24               | 3,000,000.00         | 4.9900%             | National Australia Bank        | AA-              | 3,000,000.00           | May-23           | 3,025,428.49          |
| Jun-24               | 2,500,000.00         | 5.4800%             | Suncorp Bank                   | A+               | 2,500,000.00           | Jun-23           | 2,517,641.10          |
| Jun-24               | 2,500,000.00         | 5.5900%             | Westpac Group                  | AA-              | 2,500,000.00           | Jun-23           | 2,515,315.07          |
|                      | <b>45,026,252.33</b> | <b>4.9532%</b>      |                                |                  | <b>45,026,252.33</b>   |                  | <b>45,851,819.86</b>  |

8 September 2023

Mr Chris Adams  
Chief Executive Officer  
Catalina Regional Council  
PO Box 655  
**INNALOO WA 6918**

Dear Chris

### COMPILATION REPORT TO CATALINA REGIONAL COUNCIL

We have compiled the accompanying special purpose financial statements of Catalina Regional Council which comprise the statement of financial position as at 31 July 2023, the statement of financial activity and explanation of material variances for the year then ended, a summary of material accounting policy information. These have been prepared in accordance with *Local Government Act 1995* and associated regulations as described in Note 1 to the financial statements. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

### THE RESPONSIBILITY OF CATALINA REGIONAL COUNCIL

The CEO of Catalina Regional Council is solely responsible for information contained in the special purpose financial report, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial report was prepared.

### OUR RESPONSIBILITY

On the basis of information provided by Catalina Regional Council we have compiled the accompanying special purpose financial report in accordance with the requirements of the *Local Government Act 1995*, associated regulations and to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

### ASSURANCE DISCLAIMER

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial report was compiled exclusively for the benefit of Catalina Regional Council who are responsible for the reliability, accuracy and completeness of the information used to compile them. Accordingly, the special purpose financial report may not be suitable for other purposes. We do not accept responsibility for the contents of the special purpose financial report.



Russell Barnes  
Director  
**Moore Australia (WA) Pty Ltd**

# CATALINA REGIONAL COUNCIL

## MONTHLY FINANCIAL REPORT

(Containing the required statement of financial activity and statement of financial position)

For the period ended 31 July 2023

*LOCAL GOVERNMENT ACT 1995*

*LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996*

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**CATALINA REGIONAL COUNCIL  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JULY 2023**

|  | Adopted<br>Budget<br>Estimates | YTD<br>Budget<br>Estimates | YTD<br>Actual     | Variance*<br>\$<br>(c) - (b) | Variance*<br>%<br>((c) - (b))/(b) | Var. |
|--|--------------------------------|----------------------------|-------------------|------------------------------|-----------------------------------|------|
| Note   | (a)<br>\$                      | (b)<br>\$                  | (c)<br>\$         | (c) - (b)<br>\$              | ((c) - (b))/(b)<br>%              |      |
| <b>OPERATING ACTIVITIES</b>                                  |                                |                            |                   |                              |                                   |      |
| <b>Revenue from operating activities</b>                     |                                |                            |                   |                              |                                   |      |
| Interest revenue   | 2,115,000                      | 176,180                    | <b>847,923</b>    | 671,743                      | 381.28%                           | ▲    |
| Other revenue  | 0                              | 0                          | <b>1,561</b>      | 1,561                        | 0.00%                             |      |
|  | <b>2,115,000</b>               | <b>176,180</b>             | <b>849,484</b>    | 673,304                      | 382.17%                           |      |
| <b>Expenditure from operating activities</b>                 |                                |                            |                   |                              |                                   |      |
| Employee costs   | (727,668)                      | (64,527)                   | <b>(55,783)</b>   | 8,744                        | 13.55%                            | ▲    |
| Materials and contracts                                      | (277,100)                      | (20,237)                   | <b>9,353</b>      | 29,590                       | 146.22%                           | ▲    |
| Utility charges  | (5,000)                        | 0                          | <b>0</b>          | 0                            | 0.00%                             |      |
| Depreciation   | (43,932)                       | (3,661)                    | <b>(2,987)</b>    | 674                          | 18.41%                            | ▲    |
| Finance costs  | (2,691)                        | (224)                      | <b>(260)</b>      | (36)                         | (16.07%)                          | ▼    |
| Insurance  | (23,302)                       | (11,653)                   | <b>(10,591)</b>   | 1,062                        | 9.11%                             |      |
| Other expenditure  | (170,464)                      | 0                          | <b>(15)</b>       | (15)                         | 0.00%                             |      |
|  | <b>(1,250,157)</b>             | <b>(100,302)</b>           | <b>(60,283)</b>   | 40,019                       | 39.90%                            |      |
| Non-cash amounts excluded from operating activities          | 3(b) 43,932                    | 3,661                      | <b>2,987</b>      | (674)                        | (18.41%)                          | ▼    |
| <b>Amount attributable to operating activities</b>           | <b>908,775</b>                 | <b>79,539</b>              | <b>792,188</b>    | 712,649                      | 895.97%                           |      |
| <b>FINANCING ACTIVITIES</b>                                  |                                |                            |                   |                              |                                   |      |
| <b>Inflows from financing activities</b>                     |                                |                            |                   |                              |                                   |      |
| Proceeds from member contributions                           | 2 40,078,630                   | 3,279,504                  | <b>4,853,153</b>  | 1,573,649                    | 47.98%                            | ▲    |
|  | <b>40,078,630</b>              | <b>3,279,504</b>           | <b>4,853,153</b>  | 1,573,649                    | 47.98%                            |      |
| <b>Outflows from financing activities</b>                    |                                |                            |                   |                              |                                   |      |
| Payments for principal portion of lease liabilities          | (34,966)                       | (2,914)                    | <b>(2,898)</b>    | 16                           | 0.55%                             |      |
| Payments of member contributions                             | 2 (24,619,525)                 | (4,347,075)                | <b>(124,896)</b>  | 4,222,179                    | 97.13%                            | ▲    |
| Payments of GST withheld                                     | 2 (2,863,004)                  | (234,270)                  | <b>(343,000)</b>  | (108,730)                    | (46.41%)                          | ▼    |
| Payments return of contribution                              | 2 (57,000)                     | 0                          | <b>0</b>          | 0                            | 0.00%                             |      |
| Payments return of equity                                    | 2 (20,000,000)                 | 0                          | <b>(437,824)</b>  | (437,824)                    | 0.00%                             | ▼    |
|  | <b>(47,574,495)</b>            | <b>(4,584,259)</b>         | <b>(908,618)</b>  | 3,675,641                    | 80.18%                            |      |
| <b>Amount attributable to financing activities</b>           | <b>(7,495,865)</b>             | <b>(1,304,755)</b>         | <b>3,944,535</b>  | 5,249,290                    | 402.32%                           |      |
| <b>MOVEMENT IN SURPLUS OR DEFICIT</b>                        |                                |                            |                   |                              |                                   |      |
| <b>Surplus or deficit at the start of the financial year</b> | 44,366,996                     | 44,366,996                 | <b>44,376,138</b> | 9,142                        | 0.02%                             | ▲    |
| Amount attributable to operating activities                  | 908,775                        | 79,539                     | <b>792,188</b>    | 712,649                      | 895.97%                           | ▲    |
| Amount attributable to investing activities                  | 0                              | 0                          | <b>0</b>          | 0                            | 0.00%                             |      |
| Amount attributable to financing activities                  | (7,495,865)                    | (1,304,755)                | <b>3,944,535</b>  | 5,249,290                    | 402.32%                           | ▲    |
| <b>Surplus or deficit after imposition of general rates</b>  | <b>37,779,906</b>              | <b>43,141,780</b>          | <b>49,112,861</b> | 5,971,081                    | 13.84%                            | ▲    |

**KEY INFORMATION**

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

\* Refer to Note 4 for an explanation of the reasons for the variance.

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

**CATALINA REGIONAL COUNCIL  
STATEMENT OF FINANCIAL POSITION  
FOR THE PERIOD ENDED 31 JULY 2023**

|                                      | <b>30 June 2023</b> | <b>31 July 2023</b> |
|--------------------------------------|---------------------|---------------------|
|                                      | <b>\$</b>           | <b>\$</b>           |
| <b>CURRENT ASSETS</b>                |                     |                     |
| Cash and cash equivalents            | 43,645,428          | 47,709,793          |
| Trade and other receivables          | 1,210,721           | 1,649,791           |
| Other assets                         | 10,800              | 17,800              |
| <b>TOTAL CURRENT ASSETS</b>          | <b>44,866,949</b>   | <b>49,377,384</b>   |
| <b>NON-CURRENT ASSETS</b>            |                     |                     |
| Investment property                  | 2,515,000           | 2,515,000           |
| Right-of-use assets                  | 125,157             | 122,170             |
| <b>TOTAL NON-CURRENT ASSETS</b>      | <b>2,640,157</b>    | <b>2,637,170</b>    |
| <b>TOTAL ASSETS</b>                  | <b>47,507,106</b>   | <b>52,014,554</b>   |
| <b>CURRENT LIABILITIES</b>           |                     |                     |
| Trade and other payables             | 490,811             | 264,523             |
| Lease liabilities                    | 35,214              | 32,316              |
| Employee related provisions          | 27,532              | 27,532              |
| <b>TOTAL CURRENT LIABILITIES</b>     | <b>553,557</b>      | <b>324,371</b>      |
| <b>NON-CURRENT LIABILITIES</b>       |                     |                     |
| Lease liabilities                    | 93,832              | 93,832              |
| Employee related provisions          | 19,795              | 19,795              |
| <b>TOTAL NON-CURRENT LIABILITIES</b> | <b>113,627</b>      | <b>113,627</b>      |
| <b>TOTAL LIABILITIES</b>             | <b>667,184</b>      | <b>437,998</b>      |
| <b>NET ASSETS</b>                    | <b>46,839,922</b>   | <b>51,576,556</b>   |
| <b>EQUITY</b>                        |                     |                     |
| Retained surplus                     | 1,390,886           | 2,180,087           |
| Contributed equity                   | 45,449,036          | 49,396,469          |
| <b>TOTAL EQUITY</b>                  | <b>46,839,922</b>   | <b>51,576,556</b>   |

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

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

### 1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### BASIS OF PREPARATION

This prescribed 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 *Local Government Act 1995*, 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 *Leases* which would have required the Regional Council to measure any vested improvements at zero cost.

*Local Government (Financial Management) Regulations 1996*, regulation 34 prescribes contents of the financial report. Supporting information does not form part of the financial report.

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.

#### Judgements and 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 that are 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:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings and infrastructure
- estimation uncertainties made in relation to lease accounting

#### SIGNIFICANT ACCOUNTING POLICES

Significant accounting policies utilised in the preparation of these statements are as described within the 2023-24 Annual Budget. Please refer to the adopted budget document for details of these policies.

#### PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 05 September 2023

**CATALINA REGIONAL COUNCIL  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JULY 2023**

**2 CONTRIBUTED EQUITY**

Movement in Financing Activities as Represented by:

|                       | Land Sales<br>Year to Date | Development<br>Expenses<br>Year to Date | Return of<br>Contribution<br>Year to Date | Return of<br>Equity<br>Year to Date | Rates<br>Equivalent<br>Year to Date | Payments of<br>Lease<br>Liabilities | GST<br>Withheld<br>Year to Date | Total<br>Movement<br>Year to Date |
|-----------------------|----------------------------|---|---|-------------------------------------|-------------------------------------|-------------------------------------|---------------------------------|-----------------------------------|
|                       | 31 July 2023               | 31 July 2023                            | 31 July 2023                              | 31 July 2023                        | 31 July 2023                        | 31 July 2023                        | 31 July 2023                    | 31 July 2023                      |
|                       | \$                         | \$                                      | \$  | \$                                  | \$                                  | \$                                  | \$                              | \$                                |
| Town of Victoria Park | 404,429                    | (10,408)                                | 0   | (36,485)                            | 0                                   | (242)                               | (28,583)                        | 328,711                           |
| City of Perth         | 404,429                    | (10,408)                                | 0   | (36,485)                            | 0                                   | (242)                               | (28,583)                        | 328,711                           |
| Town of Cambridge     | 404,429                    | (10,408)                                | 0   | (36,485)                            | 0                                   | (242)                               | (28,583)                        | 328,711                           |
| City of Joondalup     | 808,859                    | (20,816)                                | 0   | (72,971)                            | 0                                   | (483)                               | (57,167)                        | 657,422                           |
| City of Wanneroo      | 808,859                    | (20,816)                                | 0   | (72,971)                            | 0                                   | (483)                               | (57,167)                        | 657,422                           |
| Town of Vincent       | 404,429                    | (10,408)                                | 0   | (36,485)                            | 0                                   | (242)                               | (28,583)                        | 328,711                           |
| City of Stirling      | 1,617,719                  | (41,632)                                | 0   | (145,942)                           | 0                                   | (964)                               | (114,334)                       | 1,314,847                         |
|                       | 4,853,153                  | (124,896)                               | 0   | (437,824)                           | 0                                   | (2,898)                             | (343,000)                       | 3,944,535                         |

| Land Sales<br>Adopted | Development<br>Expenses<br>Adopted | Return of<br>Contribution<br>Adopted | Return of<br>Equity<br>Adopted | Rates<br>Equivalent<br>Adopted | Payments of<br>Lease<br>Liabilities | GST<br>Withheld<br>Adopted | Total<br>Movement<br>Adopted |
|-----------------------|------------------------------------|--------------------------------------|--------------------------------|--------------------------------|-------------------------------------|----------------------------|------------------------------|
| Budget                | Budget                             | Budget                               | Budget                         | Budget                         | Budget                              | Budget                     | Budget                       |
| \$                    | \$                                 | \$                                   | \$                             | \$                             | \$                                  | \$                         | \$                           |
| 3,339,886             | (2,051,627)                        | (4,750)                              | (1,666,667)                    | 0                              | (2,914)                             | (238,584)                  | (624,656)                    |
| 3,339,886             | (2,051,627)                        | (4,750)                              | (1,666,667)                    | 0                              | (2,914)                             | (238,584)                  | (624,656)                    |
| 3,339,886             | (2,051,627)                        | (4,750)                              | (1,666,667)                    | 0                              | (2,914)                             | (238,584)                  | (624,656)                    |
| 6,679,772             | (4,103,254)                        | (9,500)                              | (3,333,333)                    | 0                              | (5,828)                             | (477,167)                  | (1,249,310)                  |
| 6,679,772             | (4,103,254)                        | (9,500)                              | (3,333,333)                    | 0                              | (5,828)                             | (477,167)                  | (1,249,310)                  |
| 3,339,886             | (2,051,627)                        | (4,750)                              | (1,666,667)                    | 0                              | (2,914)                             | (238,584)                  | (624,656)                    |
| 13,359,542            | (8,206,509)                        | (19,000)                             | (6,666,666)                    | 0                              | (11,654)                            | (954,334)                  | (2,498,621)                  |
| 40,078,630            | (24,619,525)                       | (57,000)                             | (20,000,000)                   | 0                              | (34,966)                            | (2,863,004)                | (7,495,865)                  |

