



Ordinary Meeting of Council

Thursday, 19 October 2023

Agenda

Notice of Meeting

Councillors of the Catalina Regional Council are advised that a meeting will be held on Thursday 19 October 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.

CHRIS ADAMS
Chief Executive Officer

MEMBERSHIP

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

1. OFFICIAL OPENING
2. APOLOGIES AND LEAVE OF ABSENCE
3. DISCLOSURE OF INTERESTS
4. PUBLIC STATEMENT/QUESTION TIME
5. ANNOUNCEMENTS BY CHAIR (WITHOUT DISCUSSION)
6. PETITIONS
7. CONFIRMATION OF MINUTES
 - 7.1. CONFIRMATION OF MINUTES
8. BUSINESS ARISING FROM MINUTES
9. ADMINISTRATION REPORTS AS PRESENTED
 - 9.1. BUSINESS REPORT – AS AT 30 SEPTEMBER 2023
 - 9.2. STATEMENT OF FINANCIAL ACTIVITY - AUGUST 2023
 - 9.3. LIST OF MONTHLY ACCOUNTS SUBMITTED - AUGUST 2023
 - 9.4. SALES AND SETTLEMENT REPORT – AS AT 30 SEPTEMBER 2023
 - 9.5. PROJECT FINANCIAL REPORT - JULY 2023
 - 9.6. PROJECT FINANCIAL REPORT - AUGUST 2023
 - 9.7. CATALINA ESTATE DEVELOPER CONTRIBUTION OBLIGATIONS
 - 9.8. CEO PERFORMANCE REVIEW

 - 9.9. REVIEW OF THE AUDITOR'S REPORT FOR FINANCIAL YEAR ENDING 30 JUNE 2023
 - 9.10. TPRC ANNUAL FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023
10. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN
11. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
12. URGENT BUSINESS APPROVED BY THE CHAIR
13. GENERAL BUSINESS
14. FORMAL CLOSURE OF MEETING

7.1. CONFIRMATION OF MINUTES

Responsible Officer: Chief Executive Officer

Attachments: None

Voting Requirement: Simple Majority

Recommendation

That the Council CONFIRMS and the Chair signs the minutes from the Ordinary Meeting of Council held 21 August 2023 and the Special Meeting of Council held on 19 September 2023 as true and accurate records of proceedings.

9.1. BUSINESS REPORT – AS AT 30 SEPTEMBER 2023

Responsible Officer: Project Manager
Attachments: 1. Comment - Business Report
2. Attachment - Business Report - DV Opening Wrap
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council RECEIVES the Business Report as at 30 September 2023.

PURPOSE

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

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

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

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

BACKGROUND

The business of the Council requires adherence to many legislative provisions, policies and procedures that aim at best practice. There are also many activities that do not need to be reported formally to the Council but will be of general interest to Council members and will also be of interest to the public who may, from time to time, refer to Council minutes. In the context of the above, a Business Report provides the opportunity to advise on activities that have taken place between meetings. The report will sometimes anticipate questions that may arise out of good governance concerns by Council members.

COMMENT

1. Civil Design and Construction - Status

Engineering design is currently in progress for:

- Stage 41-44 bulk earthworks in Catalina Green.
- Connecting roads in the north-east corner of Catalina Green to the future bus underpass to be constructed under Neerabup Road, which will provide a direct connection to Clarkson train station.

In respect to the bus underpass, the Perth Transport Authority recently advised that it is proposing the inclusion of funding in its FYE 2025 budget for construction of the underpass. If approved, it is likely to see completion of the underpass and the commencement of bus services through Catalina Green and the rest of Catalina in late 2025/early 2026.

The following tables detail the status of all current civil construction works to 30 September 2023. Highlights of the past two months include:

- Good progress with construction of Stage 31 in Catalina Beach and Stage 38 in Catalina Green.
- Approval given to commence construction of Stage 39 in Catalina Green.

Stage 31			66 lots
Contractor Possession of Site			9 January 2023
Original Practical Completion Date			26 July 2023
Revised Practical Completion Date			11 October 2023
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	95	5	Final top-dress of verges and lots to be completed.
Sewer	100	0	
Drainage	100	10	
Water/Gas	100	40	
Power/Comms	90	90	Domes and energisation remaining.
Walls	80	40	Wall rendering to complete.
Roads	75	75	Final road seal to complete.



Stage 31 Civil Works in progress

Stage 38			37 lots
Contractor Possession of Site			24 May 2023
Original Practical Completion Date			21 December 2023
Revised Practical Completion Date			N/A
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	90	15	In Progress
Sewer	95	95	In Progress
Drainage	50	50	In Progress
Water/Gas	0	0	
Power/Comms	0	0	
Walls	0	0	
Roads	0	0	



Stage 38 Civil Works in progress

Stage 39			60 lots
Contractor Possession of Site			2 October 2023
Original Practical Completion Date			5 April 2024
Revised Practical Completion Date			N/A
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	0	new	
Sewer	0	new	
Drainage	0	new	
Water/Gas	0	new	
Power/Comms	0	new	
Walls	0	new	
Roads	0	new	

2. Landscaping Design Works - Status

Landscape design is currently in progress for a new park in the centre of Catalina Green. The 1.6967ha space is to feature a playground, events space, existing tree retention and substantial planting. Earthworks for the park will be completed as part of the Stage 39 civil works. It is anticipated that park construction and landscaping will commence in FYE 2025.

The following tables detail the status of all current landscape construction works to 30 September 2023. The highlights of the past two months include:

- Practical completion of the Stage 36 park and streetscapes in Catalina Green.
- Practical completion of the Longbeach Promenade extension verge landscaping works.
- Substantial completion of the winter offset revegetation works in the coastal reserve to the west of Catalina - the works are required to satisfy offset revegetation obligations placed on the CRC by the clearing permit granted for the removal of vegetation to enable construction of the Beach Access Road and Carpark.
- Approval to commence construction of the Catalina Beach Foreshore Park.