Movement in Total Equity Represented by:

|                       | Closing<br>Balance | Movement in<br>Contributed<br>Equity | Net Result     | Year to Date<br>31 July 2023 |
|-----------------------|--------------------|--------------------------------------|----------------|------------------------------|
|                       | 30 June 2023       | Equity                               | Net Result     | 31 July 2023                 |
|                       | \$                 | \$                                   | \$             | \$                           |
| Town of Victoria Park | 3,787,185          | 328,711                              | 65,767         | 4,181,663                    |
| City of Perth         | 3,787,185          | 328,711                              | 65,767         | 4,181,663                    |
| Town of Cambridge     | 3,787,185          | 328,711                              | 65,767         | 4,181,663                    |
| City of Joondalup     | 7,574,370          | 657,422                              | 131,534        | 8,363,326                    |
| City of Wanneroo      | 7,574,370          | 657,422                              | 131,534        | 8,363,326                    |
| Town of Vincent       | 3,787,185          | 328,711                              | 65,767         | 4,181,663                    |
| City of Stirling      | 15,151,556         | 1,314,847                            | 263,065        | 16,729,468                   |
| <b>Total</b>          | <b>45,449,036</b>  | <b>3,944,535</b>                     | <b>789,201</b> | <b>50,182,772</b>            |

**Total Movement in Equity**

**4,733,736**

**CATALINA REGIONAL COUNCIL  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JULY 2023**

**3 STATEMENT OF FINANCIAL ACTIVITY INFORMATION**

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

**Current assets**

Cash and cash equivalents  
Trade and other receivables  
Other financial assets  
Other assets

| Note | Adopted<br>Budget<br>Opening<br>30 June 2023 | Last<br>Year<br>Closing<br>30 June 2023 | Year<br>to<br>Date<br>31 July 2023 |
|------|--|---|------------------------------------|
|      | \$   | \$                                      | \$                                 |
|      | 1,612,598                                    | 43,645,428                              | 47,709,793                         |
|      | 1,217,086                                    | 1,210,721                               | 1,649,791                          |
|      | 42,032,830                                   | 0                                       | 0                                  |
|      | 10,800                                       | 10,800                                  | 17,800                             |
|      | <b>44,873,314</b>                            | <b>44,866,949</b>                       | <b>49,377,384</b>                  |

**Less: current liabilities**

Trade and other payables  
Lease liabilities  
Employee related provisions

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
|  | (478,786)        | (490,811)        | (264,523)        |
|  | (34,966)         | (35,214)         | (32,316)         |
|  | (27,532)         | (27,532)         | (27,532)         |
|  | <b>(541,284)</b> | <b>(553,557)</b> | <b>(324,371)</b> |

**Net current assets**

**44,332,030**      **44,313,392**      **49,053,013**

**Less: Total adjustments to net current assets**

**Closing funding surplus / (deficit)**

|      |                   |                   |                   |
|------|-------------------|-------------------|-------------------|
| 3(c) | 34,966            | 62,746            | 59,848            |
|      | <b>44,366,996</b> | <b>44,376,138</b> | <b>49,112,861</b> |

**(b) Non-cash amounts 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*.

**Non-cash amounts excluded from operating activities**

**Adjustments to operating activities**

Add: Depreciation

**Total non-cash amounts excluded from operating activities**

| Adopted<br>Budget | YTD<br>Budget<br>(a) | YTD<br>Actual<br>(b) |
|-------------------|----------------------|----------------------|
| \$                | \$                   | \$                   |
| 43,932            | 3,661                | 2,987                |
| <b>43,932</b>     | <b>3,661</b>         | <b>2,987</b>         |

**(c) Current assets and liabilities excluded from budgeted deficiency**

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.

**Adjustments to net current assets**

Add: Current liabilities not expected to be cleared at the end of the year:

- Current portion of lease liabilities  
- Current portion of employee benefit provisions held in reserve

**Total adjustments to net current assets**

| Adopted<br>Budget<br>Opening<br>30 June 2023 | Last<br>Year<br>Closing<br>30 June 2023 | Year<br>to<br>Date<br>31 July 2023 |
|--|---|------------------------------------|
| \$   | \$                                      | \$                                 |
| 34,966                                       | 35,214                                  | 32,316                             |
| 0  | 27,532                                  | 27,532                             |
| <b>34,966</b>                                | <b>62,746</b>                           | <b>59,848</b>                      |

**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.

**CATALINA REGIONAL COUNCIL  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JULY 2023**

**4 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 2023-24 year is \$5,000 or 10.00% whichever is the greater.

| Description  | Var. \$   | Var. %   |   |
|--|-----------|----------|---|
|  | \$        | %        |   |
| <b>Revenue from operating activities</b>   |           |          |   |
| <b>Interest revenue</b>  | 671,743   | 381.28%  | ▲ |
| Includes 30 June 2023 interest accrual - the 2023 AFR is yet to be finalised.  |           |          |   |
| <b>Expenditure from operating activities</b>   |           |          |   |
| <b>Employee costs</b>  | 8,744     | 13.55%   | ▲ |
| Employee costs are profiled as 1/12th of the annual budget.<br>The actual exceeds the budget due to back pays made in July 2023. |           |          |   |
| <b>Materials and contracts</b>   | 29,590    | 146.22%  | ▲ |
| The audit fee accrual has been reversed.<br>Materials and contracts are profiled as 1/12th of the annual budget.                 |           |          |   |
| <b>Depreciation</b>  | 674       | 18.41%   | ▲ |
| The leasehold improvement was written off at 30 June 2023 so depreciation no longer applicable for this budget item.             |           |          |   |
| <b>Finance costs</b>   | (36)      | (16.07%) | ▼ |
| Right of use asset finance cost 1/12th of the budget.  |           |          |   |
| <b>Non-cash amounts excluded from operating activities</b>   | (674)     | (18.41%) | ▼ |
| Leashold improvement depreciation.   |           |          |   |
| <b>Inflows from financing activities</b>   |           |          |   |
| <b>Proceeds from member contributions</b>  | 1,573,649 | 47.98%   | ▲ |
| Proceeds from land sales yet to be received.   |           |          |   |
| <b>Outflows from financing activities</b>  |           |          |   |
| <b>Payments of member contributions</b>  | 4,222,179 | 97.13%   | ▲ |
| Repayment of member contributions not made.  |           |          |   |
| <b>Payments of GST withheld</b>  | (108,730) | (46.41%) | ▼ |
| GST withheld on land sales.  |           |          |   |
| <b>Payments return of equity</b>   | (437,824) | 0.00%    | ▼ |
| Repayment of member equity.  |           |          |   |
| <b>Surplus or deficit at the start of the financial year</b>   | 9,142     | 0.02%    | ▲ |
| The 2023 Annual Financial Report is yet to be finalised.   |           |          |   |
| <b>Surplus or deficit after imposition of general rates</b>  | 5,971,081 | 13.84%   | ▲ |
| Due to variances described above   |           |          |   |

8 September 2023

Mr Chris Adams  
Chief Executive Officer  
Catalina Regional Council  
PO Box 655  
**INNALOO WA 6918**

Dear Chris

### **REPORT ON SUPPLEMENTARY INFORMATION TO CATALINA REGIONAL COUNCIL**

We have provided the supplementary information of Catalina Regional Council as at 31 July 2023 and for the period then ended. This information has been provided based on the system records of Catalina Regional Council and has not been compiled or presented in accordance with any financial reporting framework. The information is provided to Council members to assist in their understanding of operations of Catalina Regional Council.

### **THE RESPONSIBILITY OF CATALINA REGIONAL COUNCIL**

The CEO of Catalina Regional Council is solely responsible for information contained in the supplementary information, the reliability, accuracy and completeness of the information and for the determination that the information is appropriate to meet their needs.

### **OUR RESPONSIBILITY**

On the basis of information provided by Catalina Regional Council we have provided the accompanying supplementary information based on records provided to us.

We have not applied our expertise in accounting and financial reporting to compile this supplementary information.

### **ASSURANCE DISCLAIMER**

Since our compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The supplementary information was prepared exclusively for the benefit of Catalina Regional Council who are responsible for the reliability, accuracy and completeness of the information provided. Accordingly, the supplementary information may not be suitable for other purposes. We do not accept responsibility for the contents of the supplementary information.



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

**CATALINA REGIONAL COUNCIL  
SUPPLEMENTARY INFORMATION**

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**CATALINA REGIONAL COUNCIL  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 JULY 2023**

**1 CASH AND FINANCIAL ASSETS**

| Description                        | Classification                     | Unrestricted      | Restricted | Total<br>Cash and<br>Financial<br>Assets | Trust    | Institution | Interest<br>Rate | Maturity<br>Date |
|------------------------------------|------------------------------------|-------------------|------------|--|----------|-------------|------------------|------------------|
|                                    |                                    |                   |            |  |          |             |                  |                  |
| Municipal bank                     | Cash and cash equivalents          | 223,434           | 0          | 223,434                                  | 0        | Westpac     | Nil              | Nil              |
| Settlement Proceeds                | Cash and cash equivalents          | 1,338,215         | 0          | 1,338,215                                | 0        | Westpac     | 0.34%            | Nil              |
| Cash Management                    | Cash and cash equivalents          | 310               | 0          | 310                                      | 0        | Macquarie   | 0.25%            | Nil              |
| Accelerator                        | Cash and cash equivalents          | 1,121,582         | 0          | 1,121,582                                | 0        | Macquarie   | 1.85%            | Nil              |
| Term Deposit                       | Financial assets at amortised cost | 2,000,000         | 0          | 2,000,000                                | 0        | AMP         | 4.65%            | 08/2023          |
| Term Deposit                       | Financial assets at amortised cost | 3,000,000         | 0          | 3,000,000                                | 0        | AMP         | 4.65%            | 08/2023          |
| Term Deposit 2250                  | Financial assets at amortised cost | 3,012,115         | 0          | 3,012,115                                | 0        | Westpac     | 4.84%            | 09/2023          |
| Term Deposit                       | Financial assets at amortised cost | 1,000,000         | 0          | 1,000,000                                | 0        | CBA         | 4.47%            | 09/2023          |
| Term Deposit 0647                  | Financial assets at amortised cost | 3,000,000         | 0          | 3,000,000                                | 0        | Westpac     | 4.58%            | 10/2023          |
| Term Deposit                       | Financial assets at amortised cost | 1,000,000         | 0          | 1,000,000                                | 0        | Westpac     | 4.82%            | 11/2023          |
| Term Deposit                       | Financial assets at amortised cost | 3,000,000         | 0          | 3,000,000                                | 0        | Westpac     | 4.85%            | 12/2023          |
| Term Deposit                       | Financial assets at amortised cost | 4,000,000         | 0          | 4,000,000                                | 0        | NAB         | 4.72%            | 12/2023          |
| Term Deposit 6177                  | Financial assets at amortised cost | 2,500,000         | 0          | 2,500,000                                | 0        | Suncorp     | 5.10%            | 12/2023          |
| Term Deposit                       | Financial assets at amortised cost | 2,000,000         | 0          | 2,000,000                                | 0        | CBA         | 4.49%            | 01/2024          |
| Term Deposit 2949                  | Financial assets at amortised cost | 1,004,763         | 0          | 1,004,763                                | 0        | Westpac     | 4.95%            | 02/2024          |
| Term Deposit                       | Financial assets at amortised cost | 1,009,374         | 0          | 1,009,374                                | 0        | Westpac     | 5.05%            | 02/2024          |
| Term Deposit                       | Financial assets at amortised cost | 2,000,000         | 0          | 2,000,000                                | 0        | Westpac     | 4.86%            | 03/2024          |
| Term Deposit                       | Financial assets at amortised cost | 1,500,000         | 0          | 1,500,000                                | 0        | AMP         | 5.10%            | 04/2024          |
| Term Deposit                       | Financial assets at amortised cost | 3,000,000         | 0          | 3,000,000                                | 0        | AMP         | 5.05%            | 05/2024          |
| Term Deposit                       | Financial assets at amortised cost | 3,000,000         | 0          | 3,000,000                                | 0        | NAB         | 4.99%            | 05/2024          |
| Term Deposit 6256                  | Financial assets at amortised cost | 2,500,000         | 0          | 2,500,000                                | 0        | Suncorp     | 5.48%            | 06/2024          |
| Term Deposit 1023                  | Financial assets at amortised cost | 2,500,000         | 0          | 2,500,000                                | 0        | Westpac     | 5.59%            | 06/2024          |
| Term Deposit 2537                  | Financial assets at amortised cost | 1,000,000         | 0          | 1,000,000                                | 0        | AMP         | 5.55%            | 05/2024          |
| Term Deposit                       | Financial assets at amortised cost | 1,000,000         | 0          | 1,000,000                                | 0        | NAB         | 5.28%            | 11/2023          |
| Term Deposit 6485                  | Financial assets at amortised cost | 2,000,000         | 0          | 2,000,000                                | 0        | Suncorp     | 5.47%            | 04/2024          |
| <b>Total</b>                       |                                    | <b>47,709,793</b> | <b>0</b>   | <b>47,709,793</b>                        | <b>0</b> |             |                  |                  |
| <b>Comprising</b>                  |                                    |                   |            |  |          |             |                  |                  |
| Cash and cash equivalents          |                                    | 2,683,541         | 0          | 2,683,541                                | 0        |             |                  |                  |
| Financial assets at amortised cost |                                    | 45,026,252        | 0          | 45,026,252                               | 0        |             |                  |                  |
|                                    |                                    | <b>47,709,793</b> | <b>0</b>   | <b>47,709,793</b>                        | <b>0</b> |             |                  |                  |