Stage 36 Park, Entry Statements and Streetscapes – Catalina Green			
Project Budget		\$3,027,226	
Design and Approval		Status	
Detailed Design		Complete	
City of Wanneroo Works Approval		Issued – 14 November 2022	
CRC Works Award Approval		Issued – 6 December 2022	
Construction			
Contract Sum		\$2,217,613,13	
Contractor Possession of Site		20 February 2023	
Original Practical Completion Date		13 October 2023	
Revised Practical Completion Date		8 September 2023	
Item	% Complete	Change since last report	Comments
Preliminaries	100	0	
Hardscapes	100	10	
Softscapes	100	10	
Consolidation	20	20	In progress





Completed Stage 36 Park

Longbeach Promenade Streetscapes - Catalina Beach			
Project Budget		\$102,200	
Design and Approval		Status	
Detailed Design		Complete	
City of Wanneroo Works Approval		Issued – 12 April 2023	
CRC Works Award Approval		Issued – 12 May 2023	
Construction			
Contract Sum		\$97,957.59	
Contractor Possession of Site		19 June 2023 (subject to civil works completion)	
Original Practical Completion Date		21 July 2023	
Revised Practical Completion Date		29 September 2023	
Item	% Complete	Change since last report	Comments
Preliminaries	100	10	
Hardscape	100	75	
Softscape	100	90	
Consolidation	0	0	



Longbeach Promenade Extension Landscaping

Offset Revegetation Works – west of Catalina Beach			
Project Budget		\$948,279	
Design and Approval		Status	
Detailed Design		Complete	
City of Wanneroo Works Approval		Issued – 1 March 2022	
CRC Works Award Approval		Issued – 21 April 2023 (Tender 01/2023)	
Construction			
Contract Sum		\$805,489 (includes 5 years maintenance)	
Contractor Possession of Site		12 June 2023	
Original Practical Completion Date		25 August 2023	
Revised Practical Completion Date		22 September 2023	
Item	% Complete	Change since last report	Comments
Preliminaries	100	0	
Hardscape	N/A	N/A	No hardscape works involved.
Softscape	100	20	
Consolidation	N/A	N/A	Contract includes 5-year maintenance period of revegetated areas.



Offset revegetation works in progress at Catalina Foreshore

3. Titles

The next titles to issue in the Project will be in Stage 31 (66 lots) in Catalina Beach, which are anticipated in November 2023.

4. Housing Construction

The following table provides an overview of the current progress of housing construction to 30 September 2023. Substantial building activity is continuing across Catalina Beach Stages 27, 28 and 30. Homes are well underway in Stage 18C in Catalina Central and Stage 36 in Catalina

Green. The first homes have commenced in Stage 29 (Catalina Beach) and Stage 37 (Catalina Green).

Stage	Residential Lots	Homes Completed	Homes Under Construction	Lots Vacant
Stages 1, 3-15, 17A, 18A	807	852*	0	0
Stage 2	38	36	0	2
Stage 16A	17	16	1	0
Stage 17B	36	35	1	0
Stage 17C	1	0	0	1
Stage 18B	31	30	0	1
Stage 18C	28	0	14	14
25A & B	55	54	1	0
Stage 25C	4	2	1	1
Stage 26	38	35	2	1
Stage 27A	20	11	8	1
Stage 27B	23	6	15	2
Stage 28	34	21	10	3
Stage 29	43	0	2	41
Stage 30	35	5	20	10
Stage 36	57	0	24	33
Stage 37	48	0	2	46
Total	1,315	1,103	101	156
Change since 31/07/23	0	0	+11	-11

**Homes Completed exceed Residential Lots due to grouped housing developments.*

5. Planning

Subdivision applications have been submitted to the Western Australian Planning Commission for the following future development stages:

- Stages 33-34 located in the north-western corner of Catalina Beach – comprised of 116 single residential lots ranging in area from 180m² to 675m² and two grouped housing sites of 1054m² and 1423m².
- Stages 41-44 located in the south-western corner of Catalina Green – comprised of 160 single residential lots ranging in area from 313m² to 526m², a 4484m² grouped housing site and three reserves for public open space and drainage.

Approval of the applications is expected in late October 2023 and will provide the option to develop additional stock when required.

6. Community Events

An opening event was held on the afternoon of Saturday 2 September 2023 for the new builders' display village in Catalina Beach. It featured a series of information sessions styled for delivery to appeal to prospective high-end buyers with content on various home building-related topics, including a construction masterclass, lot selection, sustainable design, future-proofed floorplans and interior design. These sessions were held in six of the open display homes. The event concluded with an evening sundowner. The number of attendees was down on expectations, with wet and windy weather conditions during the afternoon likely to have contributed, however feedback from the builders was positive and many those who did attend were strong sales leads. An event summary is appended.



Catalina Beach Display Village Opening

An environmental/art-themed community event was held on the morning of Thursday 5 October 2023 on the lawn area adjacent to the Catalina Beach sales office during the second week of the school holidays.

The event provided upcycled activities and art projects free of charge to the public, as part of Catalina's Enviro Development commitment. Craft activities explored connections to nature and use of discarded materials to create art pieces and there was supporting activities including lawn games, music and a coffee van.

7. Special Development Sites

Connolly Drive, Catalina Green

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

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

Aviator Boulevard/Roulettes Parade Local Centre, Catalina Central

Stage 1 of the development of the Catalina Central commercial site comprised of a childcare centre was completed in May 2022. Stage 2 will include several shop tenancies (300m² nett lettable area) and a 170m² café. The Council at its meeting of 20 April 2023 agreed to an extension to the timeframe for completion of the development of Stage 2 by 31 May 2024, subject to the following milestones being met:

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

The CRC's approved completion timeframe extension was communicated to the owner of the site, Auswide, on 21 April 2023. Auswide has since obtained a building permit from the City of Wanneroo and called for tenders for construction.

As at 30 September 2023, construction of Stage 2 had not commenced. The CRC office is liaising with Auswide about this matter and will provide an update for the Council at its December 2023 meeting.

Rathmines Street, Catalina Central

A tender for the sale of proposed Lot 341 Rathmines Street, located on the corner of Aviator Boulevard and Connolly Drive in Catalina Central was awarded by the Council on 29 September 2022 to Accord Property. The contract for sale provides for Accord to undertake due diligence, including obtaining development approval and an agreement to lease, before confirming the purchase. The due diligence period was originally due to expire on 12 July 2023, however it has been extended to 12 November 2023 to allow Accord additional time to prepare and obtain approval of a development application and finalise tenancy arrangements.

Catalina Green Display Village

Expressions of interest were sought from builders to secure one of nine lots in a new display village to be built in Catalina Green. At the close of expression of interest period on 29 September 2023, seven submissions from builders had been received. An update on the outcome of the evaluation of submissions will be provided to the Council's December 2023 meeting.

8. Urban Development Institute of Australia (UDIA) Awards for Excellence 2023

Catalina Estate was nominated in the Master Planned Community category of the recent 2023 UDIA Awards for Excellence. The annual awards program is widely regarded as the pinnacle for the Western Australian urban development industry in respect to recognition of community creation, innovation and sustainability. Unfortunately, Catalina was unsuccessful, with Curtin University's Exchange development at its Bentley campus winning the award for this category.

All category award nominees and winners are featured in the document downloadable from the following link:

[UDIA WA 2023 Awards for Excellence Winners Showcase \(calameo.com\)](https://www.calameo.com/UDIA-WA-2023-Awards-for-Excellence-Winners-Showcase)



Home Made

EXCLUSIVE BUILDING SHOWCASE

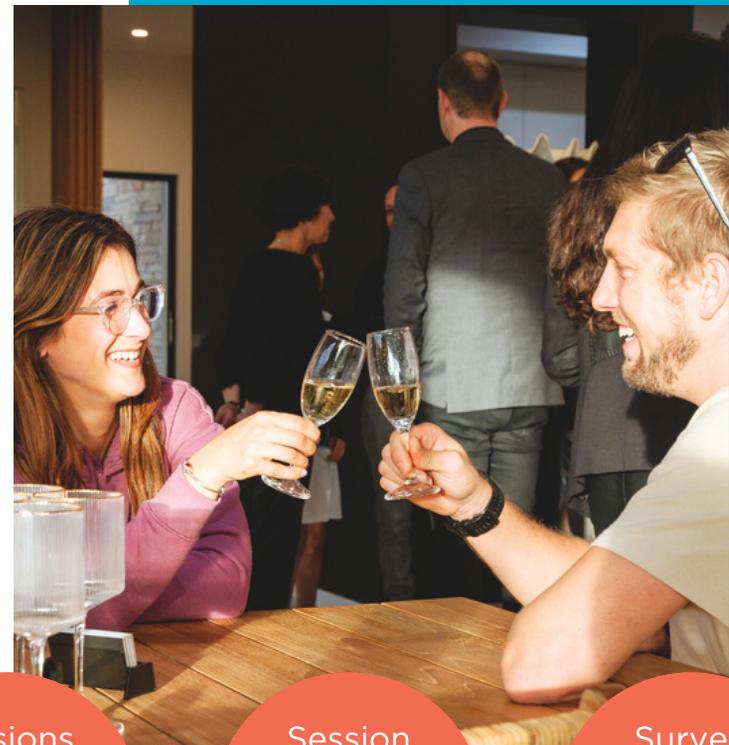
EVENT SUMMARY



The first weekend of Spring marked the official opening of the new display village in Catalina Beach. The event was curated to inform and upskill prospective buyers on the journey to building their new home. Display Village builders were engaged to deliver short information sessions ranging from choosing the perfect lot to floorplan and kitchen design. The afternoon concluded with a sundowner, with attendees, builder representatives and VIPs guests.

Event Summary

Feedback from builder partners was positive, with many commenting that they were excited by the event concept and opportunity to showcase their industry knowledge. Although turn out to this ticketed event was lower than anticipated, the builder representatives reported that those who did attend were strong leads.



Participating
builders

6

Sessions
booked

157

Session
attendance

50

Survey
responses

16

Survey Results

Living arrangements	Partner, No kids 50%	Partner & school age kids 38%	My myself/ with my parents 12%
I currently own	Nil, but actively looking to buy 31%	1 property 38%	2+ properties 37%
I am a	1st home buyer 44%	Upsizer 44%	Downsizer/ Investor 12%
I have	My deposit, but no approval 37%	Finance approval 44%	Still saving 19%
My H&L budget is	\$450- 549K 25%	\$550-649K 25%	\$650K+ 50%
My preferred lot	251-375sqm 38%	376- 450sqm 31%	450sqm + 31%



9.2. STATEMENT OF FINANCIAL ACTIVITY - AUGUST 2023

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

RECOMMENDATION

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

PURPOSE

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

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

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

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

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

Action:

Preparation and reporting on monthly accounts for Council approval.

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

BACKGROUND

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

COMMENT

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

Of note, the total equity position increased over the month from \$51.57M to \$52.61M, an increase of \$1.04M, mainly as a result of 15 lot settlements.

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

Financial Snapshot as at 31 August 2023

	2023-24	2023-24	2023-24	Variance		Variance
	Adopted BUDGET	Budget YTD	Actual YTD	Favourable	Unfavourable	
	\$	\$	\$	\$	\$	%
REVENUE						
Interest Earnings	2,115,000	352,360	432,268	79,908		22.68%
Other Revenue	0	0	3,175	3,175		100.00%
	\$2,115,000	\$352,360	\$435,443	\$83,083	\$0	
LESS EXPENDITURE						
Depreciation	(43,932)	(5,974)	(5,974)			
Employee Costs	(727,668)	(124,385)	(111,130)	13,255		10.66%
Insurance	(23,302)	(11,653)	(10,591)	1,062		9.11%
Finance Costs	(2,691)	(514)	(515)		(1)	-0.19%
Materials and Contracts	(277,100)	(42,470)	2,145	44,615		105.05%
Other	(170,464)	(42,617)	(40,265)	2,352		5.52%
Utilities	(5,000)	0	0			
Members Equity						
Income Sale of Lots - Subdivisions	40,078,630	5,357,901	9,246,251	3,888,350		72.57%
Land Production Costs	(24,619,525)	(8,527,641)	(2,652,890)	5,874,751		68.89%
GST Withheld Member Councils	(2,863,004)	(382,740)	(653,940)		(271,200)	-70.86%
Profit distribution/Contributions Returned	(20,057,000)	0	(437,824)		(437,824)	-100.00%
	(\$8,711,056)	(\$3,780,093)	\$5,335,267	\$9,824,385	(\$709,025)	
Total Change in Equity	(\$6,596,056)	(\$3,427,733)	\$5,770,710	\$9,907,468	(\$709,025)	