**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.

2 RECEIVABLES

| Receivables - general                        | Credit | Current | 30 Days | 60 Days | 90+ Days | Total            |
|--|--------|---------|---------|---------|----------|------------------|
|  | \$     | \$      | \$      | \$      | \$       | \$               |
| Receivables - general                        | 0      | 133,158 | 18,224  | 20,943  | 0        | 172,325          |
| Percentage                                   | 0.0%   | 77.3%   | 10.6%   | 12.2%   | 0.0%     |                  |
| <b>Balance per trial balance</b>             |        |         |         |         |          |                  |
| Trade receivables                            |        |         |         |         |          | 172,325          |
| Accrued interest                             |        |         |         |         |          | 1,477,466        |
| <b>Total receivables general outstanding</b> |        |         |         |         |          | <b>1,649,791</b> |

Amounts shown above include GST (where applicable)

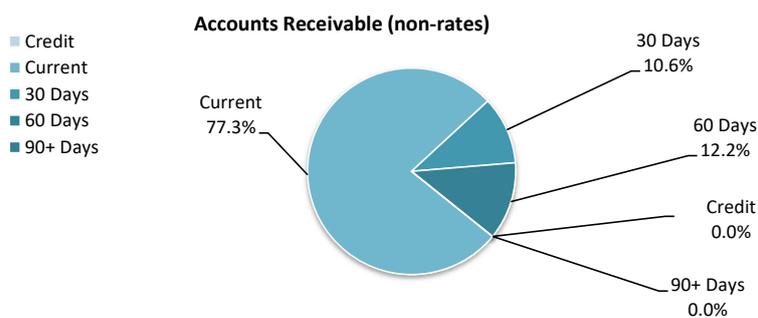
KEY INFORMATION

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 except rates receivables which are expected to be collected within 12 months 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.



3 OTHER CURRENT ASSETS

| <b>Other current assets</b>             | <b>Opening<br/>Balance<br/>1 July 2023</b> | <b>Asset<br/>Increase</b> | <b>Asset<br/>Reduction</b> | <b>Closing<br/>Balance<br/>31 July 2023</b> |
|---|--|---------------------------|----------------------------|---|
|   | \$   | \$                        | \$                         | \$  |
| <b>Other assets</b>                     |  |                           |                            |   |
| Funds held by Settlement agent in Trust | 10,800                                     | 8,000                     | (1,000)                    | 17,800                                      |
| <b>Total other current assets</b>       | <b>10,800</b>                              | <b>8,000</b>              | <b>(1,000)</b>             | <b>17,800</b>                               |

Amounts shown above include GST (where applicable)

KEY INFORMATION

4 PAYABLES

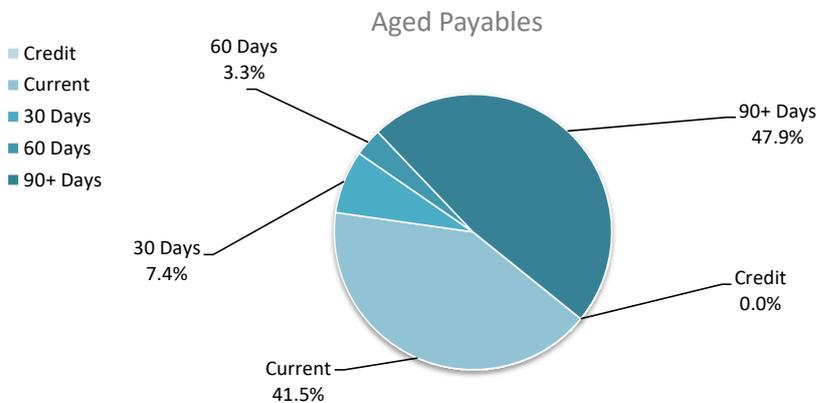
Payables - general

|   | Credit | Current | 30 Days | 60 Days | 90+ Days | Total          |
|---|--------|---------|---------|---------|----------|----------------|
|   | \$     | \$      | \$      | \$      | \$       | \$             |
| Payables - general                        | 0      | 48,767  | 8,683   | 3,877   | 56,312   | 117,639        |
| Percentage                                | 0.0%   | 41.5%   | 7.4%    | 3.3%    | 47.9%    |                |
| <b>Balance per trial balance</b>          |        |         |         |         |          |                |
| Sundry creditors                          |        |         |         |         |          | 117,639        |
| ATO liabilities                           |        |         |         |         |          | 24,795         |
| Credit card                               |        |         |         |         |          | 2,089          |
| Deposits or bonds                         |        |         |         |         |          | 120,000        |
| <b>Total payables general outstanding</b> |        |         |         |         |          | <b>264,523</b> |

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.



5 LEASE LIABILITIES

Movement in carrying amounts

| Information on leases<br>Particulars  | Lease No.     | 1 July 2023    | New Leases |          | Principal Repayments |                 | Principal Outstanding |                 | Interest Repayments |                |
|---------------------------------------|---------------|----------------|------------|----------|----------------------|-----------------|-----------------------|-----------------|---------------------|----------------|
|                                       |               |                | Actual     | Budget   | Actual               | Budget          | Actual                | Budget          | Actual              | Budget         |
|                                       |               | \$             | \$         | \$       | \$                   | \$              | \$                    | \$              | \$                  |                |
| 2/369 Scarborough Beach Road, Innaloo | STIRLI/210937 |                | 0          | 0        | (2,898)              | (34,966)        | (2,898)               | (34,966)        | (260)               | (2,691)        |
| <b>Total</b>                          |               | <b>0</b>       | <b>0</b>   | <b>0</b> | <b>(2,898)</b>       | <b>(34,966)</b> | <b>(2,898)</b>        | <b>(34,966)</b> | <b>(260)</b>        | <b>(2,691)</b> |
| Current lease liabilities             |               | 35,214         |            |          |                      |                 | 32,316                |                 |                     |                |
| Non-current lease liabilities         |               | 93,832         |            |          |                      |                 | 93,832                |                 |                     |                |
|                                       |               | <b>129,046</b> |            |          |                      |                 | <b>126,148</b>        |                 |                     |                |

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.

6 OTHER CURRENT LIABILITIES

| Other current liabilities              | Note | Opening<br>Balance 1<br>July 2023 | Liability<br>transferred<br>from/(to) non<br>current | Liability<br>Increase | Liability<br>Reduction | Closing<br>Balance 31<br>July 2023 |
|--|------|-----------------------------------|--|-----------------------|------------------------|------------------------------------|
|  |      | \$                                | \$   | \$                    | \$                     | \$                                 |
| <b>Employee Related Provisions</b>     |      |                                   |  |                       |                        |                                    |
| Provision for annual leave             |      | 27,532                            | 0  | 0                     | 0                      | 27,532                             |
| <b>Total Provisions</b>                |      | 27,532                            | 0  | 0                     | 0                      | 27,532                             |
| <b>Total other current liabilities</b> |      | 27,532                            | 0  | 0                     | 0                      | 27,532                             |

Amounts shown above include GST (where applicable)

A breakdown of contract liabilities and associated movements is provided on the following pages at Note

**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.



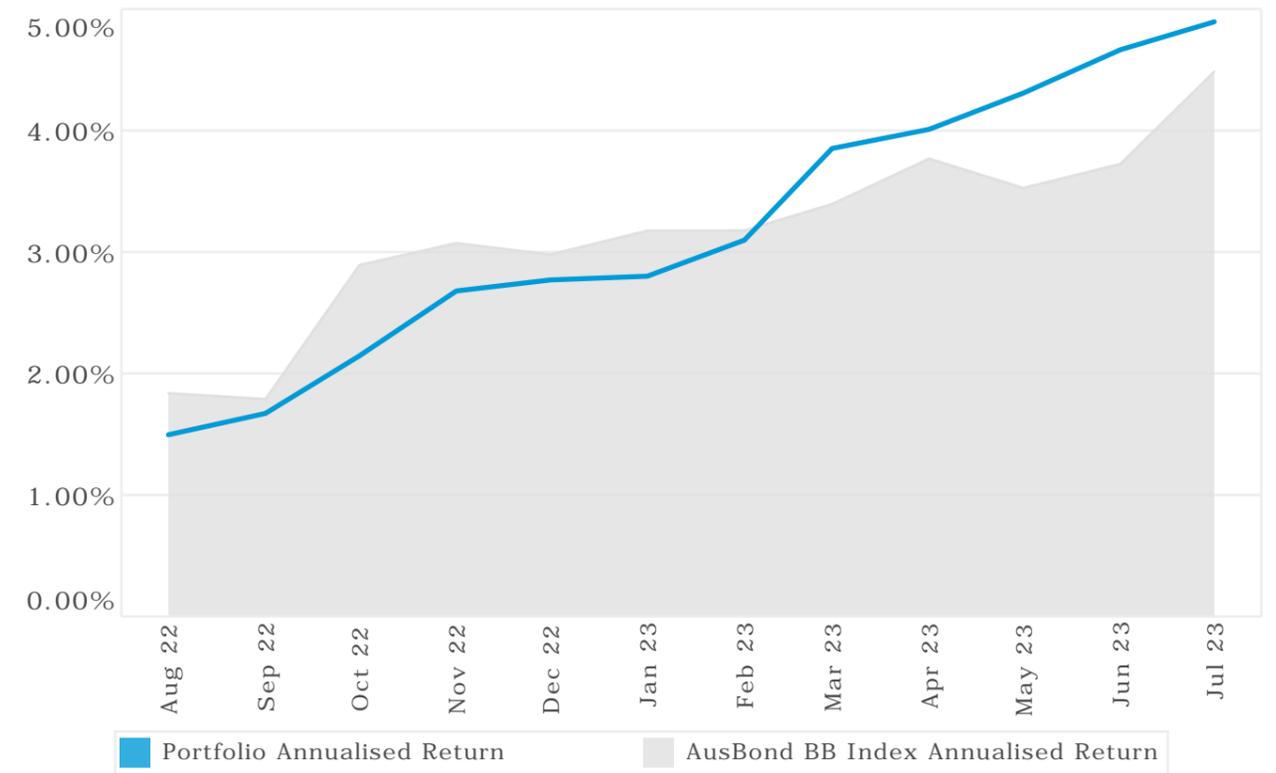
Investment Summary Report  
July 2023



Investment Holdings

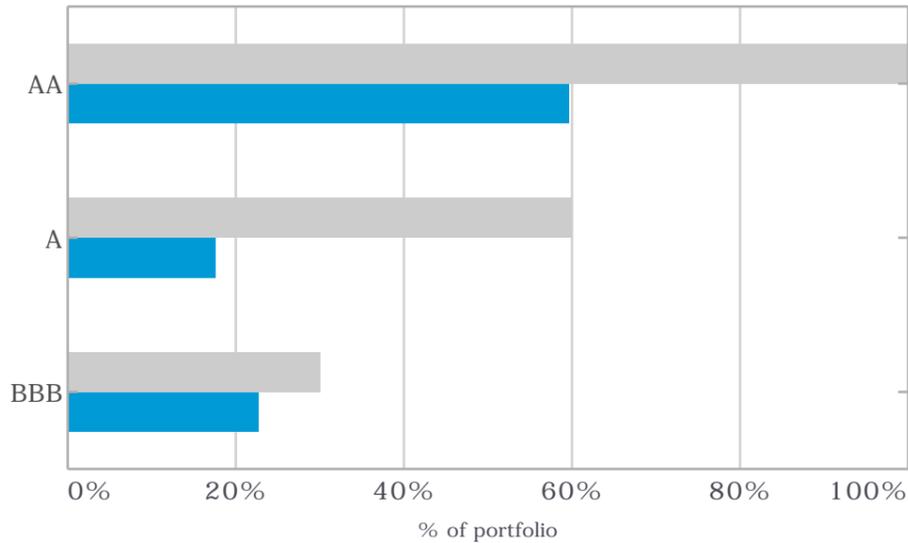
Investment Performance

|              | Face Value (\$) | Current Value (\$) | Current | Yield (%) |
|--------------|-----------------|--------------------|---------|-----------|
| Cash         | 1,121,892       | 1,121,892          |         | 4.1773    |
| Term Deposit | 45,026,252      | 45,851,820         |         | 4.9532    |
|              | 46,148,144      | 46,973,711         |         | 4.9343    |