Statement of Financial Position as at 31 August 2023

	Actual 2022-23 \$	Actual 2023-24 \$	Variance \$	Variance %
Current assets				
Cash and cash equivalents	43,645,428	49,228,116	5,582,688	12.79%
Trade and other receivables	1,221,521	1,131,376	(90,145)	-7.38%
Total current assets	44,866,949	50,359,492	5,492,543	12.2%
Non-current assets				
Inventories	2,515,000	2,515,000	0	0.00%
Right of use assets	125,157	119,183	(5,974)	-4.77%
Property, plant and equipment	0	0	0	0.00%
Total non-current assets	2,640,157	2,634,183	(5,974)	-0.23%
Total assets	47,507,106	52,993,675	5,486,569	11.55%
Current liabilities				
Trade and other payables	490,811	212,473	278,338	56.71%
Lease Liabilities	35,214	29,411	5,803	16.48%
Provisions	27,532	27,532	0	0.00%
Total current liabilities	553,557	269,416	284,141	51.3%
Non-current liabilities				
Lease Liabilities	93,832	93,832	0	0.00%
Provisions	19,795	19,795	0	0.00%
Total non-current liabilities	113,627	113,627	0	0.00%
Total liabilities	667,184	383,043	284,141	42.59%
Net assets	46,839,922	52,610,632	5,770,710	12.32%

Investment Summary as at 31 August 2023

Term Deposits							
Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)
Sep-23	1,000,000.00	4.4700%	Commonwealth Bank of Australia	AA-	1,000,000.00	Feb-23	1,025,227.95
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,147,916.07
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,121,213.15
Nov-23	1,000,000.00	4.8200%	Westpac Group	AA-	1,000,000.00	Mar-23	1,022,449.32
Nov-23	1,000,000.00	5.2800%	National Australia Bank	AA-	1,000,000.00	Jul-23	1,005,352.33
Dec-23	4,000,000.00	4.7200%	National Australia Bank	AA-	4,000,000.00	Mar-23	4,090,520.55
Dec-23	2,500,000.00	5.1000%	Suncorp Bank	A+	2,500,000.00	Jun-23	2,530,390.41
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,070,956.16
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,054,126.03
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,007,215.73
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,010,770.78
Mar-24	2,000,000.00	4.8600%	Westpac Group	AA-	2,000,000.00	May-23	2,028,760.55
Apr-24	2,000,000.00	5.4700%	Suncorp Bank	A+	2,000,000.00	Jul-23	2,013,487.67
May-24	3,000,000.00	5.0500%	AMP Bank	BBB	3,000,000.00	May-23	3,050,223.29
May-24	1,500,000.00	5.1000%	AMP Bank	BBB	1,500,000.00	May-23	1,522,635.62
May-24	1,000,000.00	5.5500%	AMP Bank	BBB	1,000,000.00	Jul-23	1,005,626.03
May-24	3,000,000.00	4.9900%	National Australia Bank	AA-	3,000,000.00	May-23	3,038,142.74
Jun-24	2,500,000.00	5.4800%	Suncorp Bank	A+	2,500,000.00	Jun-23	2,529,276.71
Jun-24	2,500,000.00	5.5900%	Westpac Group	AA-	2,500,000.00	Jun-23	2,527,184.25
Jun-24	2,000,000.00	5.4000%	Commonwealth Bank of Australia	AA-	2,000,000.00	Aug-23	2,002,367.12
Jul-24	5,000,000.00	5.5100%	Commonwealth Bank of Australia	AA-	5,000,000.00	Aug-23	5,016,605.48
	47,026,252.33	5.0637%			47,026,252.33		47,820,447.94

18 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 report of Catalina Regional Council which comprise the statement of financial position as at 31 August 2023, the statement of financial activity, notes providing statement of financial activity supporting information, explanation of material variances for the year then ended and 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 report. The specific purpose for which the special purpose financial statements have been prepared is also set out in Note 1 of the financial report. We have provided the supplementary information of Catalina Regional Council as at 31 August 2023 and for the period then ended based on the records of the Catalina Regional Council.

THE RESPONSIBILITY OF CATALINA REGIONAL COUNCIL

The CEO of Catalina Regional Council is solely responsible for information contained in the special purpose financial report and supplementary information, 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 *APES 315 Compilation of Financial Information* and 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.

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 report except for the matters of non-compliance with the basis of preparation identified with Note 1 of the financial report. We have complied with the relevant ethical requirements of *APES 110 Code of Ethics for Professional Accountants*.

Supplementary information attached to the financial report has been extracted from the records of Catalina Regional Council and information presented in the special purpose financial report.

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.

NOTE REGARDING BASIS OF PREPARATION

We draw attention to Note 1 to the financial report where matters of non-compliance with the basis of preparation have been detailed. Supplementary information is provided for management information purposes and does not comply with the disclosure requirements of the Australian Accounting Standards.

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 August 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 AUGUST 2023**

	Adopted Budget Estimates	YTD Budget Estimates	YTD Actual	Variance* \$ (c) - (b)	Variance* % ((c) - (b))/(b)	Var.
Note	(a) \$	(b) \$	(c) \$	(c) - (b) \$	((c) - (b))/(b) %	
OPERATING ACTIVITIES						
Revenue from operating activities						
Interest revenue	2,115,000	352,360	432,268	79,908	22.68%	▲
Other revenue	0	0	3,175	3,175	0.00%	
	2,115,000	352,360	435,443	83,083	23.58%	
Expenditure from operating activities						
Employee costs	(727,668)	(124,385)	(111,130)	13,255	10.66%	▲
Materials and contracts	(277,100)	(42,470)	2,145	44,615	105.05%	▲
Utility charges	(5,000)	0	0	0	0.00%	
Depreciation	(43,932)	(5,974)	(5,974)	0	0.00%	
Finance costs	(2,691)	(514)	(515)	(1)	(0.19%)	
Insurance	(23,302)	(11,653)	(10,591)	1,062	9.11%	
Other expenditure	(170,464)	(42,617)	(40,265)	2,352	5.52%	
	(1,250,157)	(227,613)	(166,330)	61,283	26.92%	
Non-cash amounts excluded from operating activities	3(b) 43,932	5,974	5,974	0	0.00%	
Amount attributable to operating activities	908,775	130,721	275,087	144,366	110.44%	
FINANCING ACTIVITIES						
Inflows from financing activities						
Proceeds from member contributions	2 40,078,630	5,357,901	9,246,251	3,888,350	72.57%	▲
	40,078,630	5,357,901	9,246,251	3,888,350	72.57%	
Outflows from financing activities						
Payments for principal portion of lease liabilities	(34,966)	(5,803)	(5,803)	0	0.00%	
Payments of member contributions	2 (24,619,525)	(8,527,641)	(2,652,890)	5,874,751	68.89%	▲
Payments of GST withheld	2 (2,863,004)	(382,740)	(653,940)	(271,200)	(70.86%)	▼
Payments return of contribution	2 (57,000)	0	0	0	0.00%	
Payments return of equity	2 (20,000,000)	0	(437,824)	(437,824)	0.00%	▼
	(47,574,495)	(8,916,184)	(3,750,457)	5,165,727	57.94%	
Amount attributable to financing activities	(7,495,865)	(3,558,283)	5,495,794	9,054,077	254.45%	
MOVEMENT IN SURPLUS OR DEFICIT						
Surplus or deficit at the start of the financial year	44,366,996	44,366,996	44,376,138	9,142	0.02%	▲
Amount attributable to operating activities	908,775	130,721	275,087	144,366	110.44%	▲
Amount attributable to investing activities	0	0	0	0	0.00%	
Amount attributable to financing activities	(7,495,865)	(3,558,283)	5,495,794	9,054,077	254.45%	▲
Surplus or deficit after imposition of general rates	37,779,906	40,939,434	50,147,019	9,207,585	22.49%	▲

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 AUGUST 2023**

	30 June 2023	31 August 2023
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	43,645,428	49,228,116
Trade and other receivables	1,210,721	1,108,076
Other assets	10,800	23,300
TOTAL CURRENT ASSETS	44,866,949	50,359,492
NON-CURRENT ASSETS		
Right-of-use assets	125,157	119,183
Investment property	2,515,000	2,515,000
TOTAL NON-CURRENT ASSETS	2,640,157	2,634,183
TOTAL ASSETS	47,507,106	52,993,675
CURRENT LIABILITIES		
Trade and other payables	490,811	212,473
Lease liabilities	35,214	29,411
Employee related provisions	27,532	27,532
TOTAL CURRENT LIABILITIES	553,557	269,416
NON-CURRENT LIABILITIES		
Lease liabilities	93,832	93,832
Employee related provisions	19,795	19,795
TOTAL NON-CURRENT LIABILITIES	113,627	113,627
TOTAL LIABILITIES	667,184	383,043
NET ASSETS	46,839,922	52,610,632
EQUITY		
Retained surplus	1,390,886	1,659,999
Contributed equity	45,449,036	50,950,633
TOTAL EQUITY	46,839,922	52,610,632

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

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31 AUGUST 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.

Matters of non-compliance with Basis of Preparation

The following matters on non-compliance with the basis of preparation have not been correct.

1. Balances as at 30 June 2023 have not been audited and may be subject to change.

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 18 September 2023

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

2 CONTRIBUTED EQUITY

Movement in Financing Activities as Represented by:

	Land Sales Year to Date 2023	Development Expenses Year to Date 2023	Return of Contribution Year to Date 2023	Return of Equity Year to Date 2023	Rates Equivalent Year to Date 2023	Payments of Lease Liabilities 31 August 2023	GST Withheld Year to Date 2023	Total Movement Year to Date 2023
Town of Victoria Park	\$ 770,521	\$ (221,074)	0	\$ (36,485)	0	(484)	(54,495)	457,983
City of Perth	770,521	(221,074)	0	(36,485)	0	(484)	(54,495)	457,983
Town of Cambridge	770,521	(221,074)	0	(36,485)	0	(484)	(54,495)	457,983
City of Joondalup	1,541,042	(442,148)	0	(72,971)	0	(967)	(108,990)	915,966
City of Wanneroo	1,541,042	(442,148)	0	(72,971)	0	(967)	(108,990)	915,966
Town of Vincent	770,521	(221,074)	0	(36,485)	0	(484)	(54,495)	457,983
City of Stirling	3,082,083	(884,298)	0	(145,942)	0	(1,933)	(217,980)	1,831,930
	9,246,251	(2,652,890)	0	(437,824)	0	(5,803)	(653,940)	5,495,794

Land Sales Adopted Budget	Development Expenses Adopted Budget	Return of Contribution Adopted Budget	Return of Equity Adopted Budget	Rates Equivalent Adopted Budget	Payments of Lease Liabilities Budget	GST Withheld Adopted Budget	Total Movement Adopted 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 Balance 30 June 2023	Movement in Contributed Equity	Net Result	Year to Date 2023
	\$ 3,787,185	\$ 457,983	\$ 22,426	\$ 4,267,594
Town of Victoria Park	3,787,185	457,983	22,426	4,267,594
City of Perth	3,787,185	457,983	22,426	4,267,594
Town of Cambridge	3,787,185	457,983	22,426	4,267,594
City of Joondalup	7,574,370	915,966	44,852	8,535,188
City of Wanneroo	7,574,370	915,966	44,852	8,535,188
Town of Vincent	3,787,185	457,983	22,426	4,267,594
City of Stirling	15,151,556	1,831,930	89,705	17,073,191
Total	45,449,036	5,495,794	269,113	51,213,943