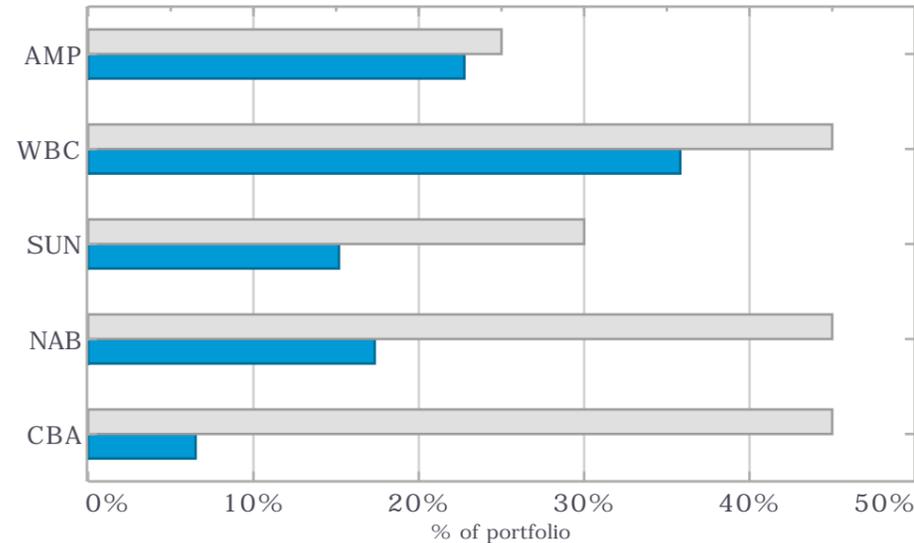


Investment Policy Compliance

Total Credit Exposure



Individual Institutional Exposures



Term to Maturities

|                       | Face Value (\$) | Policy Max |
|-----------------------|-----------------|------------|
| Between 0 and 1 years | 46,148,144      | 100% a     |
|                       | 46,148,144      |            |

g Portfolio Exposure      g Investment Policy Limit

# Tamala Park Regional Council

## Investment Holdings Report - July 2023



### Cash Accounts

| Face Value (\$) | Current Rate (%) | Institution    | Credit Rating | Current Value (\$) | Deal No. | Reference   |
|-----------------|------------------|----------------|---------------|--------------------|----------|-------------|
| 1,121,891.54    | 4.1773%          | Macquarie Bank | A+            | 1,121,891.54       | 541301   | Accelerator |
| 1,121,891.54    | 4.1773%          |                |               | 1,121,891.54       |          |             |

### Term Deposits

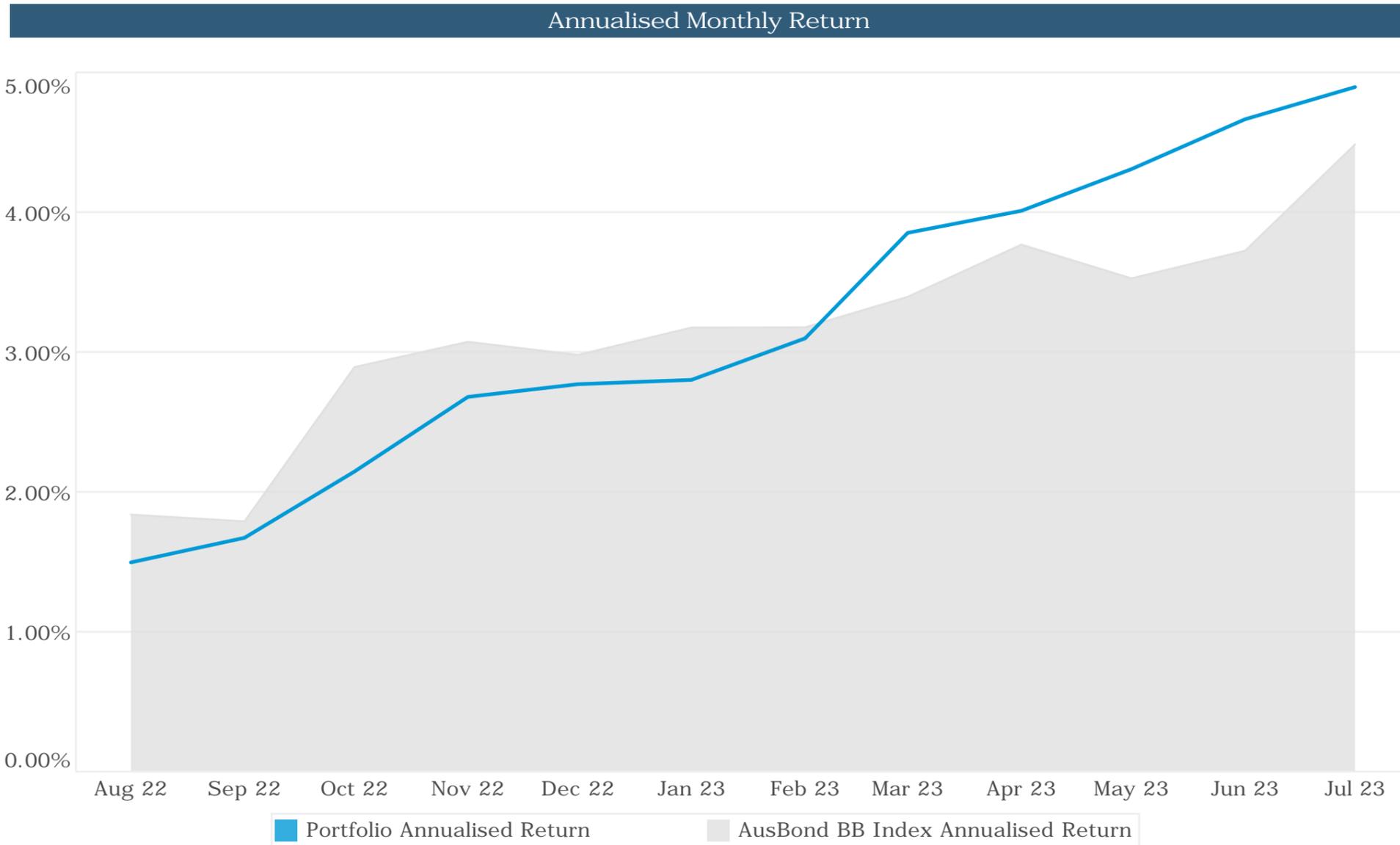
| Maturity Date | Face Value (\$) | Current Rate (%) | Institution                    | Credit Rating | Purchase Price (\$) | Purchase Date | Current Value (\$) | Deal No. | Accrued Interest (\$) | Next Interest Date | Reference |
|---------------|-----------------|------------------|--------------------------------|---------------|---------------------|---------------|--------------------|----------|-----------------------|--------------------|-----------|
| Aug-23        | 2,000,000.00    | 4.6500%          | AMP Bank                       | BBB           | 2,000,000.00        | Nov-22        | 2,068,030.14       | 543519   | 68,030.14             | At Maturity        | 687       |
| Aug-23        | 3,000,000.00    | 4.6500%          | AMP Bank                       | BBB           | 3,000,000.00        | Nov-22        | 3,102,045.21       | 543520   | 102,045.21            | At Maturity        | 689       |
| Sep-23        | 1,000,000.00    | 4.4700%          | Commonwealth Bank of Australia | AA-           | 1,000,000.00        | Feb-23        | 1,021,431.51       | 543795   | 21,431.51             | At Maturity        | 692       |
| Sep-23        | 3,012,115.07    | 4.8400%          | Westpac Group                  | AA-           | 3,012,115.07        | Sep-22        | 3,135,534.22       | 543396   | 123,419.15            | At Maturity        | 683       |
| Oct-23        | 3,000,000.00    | 4.5800%          | Westpac Group                  | AA-           | 3,000,000.00        | Oct-22        | 3,109,543.56       | 543474   | 109,543.56            | At Maturity        | 685       |
| Nov-23        | 1,000,000.00    | 4.8200%          | Westpac Group                  | AA-           | 1,000,000.00        | Mar-23        | 1,018,355.62       | 543933   | 18,355.62             | At Maturity        | 698       |
| Nov-23        | 1,000,000.00    | 5.2800%          | National Australia Bank        | AA-           | 1,000,000.00        | Jul-23        | 1,000,867.95       | 544337   | 867.95                | At Maturity        |           |
| Dec-23        | 4,000,000.00    | 4.7200%          | National Australia Bank        | AA-           | 4,000,000.00        | Mar-23        | 4,074,485.48       | 543931   | 74,485.48             | At Maturity        | 697       |
| Dec-23        | 2,500,000.00    | 5.1000%          | Suncorp Bank                   | A+            | 2,500,000.00        | Jun-23        | 2,519,561.64       | 544161   | 19,561.64             | At Maturity        | 703       |
| Dec-23        | 3,000,000.00    | 4.8500%          | Westpac Group                  | AA-           | 3,000,000.00        | Mar-23        | 3,058,598.63       | 543905   | 58,598.63             | At Maturity        | 696       |
| Jan-24        | 2,000,000.00    | 4.4900%          | Commonwealth Bank of Australia | AA-           | 2,000,000.00        | Jan-23        | 2,046,499.18       | 543716   | 46,499.18             | At Maturity        | 691       |
| Feb-24        | 1,004,763.01    | 4.9500%          | Westpac Group                  | AA-           | 1,004,763.01        | Feb-23        | 1,027,655.09       | 543888   | 22,892.08             | Semi Annually      | 693       |
| Feb-24        | 1,009,374.25    | 5.0500%          | Westpac Group                  | AA-           | 1,009,374.25        | Feb-23        | 1,031,718.75       | 543853   | 22,344.50             | Semi Annually      | 695       |
| Mar-24        | 2,000,000.00    | 4.8600%          | Westpac Group                  | AA-           | 2,000,000.00        | May-23        | 2,020,505.21       | 544120   | 20,505.21             | At Maturity        | 700       |
| Apr-24        | 2,000,000.00    | 5.4700%          | Suncorp Bank                   | A+            | 2,000,000.00        | Jul-23        | 2,004,196.16       | 544321   | 4,196.16              | At Maturity        |           |
| May-24        | 3,000,000.00    | 5.0500%          | AMP Bank                       | BBB           | 3,000,000.00        | May-23        | 3,037,356.16       | 544062   | 37,356.16             | At Maturity        | 702       |
| May-24        | 1,500,000.00    | 5.1000%          | AMP Bank                       | BBB           | 1,500,000.00        | May-23        | 1,516,138.36       | 544099   | 16,138.36             | At Maturity        | 699       |
| May-24        | 1,000,000.00    | 5.5500%          | AMP Bank                       | BBB           | 1,000,000.00        | Jul-23        | 1,000,912.33       | 544338   | 912.33                | At Maturity        |           |
| May-24        | 3,000,000.00    | 4.9900%          | National Australia Bank        | AA-           | 3,000,000.00        | May-23        | 3,025,428.49       | 544137   | 25,428.49             | At Maturity        | 701       |
| Jun-24        | 2,500,000.00    | 5.4800%          | Suncorp Bank                   | A+            | 2,500,000.00        | Jun-23        | 2,517,641.10       | 544204   | 17,641.10             | At Maturity        | 704       |
| Jun-24        | 2,500,000.00    | 5.5900%          | Westpac Group                  | AA-           | 2,500,000.00        | Jun-23        | 2,515,315.07       | 544220   | 15,315.07             | Annually           |           |
|               | 45,026,252.33   | 4.9532%          |                                |               | 45,026,252.33       |               | 45,851,819.86      |          | 825,567.53            |                    |           |

# Tamala Park Regional Council

## Accrued Interest Report - July 2023



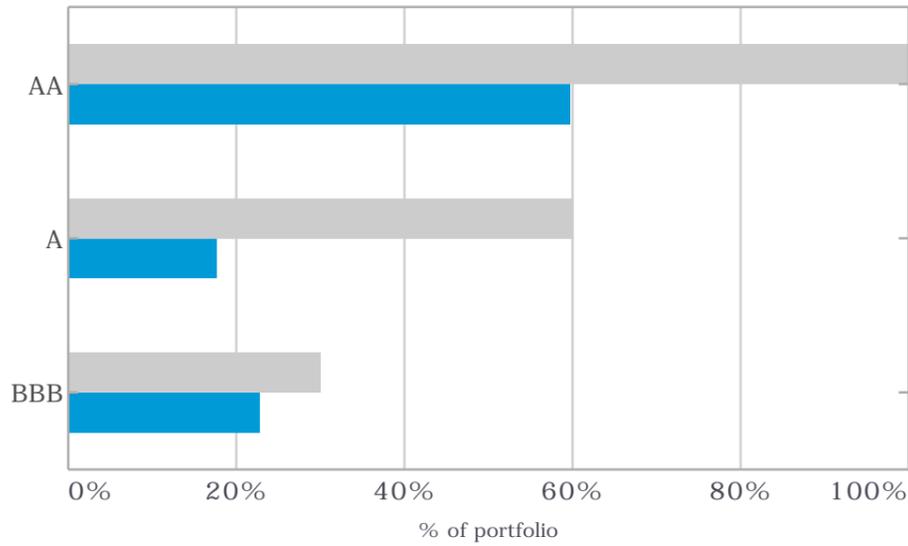
| Investment                     | Deal No. | Comments | Face Value (\$) | Settlement Date | Maturity Date | Interest Received (\$) | Days | Interest Accrued (\$) | Yield (% pa) |
|--------------------------------|----------|----------|-----------------|-----------------|---------------|------------------------|------|-----------------------|--------------|
| <b>Cash</b>                    |          |          |                 |                 |               |                        |      |                       |              |
| Macquarie Bank                 | 541301   |          |                 |                 |               | 3,892.67               | 0    | 3,892.67              | 4.18%        |
|                                |          |          |                 |                 |               | 3,892.67               |      | 3,892.67              | 4.18%        |
| <b>Term Deposits</b>           |          |          |                 |                 |               |                        |      |                       |              |
| Suncorp Bank                   | 543545   |          | 1,006,578.08    | Nov-22          | Jul-23        | 28,493.05              | 17   | 1,969.03              | 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   | 4,093.70              | 4.82%        |
| National Australia Bank        | 544337   |          | 1,000,000.00    | Jul-23          | Nov-23        | 0.00                   | 6    | 867.95                | 5.28%        |
| 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%        |
| Suncorp Bank                   | 544161   |          | 2,500,000.00    | Jun-23          | Dec-23        | 0.00                   | 31   | 10,828.76             | 5.10%        |
| 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   | 4,329.24              | 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                   | 31   | 8,255.35              | 4.86%        |
| Suncorp Bank                   | 544321   |          | 2,000,000.00    | Jul-23          | Apr-24        | 0.00                   | 14   | 4,196.16              | 5.47%        |
| AMP Bank                       | 544062   |          | 3,000,000.00    | May-23          | May-24        | 0.00                   | 31   | 12,867.12             | 5.05%        |
| AMP Bank                       | 544099   |          | 1,500,000.00    | May-23          | May-24        | 0.00                   | 31   | 6,497.26              | 5.10%        |
| AMP Bank                       | 544338   |          | 1,000,000.00    | Jul-23          | May-24        | 0.00                   | 6    | 912.33                | 5.55%        |
| National Australia Bank        | 544137   |          | 3,000,000.00    | May-23          | May-24        | 0.00                   | 31   | 12,714.24             | 4.99%        |
| Suncorp Bank                   | 544204   |          | 2,500,000.00    | Jun-23          | Jun-24        | 0.00                   | 31   | 11,635.62             | 5.48%        |
| Westpac Group                  | 544220   |          | 2,500,000.00    | Jun-23          | Jun-24        | 0.00                   | 31   | 11,869.18             | 5.59%        |
|                                |          |          |                 |                 |               | 28,493.05              |      | 178,873.99            | 4.91%        |
| <b>Grand Totals</b>            |          |          |                 |                 |               | <b>32,385.72</b>       |      | <b>182,766.66</b>     | <b>4.89%</b> |