Total Movement in Equity

5,764,907

**CATALINA REGIONAL COUNCIL
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 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 Budget Opening 30 June 2023	Last Year Closing 30 June 2023	Year to Date 31 August 2023
	\$	\$	\$
	1,612,598	43,645,428	49,228,116
	1,217,086	1,210,721	1,108,076
	42,032,830	0	0
	10,800	10,800	23,300
	44,873,314	44,866,949	50,359,492

Less: current liabilities

Trade and other payables
Lease liabilities
Employee related provisions

	(478,786)	(490,811)	(212,473)
	(34,966)	(35,214)	(29,411)
	(27,532)	(27,532)	(27,532)
	(541,284)	(553,557)	(269,416)

Net current assets

	44,332,030	44,313,392	50,090,076
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Less: Total adjustments to net current assets

Closing funding surplus / (deficit)

3(c)	34,966	62,746	56,943
	44,366,996	44,376,138	50,147,019

(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 Budget	YTD Budget (a)	YTD Actual (b)
	\$	\$	\$
	43,932	5,974	5,974
	43,932	5,974	5,974

(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 Budget Opening 30 June 2023	Last Year Closing 30 June 2023	Year to Date 31 August 2023
	\$	\$	\$
	34,966	35,214	29,411
	0	27,532	27,532
3(a)	34,966	62,746	56,943

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 AUGUST 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. %	
	\$	%	
Revenue from operating activities			
Interest revenue	79,908	22.68%	▲
Interest earned on investments is higher than expected for the YTD.			
Expenditure from operating activities			
Employee costs	13,255	10.66%	▲
Employee costs are profiled as 2/12th of the annual budget. The actual exceeds the budget due to back pays made in July 2023.			
Materials and contracts	44,615	105.05%	▲
The audit fee accrual has been reversed. Materials and contracts are profiled as 2/12th of the annual budget.			
Inflows from financing activities			
Proceeds from member contributions	3,888,350	72.57%	▲
Proceeds from land sales yet to be received.			
Outflows from financing activities			
Payments of member contributions	5,874,751	68.89%	▲
Repayment of member contributions not made.			
Payments of GST withheld	(271,200)	(70.86%)	▼
GST withheld on land sales.			
Payments return of equity	(437,824)	0.00%	▼
Repayment of member equity.			
Surplus or deficit at the start of the financial year	9,142	0.02%	▲
The 2023 Annual Financial Report is yet to be finalised.			
Surplus or deficit after imposition of general rates	9,207,585	22.49%	▲
Due to variances described above			

**CATALINA REGIONAL COUNCIL
SUPPLEMENTARY INFORMATION**

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

1 CASH AND FINANCIAL ASSETS

Description	Classification	Unrestricted	Restricted	Total Cash and Financial Assets	Trust	Institution	Interest Rate	Maturity Date
Municipal bank	Cash and cash equivalents	229,087	0	229,087	0	Westpac	Nil	Nil
Settlement Proceeds	Cash and cash equivalents	846,979	0	846,979	0	Westpac	0.34%	Nil
Cash Management	Cash and cash equivalents	311	0	311	0	Macquarie	0.25%	Nil
Accelerator	Cash and cash equivalents	1,125,487	0	1,125,487	0	Macquarie	1.85%	Nil
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
Term Deposit	Financial assets at amortised cost	5,000,000	0	5,000,000	0	CBA	5.10%	06/2024
Term Deposit	Financial assets at amortised cost	2,000,000	0	2,000,000	0	CBA	5.40%	06/2024
Total		49,228,116	0	49,228,116	0			
Comprising								
Cash and cash equivalents		2,201,864	0	2,201,864	0			
Financial assets at amortised cost		47,026,252	0	47,026,252	0			
		49,228,116	0	49,228,116	0			

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	105,144	277,469
Percentage	0.0%	48.0%	6.6%	7.5%	37.9%	
Balance per trial balance						
Trade receivables						277,469
Accrued interest						830,607
Total receivables general outstanding						1,108,076

Amounts shown above include GST (where applicable)

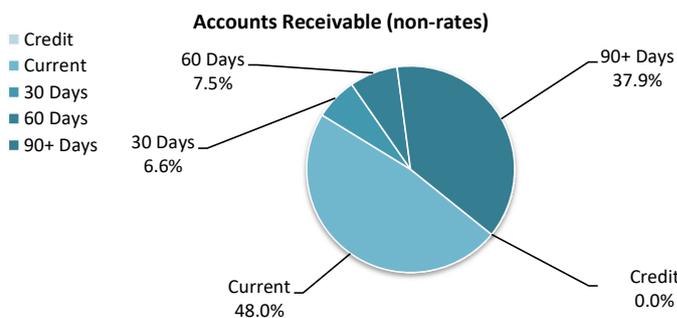
KEY INFORMATION

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

Other current assets	Opening Balance 1 July 2023	Asset Increase	Asset Reduction	Closing Balance 31 August 2023
	\$	\$	\$	\$
Other assets				
Funds held by Settlement agent in Trust	10,800	13,500	(1,000)	23,300
Total other current assets	10,800	13,500	(1,000)	23,300

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	48,199	27,806	4,342	0	80,347
Percentage	0.0%	60.0%	34.6%	5.4%	0.0%	