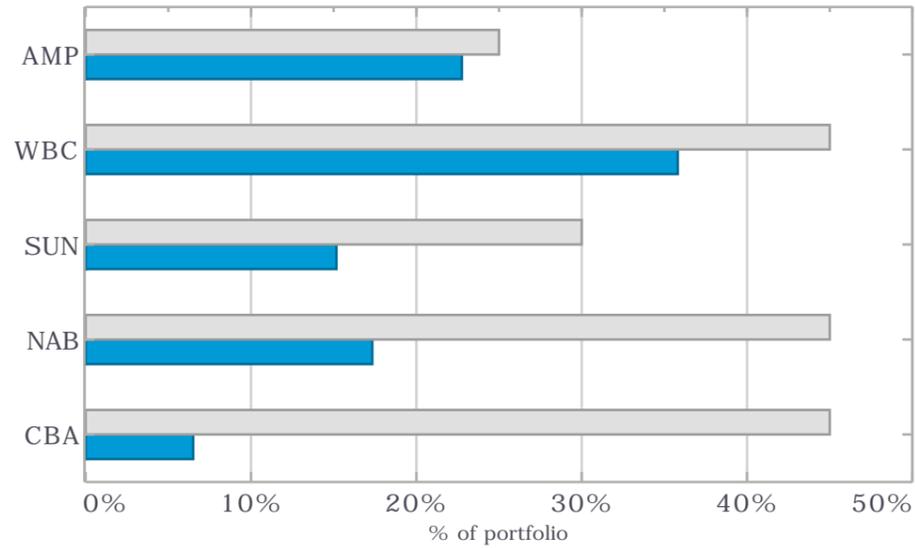
| Historical Performance Summary (% pa) |           |                     |                |
|---------------------------------------|-----------|---------------------|----------------|
|                                       | Portfolio | Annualised BB Index | Outperformance |
| Jul 2023                              | 4.89%     | 4.48%               | 0.41%          |
| Last 3 months                         | 4.62%     | 3.91%               | 0.71%          |
| Last 6 months                         | 4.15%     | 3.69%               | 0.46%          |
| Financial Year to Date                | 4.89%     | 4.48%               | 0.41%          |
| Last 12 months                        | 3.19%     | 3.15%               | 0.04%          |



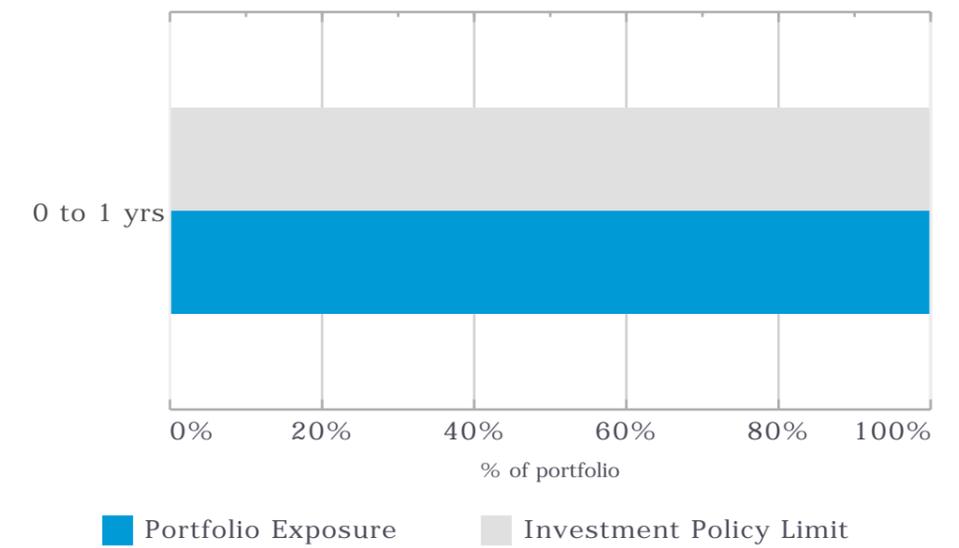
Total Credit Exposure



Individual Institutional Exposures



Term to Maturities



| Credit Rating Group | Face Value (\$) | Policy Max |
|---------------------|-----------------|------------|
| AA                  | 27,526,252      | 60% 100% a |
| A                   | 8,121,892       | 18% 60% a  |
| BBB                 | 10,500,000      | 23% 30% a  |
|                     | 46,148,144      |            |

| Institution                          | % of portfolio | Investment Policy Limit |   |
|--------------------------------------|----------------|-------------------------|---|
| AMP Bank (BBB)                       | 23%            | 25%                     | a |
| Westpac Group (AA-)                  | 36%            | 45%                     | a |
| Suncorp Bank (A+)                    | 15%            | 30%                     | a |
| National Australia Bank (AA-)        | 17%            | 45%                     | a |
| Commonwealth Bank of Australia (AA-) | 7%             | 45%                     | a |
| Macquarie Bank (A+)                  | 2%             | 30%                     | a |

|                       | Face Value (\$) | Policy Max  |
|-----------------------|-----------------|-------------|
| Between 0 and 1 years | 46,148,144      | 100% 100% a |
|                       | 46,148,144      |             |

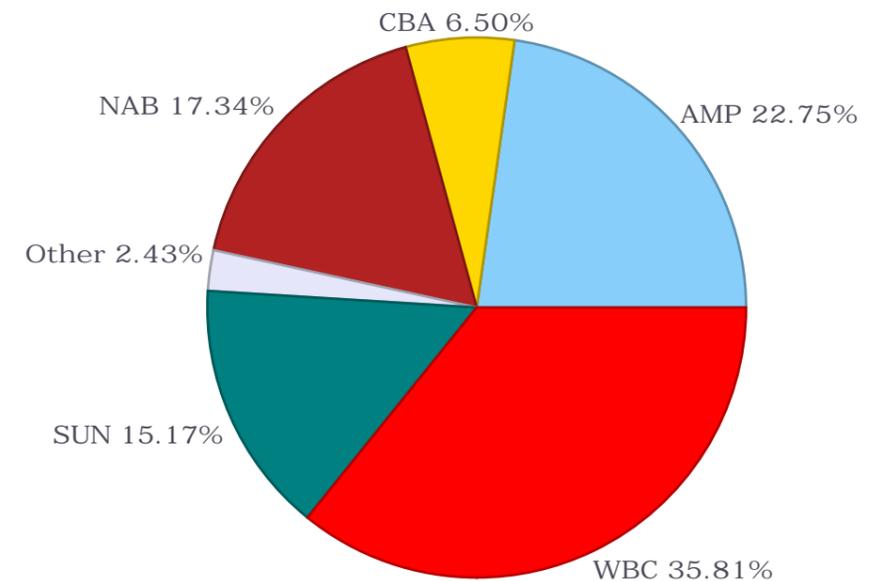
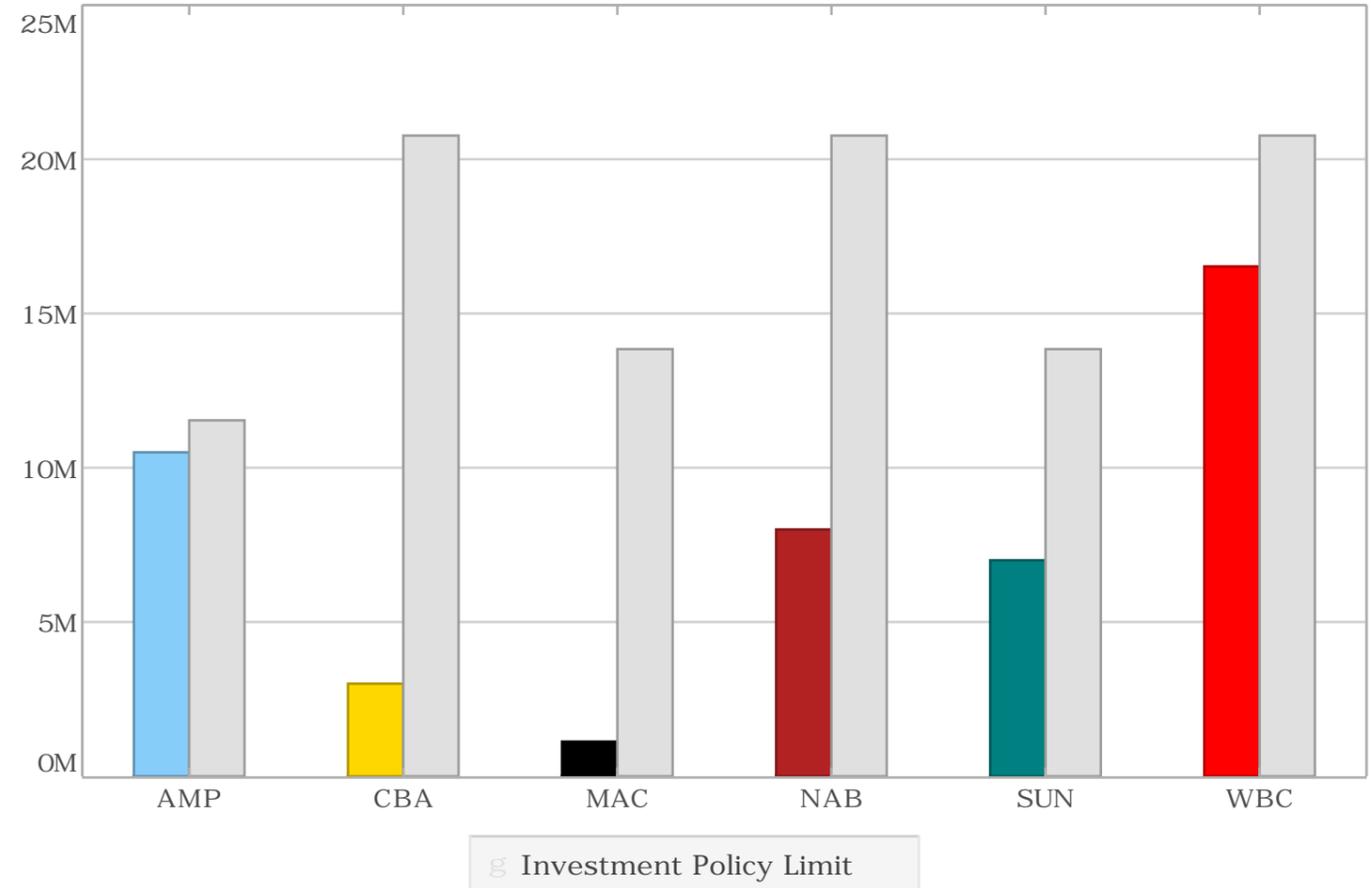
a = compliant  
r = non-compliant



Individual Institutional Exposures

Individual Institutional Exposure Charts

|                                      | Current Exposures |     | Policy Limit |     | Capacity   |
|--------------------------------------|-------------------|-----|--------------|-----|------------|
| AMP Bank (BBB)                       | 10,500,000        | 23% | 11,537,036   | 25% | 1,037,036  |
| Commonwealth Bank of Australia (AA-) | 3,000,000         | 7%  | 20,766,665   | 45% | 17,766,665 |
| Macquarie Bank (A+)                  | 1,121,892         | 2%  | 13,844,443   | 30% | 12,722,551 |
| National Australia Bank (AA-)        | 8,000,000         | 17% | 20,766,665   | 45% | 12,766,665 |
| Suncorp Bank (A+)                    | 7,000,000         | 15% | 13,844,443   | 30% | 6,844,443  |
| Westpac Group (AA-)                  | 16,526,252        | 36% | 20,766,665   | 45% | 4,240,413  |
|                                      | 46,148,144        |     |              |     |            |



# Tamala Park Regional Council

## Cashflows Report - July 2023



### Actual Cashflows for July 2023

| Date                   | Deal No. | Cashflow Counterparty   | Asset Type   | Cashflow Description             | Amount               |
|------------------------|----------|-------------------------|--------------|----------------------------------|----------------------|
| Jul-23                 | 543545   | Suncorp Bank            | Term Deposit | Maturity: Face Value             | 1,006,578.06         |
|                        |          | Suncorp Bank            | Term Deposit | Maturity: Interest Received/Paid | 28,493.05            |
|                        |          | <u>Deal Total</u>       |              |                                  |                      |
| Jul-23                 | 544321   | Suncorp Bank            | Term Deposit | Settlement: Face Value           | -2,000,000.00        |
|                        |          |                         |              | <u>Deal Total</u>                |                      |
| <u>Day Total</u>       |          |                         |              |                                  | <u>-964,928.88</u>   |
| Jul-23                 | 544337   | National Australia Bank | Term Deposit | Settlement: Face Value           | -1,000,000.00        |
|                        |          |                         |              | <u>Deal Total</u>                |                      |
| Jul-23                 | 544338   | AMP Bank                | Term Deposit | Settlement: Face Value           | -1,000,000.00        |
|                        |          |                         |              | <u>Deal Total</u>                |                      |
| <u>Day Total</u>       |          |                         |              |                                  | <u>-2,000,000.00</u> |
| <u>Total for Month</u> |          |                         |              |                                  | <u>-2,964,928.88</u> |

### Forecast Cashflows for August 2023

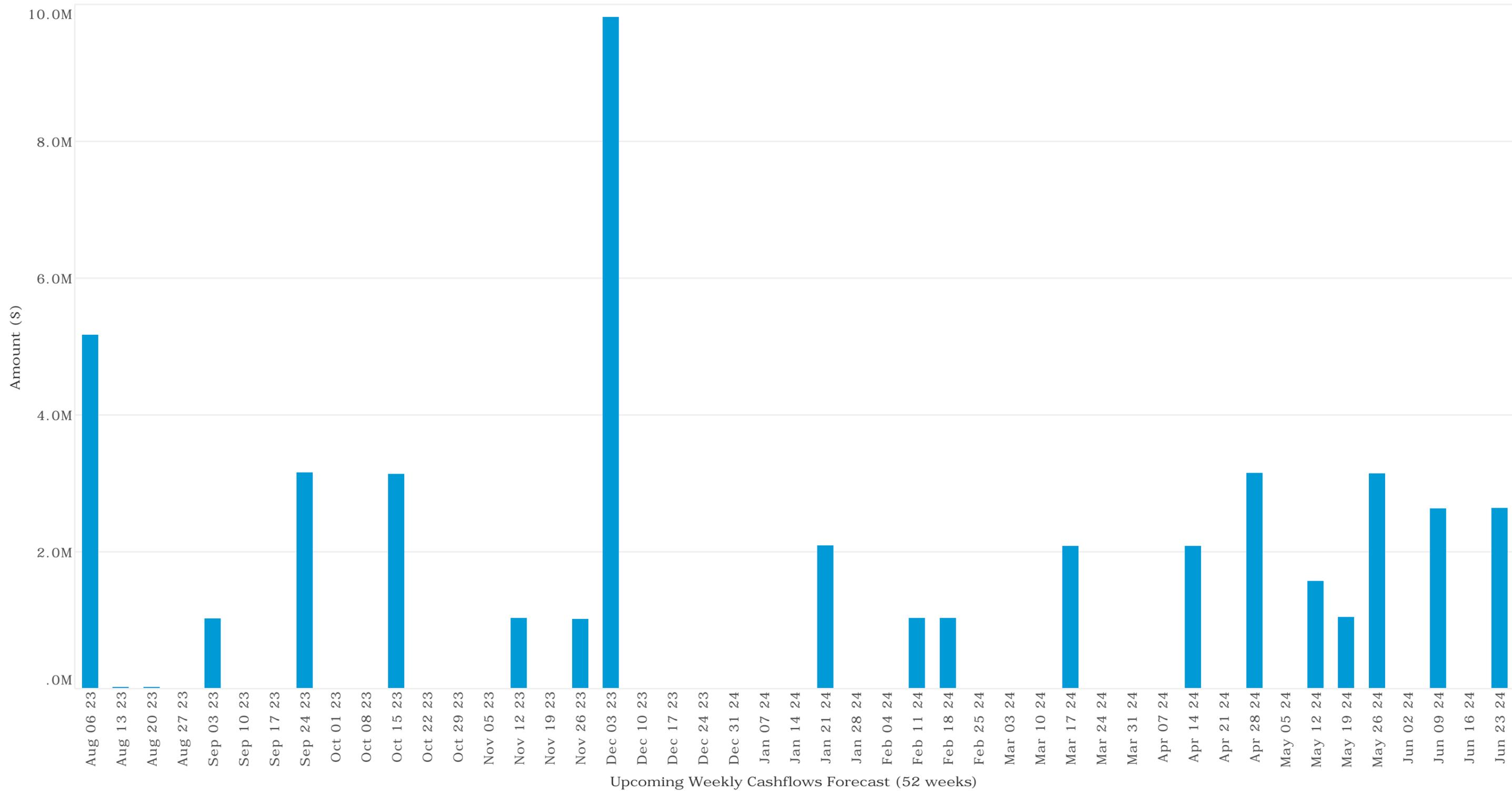
| Date             | Deal No. | Cashflow Counterparty | Asset Type   | Cashflow Description                 | Amount              |
|------------------|----------|-----------------------|--------------|--------------------------------------|---------------------|
| Aug-23           | 543519   | AMP Bank              | Term Deposit | Maturity: Face Value                 | 2,000,000.00        |
|                  |          | AMP Bank              | Term Deposit | Maturity: Interest Received/Paid     | 69,813.70           |
|                  |          | <u>Deal Total</u>     |              |                                      |                     |
| Aug-23           | 543520   | AMP Bank              | Term Deposit | Maturity: Face Value                 | 3,000,000.00        |
|                  |          | AMP Bank              | Term Deposit | Maturity: Interest Received/Paid     | 104,720.55          |
|                  |          | <u>Deal Total</u>     |              |                                      |                     |
| <u>Day Total</u> |          |                       |              |                                      | <u>5,174,534.24</u> |
| Aug-23           | 543888   | Westpac Group         | Term Deposit | During: Interest Received/Paid Dates | 24,663.49           |
|                  |          |                       |              | <u>Deal Total</u>                    |                     |
| <u>Day Total</u> |          |                       |              |                                      | <u>24,663.49</u>    |
| Aug-23           | 543853   | Westpac Group         | Term Deposit | During: Interest Received/Paid Dates | 25,277.22           |

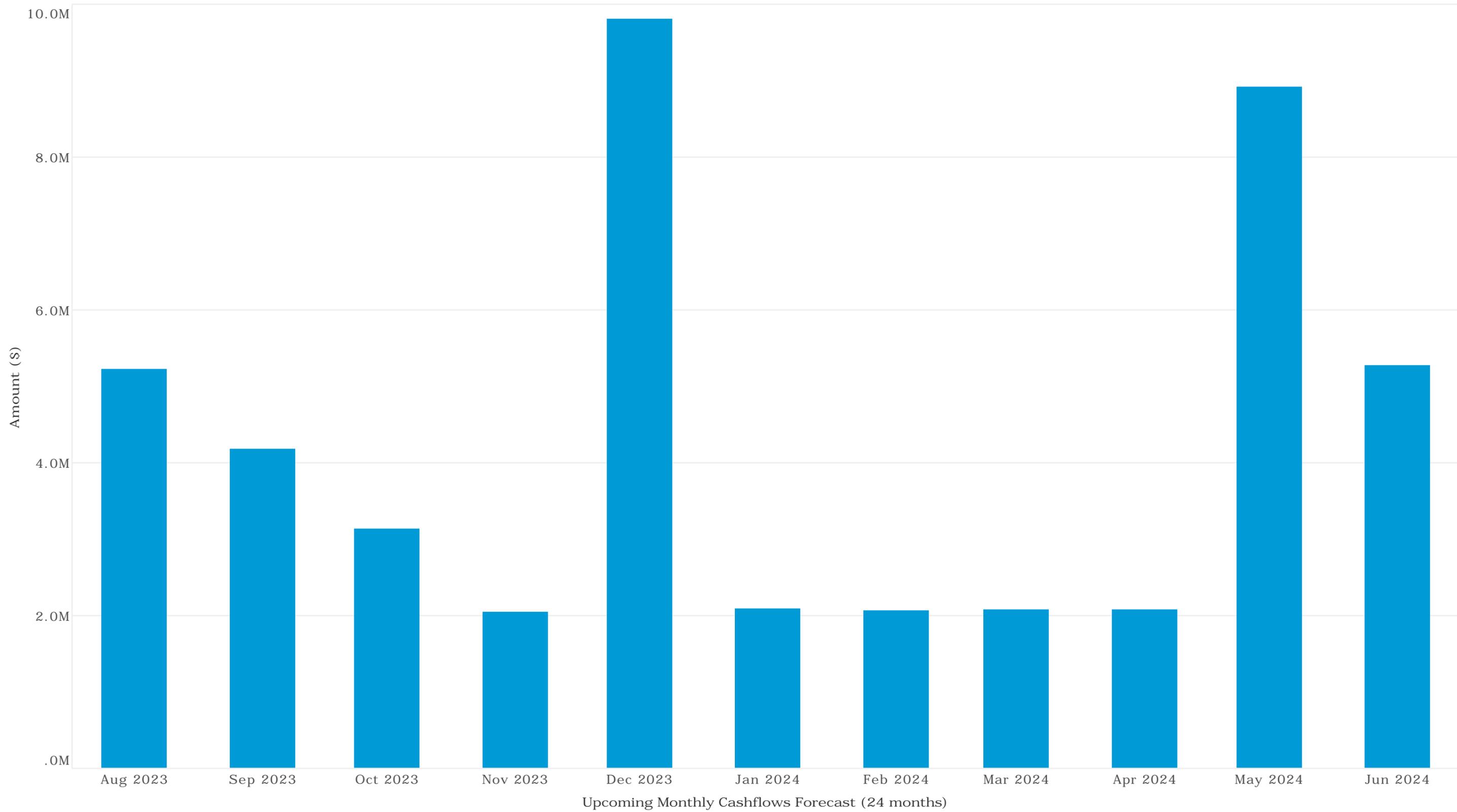
# Tamala Park Regional Council

## Cashflows Report - July 2023



| Date | Deal No. | Cashflow Counterparty | Asset Type | Cashflow Description   | Amount              |
|------|----------|-----------------------|------------|------------------------|---------------------|
|      |          |                       |            | <u>Deal Total</u>      | <u>25,277.22</u>    |
|      |          |                       |            | Day Total              | 25,277.22           |
|      |          |                       |            | <u>Total for Month</u> | <u>5,224,474.95</u> |





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## 6.2. LIST OF MONTHLY ACCOUNTS SUBMITTED - JULY 2023

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

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### RECOMMENDATION

**That the Council:**

- 1. RECEIVES and NOTES the list of accounts paid under Delegated Authority to the CEO for July 2023 - \$891,636.78.**
  - 2. APPROVES the CEO Credit Card Statement for July 2023.**
- 

### PURPOSE

Submission of payments made under the CEO's Delegated Authority for the month of July 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

|   |                     |
|---|---------------------|
| <b>Risk Ref: 8</b>                            | <b>Risk Rating:</b> |
| CRC Operations - Financial Management of CRC. | Low                 |

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|                |
|----------------|
| <b>Action:</b> |
|----------------|

|   |
|---|
| 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, CRC procurement and other relevant policies.