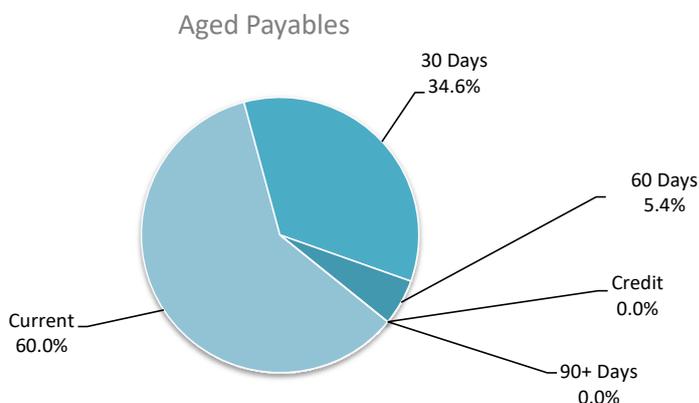
Balance per trial balance

Sundry creditors						80,347
ATO liabilities						7,455
Credit card						4,671
Deposits or bonds						120,000
Total payables general outstanding						212,473

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 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	128,798	0	0	(5,803)	(34,966)	122,995	93,832	(515)	(2,691)
Total		128,798	0	0	(5,803)	(34,966)	122,995	93,832	(515)	(2,691)
Current lease liabilities		35,214					29,411			
Non-current lease liabilities		93,832					93,832			
		129,046					123,243			

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 Balance 1 July 2023	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 August 2023
		\$	\$	\$	\$	\$
Employee Related Provisions						
Provision for annual leave		27,532	0	0	0	27,532
Total Provisions		27,532	0	0	0	27,532
Total other current liabilities		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.



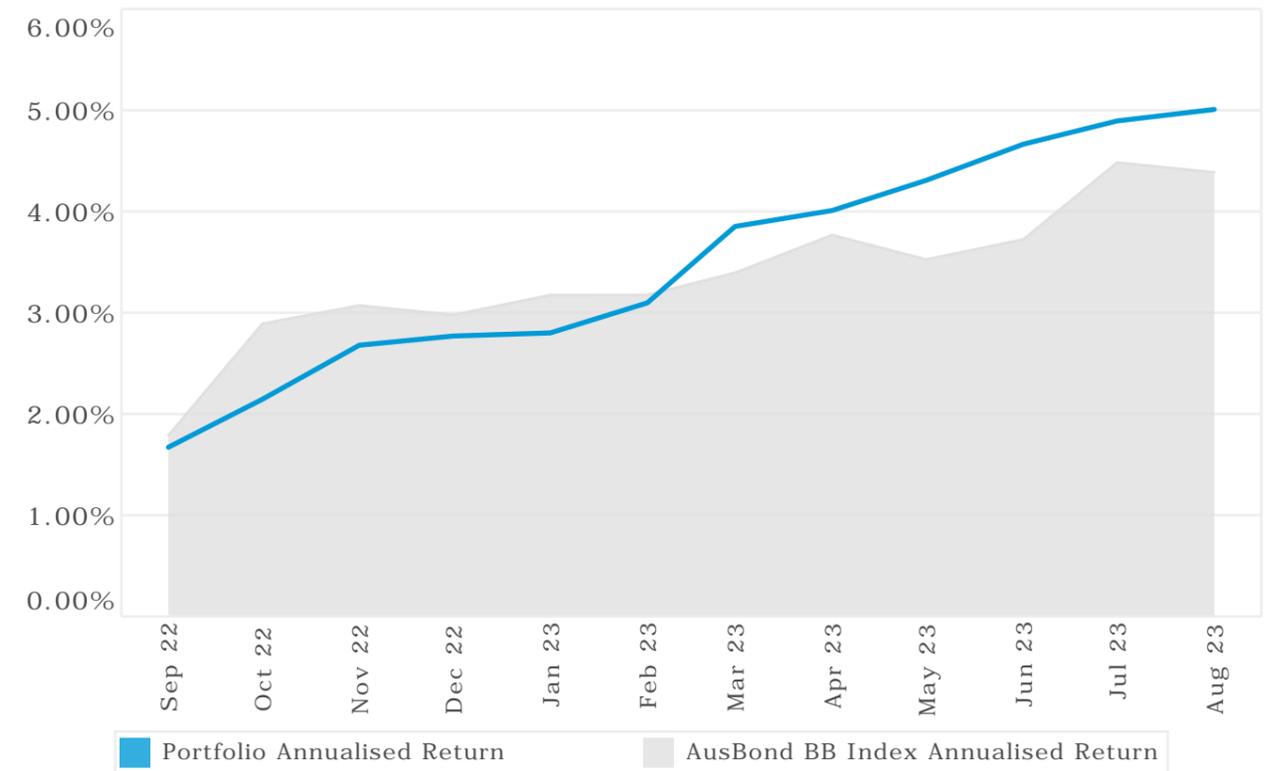
Investment Summary Report
August 2023



Investment Holdings

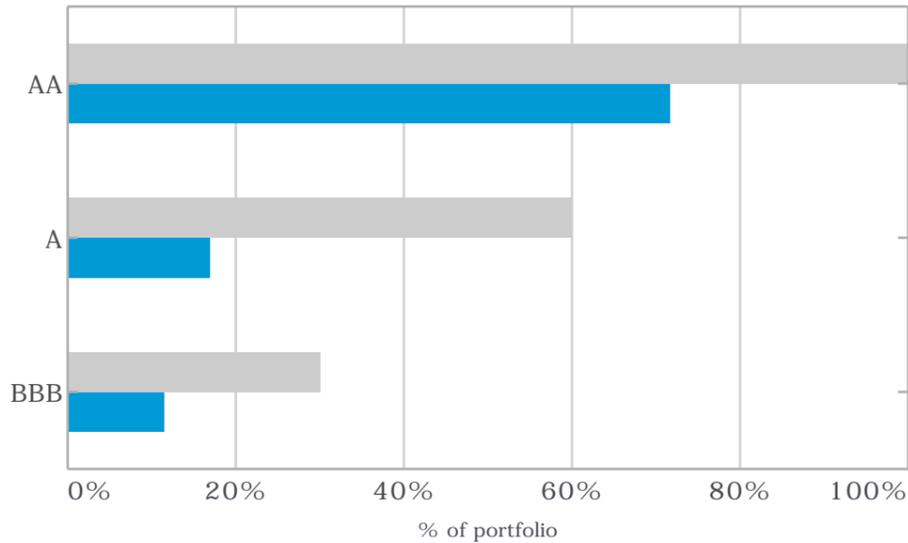
Investment Performance

	Face Value (\$)	Current Value (\$)	Current	Yield (%)
Cash	1,125,798	1,125,798		4.1774
Term Deposit	47,026,252	47,820,448		5.0637
	48,152,050	48,946,246		5.0429