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

# Catalina Regional Council Summary Payment List July 2023

| Date       | Name                           | Description  | Amount      |
|------------|--------------------------------|--|-------------|
| 03/07/2023 | City of Wanneroo               | Stage 29 Replacement Bond                              | -51,506.18  |
| 11/07/2023 | Employee costs                 | Backpays x 2   | -1,591.81   |
| 13/07/2023 | Employee costs                 | Wages for period 29/06/23 - 12/07/23                   | -16,125.06  |
| 13/07/2023 | Burgess Rawson                 | GST Valuations (June 2023)                             | -880.00     |
| 13/07/2023 | Chubb Fire & Security P/L      | Sales Office servicing of fire equipment               | -103.39     |
| 13/07/2023 | City of Stirling               | GST, rent & ICT  | -22,266.98  |
| 13/07/2023 | Cossill and Webley             | Engineering services                                   | -63,498.31  |
| 13/07/2023 | Dominic Carbone and Assoc.     | GST management services (May 2023)                     | -561.00     |
| 13/07/2023 | Eastwood, Ken & Lynne          | Partial reimbursement of fencing cost (Lot 2017)       | -1,500.00   |
| 13/07/2023 | Fisher, Keith & Linda          | Partial reimbursement of fencing cost (Lot 2018)       | -1,500.00   |
| 13/07/2023 | Kevin Smith Cleaning Services  | Cleaning of TPRC office (June 2023)                    | -145.71     |
| 13/07/2023 | LD Total                       | Landscaping services                                   | -211,171.97 |
| 13/07/2023 | LGIS Insurance Broking         | Insurances (30/06/2023 - 30/06/2024) - part 1          | -16,319.28  |
| 13/07/2023 | Market Creations               | Enhanced Corporate Identity Package                    | -5,709.00   |
| 13/07/2023 | Marketforce                    | Statutory advertising                                  | -2,416.42   |
| 13/07/2023 | MBS Environmental              | Stage 31 BMP clearance letter                          | -693.00     |
| 13/07/2023 | McMullen Nolan Group           | Surveying services                                     | -6,946.50   |
| 13/07/2023 | Moore Australia (WA) Pty Ltd   | Accounting services                                    | -10,653.50  |
| 13/07/2023 | Neverfail                      | Bottled water x 2                                      | -31.15      |
| 13/07/2023 | New Living Cleaning            | Sales Office celaning (30 June 2023)                   | -231.00     |
| 13/07/2023 | Next Level Signage             | Signage  | -9,820.80   |
| 13/07/2023 | O'Sullivan, Simon              | Reimbursement of mobile phone charges (May 2023)       | -58.19      |
| 13/07/2023 | Prudential Investment Services | Investment portfolio services (June 2023)              | -1,815.00   |
| 13/07/2023 | Stantons International         | Probity advisory services (Landscape Architect Tender) | -492.20     |
| 13/07/2023 | Treacy Fencing                 | Fencing (Lot 2149)                                     | -2,336.07   |
| 13/07/2023 | Vocus Pty Ltd                  | Business internet (July 2023)                          | -162.80     |
| 13/07/2023 | Westpac Bank                   | Payment of credit card charges - July 2023             | -5,169.66   |
| 13/07/2023 | Australian Super               | Superannuation for period 29/06/23 - 12/07/23          | -2,824.15   |
| 18/07/2023 | AMP Bank.                      | Bank audit fee for the year enidng 30 June 2023        | -25.00      |
| 18/07/2023 | Avantgarde Technologies P/L    | Microsoft 365 Annual Business Premium Licenses x 5     | -1,993.20   |
| 18/07/2023 | WAPC                           | Stages 33-34 Subdivision Application Fee               | -11,959.00  |
| 19/07/2023 | City of Wanneroo               | GST owing June 2023                                    | -8,683.68   |
| 21/07/2023 | City of Perth                  | GST (March - June 2023)                                | -65,307.11  |
| 27/07/2023 | Employee costs                 | Wages for period 13/07/23 - 26/07/23                   | -15,967.51  |
| 27/07/2023 | Adams, Chris                   | Reimbursement of mobile phone changes (June 2023)      | -58.19      |
| 27/07/2023 | Arbor Centre Group Pty Ltd     | Stage 36 - 12 x Tuarts                                 | -88,000.00  |
| 27/07/2023 | Avantgarde Technologies P/L    | Microsoft ATP Configuration                            | -6,402.00   |
| 27/07/2023 | City of Vincent                | GST (June 2023)  | -4,342.00   |
| 27/07/2023 | City of Wanneroo               | Beach UWMP Assessment Fee                              | -1,158.54   |
| 27/07/2023 | Cossill and Webley             | Stage 37 engineering services (June 2023)              | -3,236.20   |
| 27/07/2023 | Coterra Environment            | Environmental consulting advice                        | -5,153.50   |
| 27/07/2023 | Docushred                      | Security bin   | -59.40      |
| 27/07/2023 | Emerge Associates              | Stages 39-49 UWMP                                      | -3,363.80   |
| 27/07/2023 | Fast Flyers                    | Catalyst distribution                                  | -341.55     |
| 27/07/2023 | Imagesource                    | Catalyst newsletter flyers                             | -544.50     |
| 27/07/2023 | Marketforce                    | Disposition of property (28/06/23)                     | -318.35     |
| 27/07/2023 | MBS Environmental              | Stages 41-44 BMP                                       | -5,082.00   |
| 27/07/2023 | McMullen Nolan Group           | Surveying services                                     | -21,108.84  |
| 27/07/2023 | Nutrien Water                  | Landscape maintenance                                  | -42,899.25  |
| 27/07/2023 | Of Note Design                 | Catalina Green Info Bay Signage                        | -1,787.50   |
| 27/07/2023 | Omnicom Media Group Aust P/L   | Statutory advertising                                  | -3,109.74   |
| 27/07/2023 | Red Empire Media               | Virtual tour hosting 2023/2024                         | -330.00     |
| 27/07/2023 | Richards, L & Rencken, J       | WELS Rebate - Lot 2049                                 | -1,000.00   |
| 27/07/2023 | Satterley Property Group       | Community Development Services                         | -2,822.81   |

## Catalina Regional Council Summary Payment List July 2023

|            |                            |  |                           |
|------------|----------------------------|--|---------------------------|
| 27/07/2023 | Starr, S                   | Milk x 2                                       | -8.00                     |
| 27/07/2023 | Tim Davies Landscaping P/L | Landscape maintenance supervision (June 2023)  | -3,943.68                 |
| 27/07/2023 | Treacy Fencing             | Fencing services                               | -6,446.99                 |
| 27/07/2023 | UDIA (Qld)                 | EnviroDevelopment 2023 Recertification Fee     | -3,850.00                 |
| 27/07/2023 | UDIA (WA)                  | Foundations of Property Development Course     | -4,208.00                 |
| 27/07/2023 | WALGA                      | Annual Subscriptions 2023/2024                 | -9,806.43                 |
| 27/07/2023 | Alinta Energy              | Sales Office gas charges (17/04/23 - 13/07/23) | -26.10                    |
| 27/07/2023 | Canon Australia Pty Ltd    | Photocopying (21/06/23 - 21/07/23)             | -77.81                    |
| 27/07/2023 | Australian Super           | Superannuation for period 13/07/23 - 26/07/23  | -2,563.38                 |
| 31/07/2023 | City of Joondalup          | GST (April - June 2023)                        | -129,087.51               |
| 31/07/2023 | Westpac Bank               | Overdrawn fee                                  | -15.00                    |
| 31/07/2023 | Westpac Bank               | Bank interest charges - July 2023              | -21.08                    |
|            |                            |  | <b><u>-891,636.78</u></b> |

**Catalina Regional Council**  
**Credit Card Report**  
As of July 31, 2023

| <u>Type</u>        | <u>Date</u> | <u>Name</u>  | <u>Description</u>                               | <u>Amount</u>           |
|--------------------|-------------|--|--|-------------------------|
| Credit Card Charge | 07/07/2023  | The Downs IGA  | Coffee capsules x 4                              | 31.20                   |
| Credit Card Charge | 07/07/2023  | Ampol  | Milk x 2   | 8.00                    |
| Credit Card Charge | 07/07/2023  | City of perth Parking  | CEO meeting with SPG                             | 5.55                    |
| Credit Card Charge | 09/07/2023  | Woolworths   | Coffee capsules x 6                              | 33.00                   |
| Credit Card Charge | 10/07/2023  | Westpac Bank   | Credit card fees (CEO, EA & MPC)                 | 11.25                   |
| Cheque             | 13/07/2023  | Westpac Bank   | Credit card charges (EA)                         | -1,978.23               |
| Cheque             | 13/07/2023  | Westpac Bank   | Credit card charges (CEO)                        | -3,183.14               |
| Cheque             | 13/07/2023  | Westpac Bank   | Credit card charges (MPC)                        | -8.29                   |
| Credit Card Charge | 14/07/2023  | Lot Six Zero   | CEO meeting with ToC CEO                         | 11.22                   |
| Credit Card Charge | 19/07/2023  | Woolworths   | Milk x 2   | 9.00                    |
| Credit Card Charge | 19/07/2023  | Lot Six Zero   | CEO meeting with Fitstop owners re noise         | 16.99                   |
| Credit Card Charge | 26/07/2023  | Officeworks  | Double billed for CEO's chair (to be refunded)   | 533.95                  |
| Credit Card Charge | 27/07/2023  | Officeworks  | Office chair (CEO)                               | 533.95                  |
| Credit Card Charge | 27/07/2023  | Coles Supermarkets   | Milk x 2   | 9.00                    |
| Credit Card Charge | 29/07/2023  | Zoom Video Communications Standard Pro Monthly x 3 (August 2023) |  | 69.18                   |
| Credit Card Charge | 31/07/2023  | Moore Australia (WA) Pty Ltd                                     | Purchase of 2023/24 Budget Template              | 979.00                  |
| Credit Card Charge | 31/07/2023  | Bunnings   | Scotchguard fabric protector                     | 12.50                   |
| Credit Card Credit | 31/07/2023  | Officeworks  | Refund of CEO chair assembly fee (double billed) | -85.00                  |
|                    |             |  |  | <u>-2,990.87</u>        |
| <b>TOTAL</b>       |             |  |  | <b><u>-2,990.87</u></b> |

### 6.3. STAGE 39 CIVIL CONSTRUCTION & 41-43 BULK EARTHWORKS

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|                             |   |
|-----------------------------|---|
| <b>Responsible Officer:</b> | Project Manager                           |
| <b>Attachments:</b>         | 1. Comments - Stage 39 Civil Construction |
| <b>Voting Requirement:</b>  | Absolute Majority                         |

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#### RECOMMENDATION

##### That the Council:

1. **AGREES** to bring forward the timing of Stage 39 construction and sales in Catalina Green into the current financial year;
  2. **APPROVES** the award of civil construction of Stage 39 for the contract sum of \$5,970,299.96 (excluding GST) to Ralmana Pty Ltd trading as RJ Vincent;
  3. **AUTHORISES** the Chief Executive Officer to award the Stages 41 - 43 bulk earthworks under the civil works construction contract associated with Tender 03/2023, subject to the costs being in accordance with Council-approved rates; and
  4. **NOTES** the need to make appropriate adjustments to the Project Budget FYE 2024 for construction expenditure and revenue for Stage 39 and expenditure for the Stages 41 - 43 bulk earthworks being brought forward as components of the mid-year budget review.
- 

#### PURPOSE

To consider bringing forward civil construction of Stage 39 and bulk earthworks for Stages 41 – 43 in Catalina Green.

#### POLICY REFERENCE

N/A

#### LOCAL GOVERNMENT ACT/REGULATION

*Local Government Act 1995*: Sect 3.58 – Disposal of Property.

#### PREVIOUS MINUTES

- Council Meeting – 22 June 2023 (Item 9.4 – Project Budget FYE 2024)
  - Council Meeting – 20 April 2023 (Item 8.9 – Draft Budget Assumptions FYE 2024)
-

**FINANCIAL/BUDGET IMPLICATIONS**

The Project Budget FYE 2024 allowance for lot production is \$9,170,752. Bringing forward the construction of Stage 39 and bulk earthworks for Stages 41 - 43, as recommended, will increase lot production costs for the financial year by approximately \$10.7M.

The Project Budget FYE 2024 allowance for gross sales revenue from all Catalina lots is \$36,306,053. The earlier construction of Stage 39 will not significantly change this figure, as most if not all lot settlements from this stage will occur in FYE 2025, however this would be approximately 12 months earlier than forecast in the approved budget.

**RISK MANAGEMENT IMPLICATIONS**

|   |                     |
|---|---------------------|
| <b>Risk Ref: 3</b>  | <b>Risk Rating:</b> |
| Development Project - Development Manager ability to deliver.                               | Moderate            |
| <b>Action:</b>  |                     |
| Development Manager required to provide an Annual Plan, Annual Project Budget for approval. |                     |

This report relates to construction and sales that were not identified to occur this financial year in the Annual Plan and Project Budget FYE 2024.

## BACKGROUND

At its meeting of 20 April 2023, the Council approved a set of assumptions for preparation of the Project Budget FYE 2024.

In respect to lot sales and production, it was assumed that the sales environment would weaken and construction of new stages would be limited to completion of Stage 31 in Catalina Beach (66 lots) and Stage 38 in Catalina Green (37 lots).

At its meeting of 22 June 2023, the Council approved the Project Budget FYE 2024, submitted by the Project's Development Manager, Satterley Property Group (Satterley), which was based on the approved assumptions and allowed for the following lot sales and production expenditure:

| <b>FYE 2024 Lot Sales Budget</b> |                 |                                |                       |
|----------------------------------|-----------------|--------------------------------|-----------------------|
| <b>Stage</b>                     | <b>Precinct</b> | <b>FYE 2024 Budgeted Sales</b> | <b>Selling Period</b> |
| 29                               | Beach           | 15                             | Jul 23 – Feb 24       |
| 31                               | Beach           | 33                             | Jul 23 – Jun 24       |
| 36                               | Green           | 12                             | Jul 23 – Jan 24       |
| 37                               | Green           | 17                             | Jul 23 – May 24       |
| 38                               | Green           | 16                             | Oct 23 – Jun 24       |
| <b>Total</b>                     |                 | <b>93</b>                      |                       |

| <b>FYE 2024 Lot Production Expenditure Budget</b> |                 |                 |                    |   |
|---|-----------------|-----------------|--------------------|---|
| <b>Stage</b>                                      | <b>Precinct</b> | <b>No. Lots</b> | <b>Amount</b>      | <b>Comment</b>  |
| 29  | Beach           | 43              | \$218,075          | Construction complete - lots titled March 2023. Budget provides for back-end works phase costs. |
| 31  | Beach           | 66              | \$3,877,690        | Construction in progress – completion due October 2023.   |
| 32  | Beach           | 45              | \$228,722          | Planning and civil design only.   |
| 37  | Green           | 48              | \$831,009          | Construction complete - lots titled June 2023. Budget provides for back-end works phase costs.  |
| 38  | Green           | 37              | \$3,694,616        | Construction now in progress – completion due December 2023.                                    |
| 39  | Green           | 64              | \$320,640          | Civil design only.  |
| <b>Total</b>                                      |                 | <b>303*</b>     | <b>\$9,170,752</b> | exc GST   |

\* 103 lots forecast to title in FYE 2024

Strong sales momentum experienced in the Project in late FYE 2023 has continued into the first quarter of FYE 2024, particularly in Catalina Green. The Project Budget FYE 2024 forecast 45 lot sales in Catalina Green for the year, comprised of titled stock in Stage 36 (which includes 10 lots identified for sale for a new builders' display village) and Stage 37, in addition to approximately half of the 37 lots to be constructed in Stage 38.

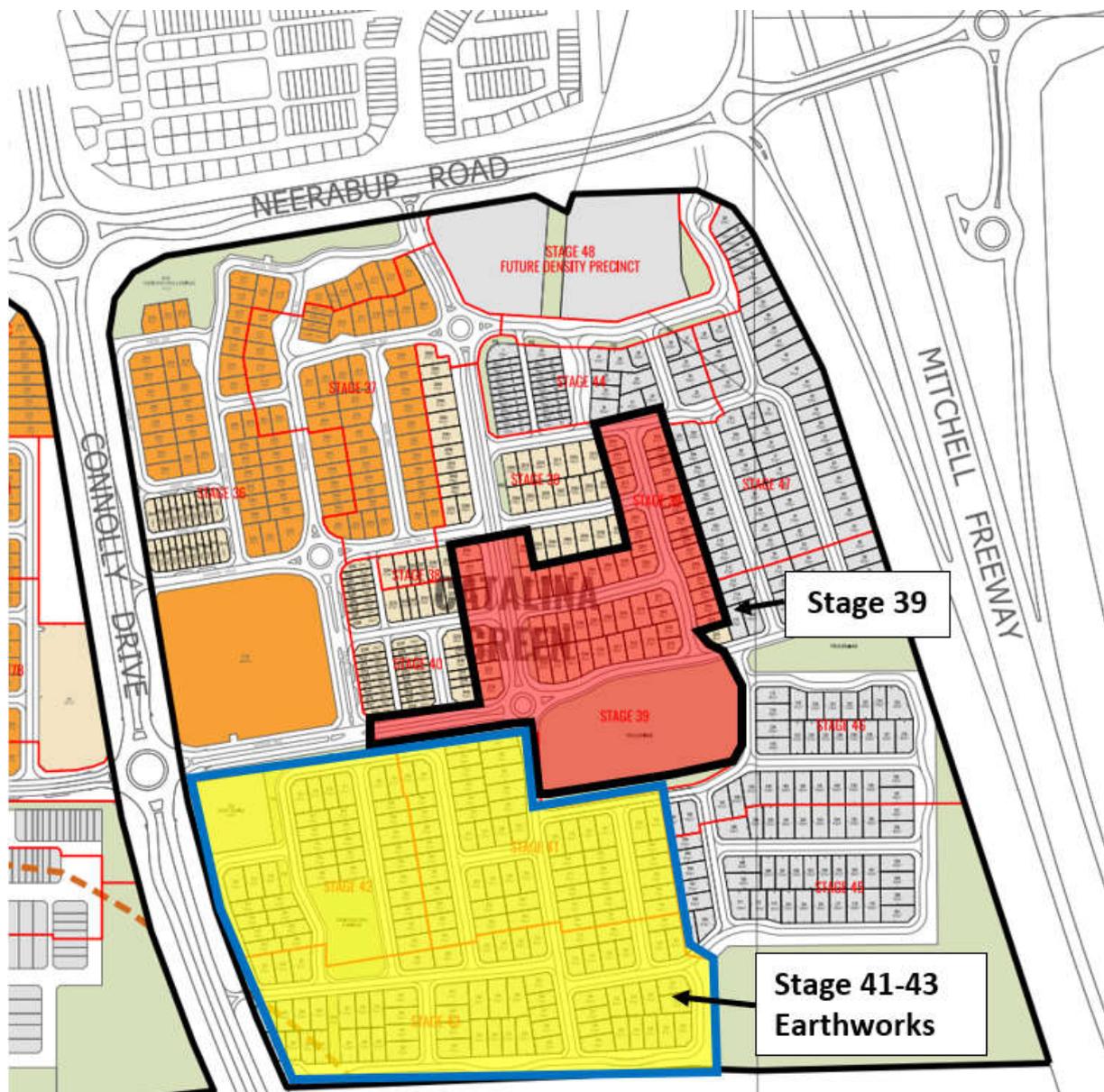
As at 11 September 2023, 29 nett sales have been achieved in FYE 2024 in Catalina Green, which is a substantially stronger result than was budgeted and represents 83% of the budgeted retail sales for the year in this precinct achieved in only a 10-week period.

Only four titled lots in Stages 36 and 37 and nine lots that are under construction in Stage 38 remain available for sale in Catalina Green to retail buyers. Given the diminishing number of

available lots in Catalina Green and to capitalise on current sales momentum, 40 lots were approved for release in Stage 39 on 25 August 2023. There has been a high level of interest from prospective buyers. Two sales contracts have already been signed and several more are currently being progressed. Prospective buyers are being informed of an intended May 2024 timeframe for the lots to be titled.

Satterley recommends that construction of Stage 39 commence as soon as possible to meet this titling timeframe, effectively bringing forward the budgeted timing of expenditure and receipt of settlement revenue by approximately 12 months.

Satterley also recommends that bulk earthworks of the Stage 41 - 43 area be brought forward by approximately two years to commence in November 2023 to prepare for additional civil construction stages to follow Stage 39 should sales warrant additional lot production. The location of the Stage 39 construction works and Stage 41 - 43 bulk earthworks are shown on the plan below.



The Council has delegated authority to the Chief Executive Officer (CEO) (through Authority No. 7.2.4) to grant approval to bulk earthworks and civil works, subject to rates being in accordance with Council-approved rates for the associated works and there being a budget allocation.

The CEO is unable to approve commencement of the Stage 39 civil works and Stages 41-43 bulk earthworks as the second condition associated with this authority is not met. Approval of these works would need to be authorised by the Council.

## COMMENT

At its meeting of 17 August 2023, the Council resolved to accept a tender submitted by Ralmana Pty Ltd, trading as RJ Vincent, under Tender 03/2023 to provide civil construction services for Catalina for the next three years.

### Stage 39

RJ Vincent has proposed a contract sum of \$5,970,299.96 (exc GST) to construct Stage 39. The stage will comprise of 60 residential lots ranging in area from 191m<sup>2</sup> to 465m<sup>2</sup>.

The following works components and related costs are proposed:

| Works Components    | Cost (exc GST)        |
|---------------------|-----------------------|
| Preliminaries       | \$495,391.51          |
| Earthworks          | \$1,057,144.90        |
| Retaining Walls     | \$899,152.29          |
| Roadworks           | \$769,870.22          |
| Stormwater Drainage | \$513,558.61          |
| Sewer               | \$906,221.89          |
| Water               | \$258,960.14          |
| Power               | \$980,000.00          |
| Communications      | \$90,000.00           |
| <b>Total</b>        | <b>\$5,970,299.86</b> |

Gross revenue from the sale of the Stage 39 lots is anticipated, based on Satterley's latest recommended lot pricing, to be \$16,051,000.

The Project's engineering consultants, Cossill and Webley, have reviewed RJ Vincent's pricing to construct Stage 39 and advise that:

- Construction unit rates are consistent with tendered rates submitted and accepted under Tender 03/2023 and there are no concerns with any pricing qualifications that have been stipulated.
- Quantities are consistent with the scope of works identified in the construction drawings and within normal industry tolerances.
- As part of the design process, Cossill and Webley sought to minimise construction costs while ensuring compliance with servicing and regulatory standards and that lots are constructed in a manner that enables them to be built on without buyer incurring unreasonable additional costs or difficulties during the build process. A key focus has been on minimising retaining wall costs within the constraints posed by acceptable road grades,

accommodating tree retention and the objective to create flat, retained lots for ease of home construction. Cossill and Webley has also explored opportunities for sustainable construction, identifying various options that are potentially more applicable to future stages, rather than Stage 39 (this will be the subject of a report to the Council's October 2023 meeting).

- Servicing and regulatory authority approvals of civil drawings for Stage 39 are imminent and expected to issue prior to commencement of the related portion of works.
- The proposed construction program of 24 weeks is representative of the scope of works.
- RJ Vincent has completed civil works in Catalina since the commencement of the Project and its performance has been satisfactory.

Satterley advises the following in respect to the recommended award of the construction of Stage 39:

- The proposed contract sum of \$5,907,300 is consistent with the approved tendered rates and within budgeted expenditure in the Project Cashflow (\$7,327,135), albeit occurring approximately 12 months earlier than anticipated.
- The proposed contract sum represents a saving of \$1,054,670 (exc GST), when compared to Cossill & Webley's opinion of probable costs (July 2023), noting this was based on previous civil construction rates and Stage 39 being comprised of 64 lots. It is proposed that Stage 39 now comprise of 60 lots due to a reconfiguration of the stage boundary.
- Sufficient contingency is provided in provisional sums to cover all required works.
- It is critical to commence construction in order to continue strong sales and settlements in Catalina Green, to capitalise on current market conditions and minimise the sale to titling timeframe for this stage.
- Construction is expected to be completed in late April 2024 and titles are expected to issue the following month. Receipt of revenue from the settlement of lot sales is anticipated to commence from late June 2024.

Satterley has provided the following comparison of the cost to construct Stage 39 on a \$/lot basis against the three most recent Catalina civil construction stages:

| Stage | Forecast Final Contract Value | Lot Yield | Cost Per Lot |
|-------|-------------------------------|-----------|--------------|
| 31    | \$4,500,000                   | 66        | \$68,182     |
| 37    | \$1,930,797                   | 48        | \$40,225     |
| 38    | \$3,000,000                   | 36        | \$83,333     |
| 39    | \$5,970,299                   | 60        | \$99,505     |

Satterley advises the following in respect to this cost comparison:

- Stage 39 includes significant offsite sewer costs (~\$500,000) and bulk earthworks for a new park adjoining this stage, which inflates the cost per lot for this stage.
- The Stage 37 forecast final contract value does not include substantial earthworks costs that were completed separately as part of Stage 36 in 2021.
- The increase of new tendered construction rates under Tender 03/2023 on previous construction rates is approximately 5%.

The cost to construct Stage 39 compares satisfactorily to recent stages, noting differences in size and scope of works of each stage. Current stock levels in Catalina Green meet with established sales and construction triggers set out in the Annual Plan to warrant commencing construction of Stage 39.

The Council has the options of either approving or not approving the earlier construction of Stage 39. Sales achieved to date in FYE 2024 are well-ahead of budget and indications are that strong market conditions will continue, particularly in Catalina Green where the market appears to be very receptive to the product on offer. Approving the earlier construction is expected to have a positive financial outcome for the Council by realising lot sales revenue approximately 12 months earlier than previously anticipated and potentially contributing to a shortened overall Project duration.

Not approving the earlier construction is likely to have a detrimental financial outcome in relation to the later timing of receipt of revenue and completion of the Project.

#### Stage 41-43 Bulk Earthworks

Satterley recommends bringing forward the earthworks' components of the Stage 41 – 43 civil works as a single bulk earthworks package to commence in November 2023. This is to provide the ability to undertake additional lot production to follow Stage 39 should strong sales in Catalina Green continue. It is also expected that completing bulk earthworks in a large single package compared to being undertaken separately as part of each civil construction stage will provide cost efficiencies.

The approved Project Budget FYE 2024 makes no allowance for any expenses associated with the Stage 41 - 43 bulk earthworks, as works were not anticipated until later years. The longer-term Project Forecast makes an allowance of \$12,629,465 for the total civil construction costs for Stage 41 – 43, of which approximately \$6,000,000 is for the earthworks' components.

Cossill & Webley's opinion of probable costs to complete the bulk earthworks as a single package is \$4,716,000. Earthworks' design is currently in progress and requires City of Wanneroo approval. RJ Vincent will need to price the works based on the design drawings. It is expected that a decision to award the proposed works will be required prior to the Council considering the Project Budget FYE 2024 mid-year review at its meeting in December 2023.

The bulk earthworks for Stage 41 - 43 will involve filling with approximately 300,000m<sup>3</sup> of material. While some fill material will be cut from Stage 39, most will need to be sourced and transported across from surplus and stockpiled soil south of Aviator Boulevard in Catalina Central.

The Council has the options of either supporting or not supporting the earlier completion of the Stage 41-43 bulk earthworks. Completing the earthworks earlier will provide the Council the ability to bring forward lot production in these stages to meet market demand and achieve cost efficiencies by undertaking a large single package of works instead of several smaller packages. It will also present an opportunity to reduce extensive soil stockpiles in the area south of Aviator Boulevard in Catalina Central, providing improved visual appearance of an area that is unlikely to be developed for a substantial period.

Not approving the earlier completion of the stage 41 – 43 bulk earthworks will limit the amount of Catalina Green stock that can be brought onto the market following sale of the current available stock to only the 20 lots that have yet to be released in Stage 39.

## CONCLUSION

The construction of lots in Stage 39 and the completion of Stage 41 - 43 bulk earthworks are not identified in the Annual Plan or the Project Budget FYE 2024 to occur this financial year.

Given strong sales and limited stock that is available for sale in Catalina Green, it is recommended to bring forward these works to capitalise on sales momentum recently experienced in the Project and anticipated further strong demand.

It was noted in the report to the Council's meeting of 20 April 2023 in relation to assumptions for the Project Budget FYE 2023 that Perth's property and construction markets were in a relatively volatile state and there was potential for conditions to change rapidly, with potential to materially impact on project and budget performance. While this risk is mitigated by continual review of market conditions and the Council's budget review processes, which include setting an annual Project Budget in June and undertaking a mid-year review in December each year, it is considered imperative for the Council to adjust its approved plans to ensure a sufficient supply and range of lots is available to buyers, capitalise on current strong market conditions and minimise the sale to titling timeframe by:

- Agreeing to bring forward construction and sales for Stage 39 in Catalina Green into the current financial year;
- Approving the award of civil construction of Stage 39 for the contract sum of \$5,970,299.96 (excluding GST) to RJ Vincent;
- Authorising the Chief Executive Officer to award the Stages 41 - 43 bulk earthworks to RJ Vincent, subject to the costs being in accordance with Council-approved rates; and
- Noting the need to make appropriate adjustments to the Project Budget FYE 2024 for construction expenditure and revenue for Stage 39 and construction expenditure for the Stages 41-43 bulk earthworks being brought forward as components of the mid-year budget review.