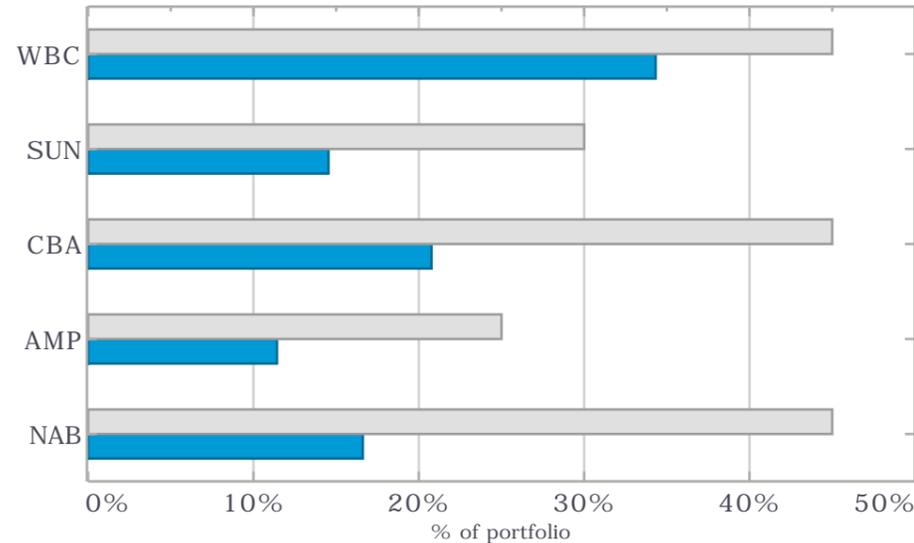


Investment Policy Compliance

Total Credit Exposure



Individual Institutional Exposures



Term to Maturities

	Face Value (\$)	Policy Max
Between 0 and 1 years	48,152,050	100% a
	48,152,050	

g Portfolio Exposure g Investment Policy Limit

Catalina Regional Council

Investment Holdings Report - August 2023



Cash Accounts

Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.	Reference
1,125,797.85	4.1774%	Macquarie Bank	A+	1,125,797.85	541301	Accelerator
1,125,797.85	4.1774%			1,125,797.85		

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
Sep-23	1,000,000.00	4.4700%	Commonwealth Bank of Australia	AA-	1,000,000.00	Feb-23	1,025,227.95	543795	25,227.95	At Maturity	692
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,147,916.07	543396	135,801.00	At Maturity	683
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,121,213.15	543474	121,213.15	At Maturity	685
Nov-23	1,000,000.00	4.8200%	Westpac Group	AA-	1,000,000.00	Mar-23	1,022,449.32	543933	22,449.32	At Maturity	698
Nov-23	1,000,000.00	5.2800%	National Australia Bank	AA-	1,000,000.00	Jul-23	1,005,352.33	544337	5,352.33	At Maturity	708
Dec-23	4,000,000.00	4.7200%	National Australia Bank	AA-	4,000,000.00	Mar-23	4,090,520.55	543931	90,520.55	At Maturity	697
Dec-23	2,500,000.00	5.1000%	Suncorp Bank	A+	2,500,000.00	Jun-23	2,530,390.41	544161	30,390.41	At Maturity	703
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,070,956.16	543905	70,956.16	At Maturity	696
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,054,126.03	543716	54,126.03	At Maturity	691
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,007,215.73	543888	2,452.72	Semi Annually	693
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,010,770.78	543853	1,396.53	Semi Annually	695
Mar-24	2,000,000.00	4.8600%	Westpac Group	AA-	2,000,000.00	May-23	2,028,760.55	544120	28,760.55	At Maturity	700
Apr-24	2,000,000.00	5.4700%	Suncorp Bank	A+	2,000,000.00	Jul-23	2,013,487.67	544321	13,487.67	At Maturity	706
May-24	3,000,000.00	5.0500%	AMP Bank	BBB	3,000,000.00	May-23	3,050,223.29	544062	50,223.29	At Maturity	702
May-24	1,500,000.00	5.1000%	AMP Bank	BBB	1,500,000.00	May-23	1,522,635.62	544099	22,635.62	At Maturity	699
May-24	1,000,000.00	5.5500%	AMP Bank	BBB	1,000,000.00	Jul-23	1,005,626.03	544338	5,626.03	At Maturity	707
May-24	3,000,000.00	4.9900%	National Australia Bank	AA-	3,000,000.00	May-23	3,038,142.74	544137	38,142.74	At Maturity	701
Jun-24	2,500,000.00	5.4800%	Suncorp Bank	A+	2,500,000.00	Jun-23	2,529,276.71	544204	29,276.71	At Maturity	704
Jun-24	2,500,000.00	5.5900%	Westpac Group	AA-	2,500,000.00	Jun-23	2,527,184.25	544220	27,184.25	Annually	705
Jun-24	2,000,000.00	5.4000%	Commonwealth Bank of Australia	AA-	2,000,000.00	Aug-23	2,002,367.12	544422	2,367.12	At Maturity	
Jul-24	5,000,000.00	5.5100%	Commonwealth Bank of Australia	AA-	5,000,000.00	Aug-23	5,016,605.48	544377	16,605.48	At Maturity	
	47,026,252.33	5.0637%			47,026,252.33		47,820,447.94		794,195.61		

Catalina Regional Council

Accrued Interest Report - August 2023

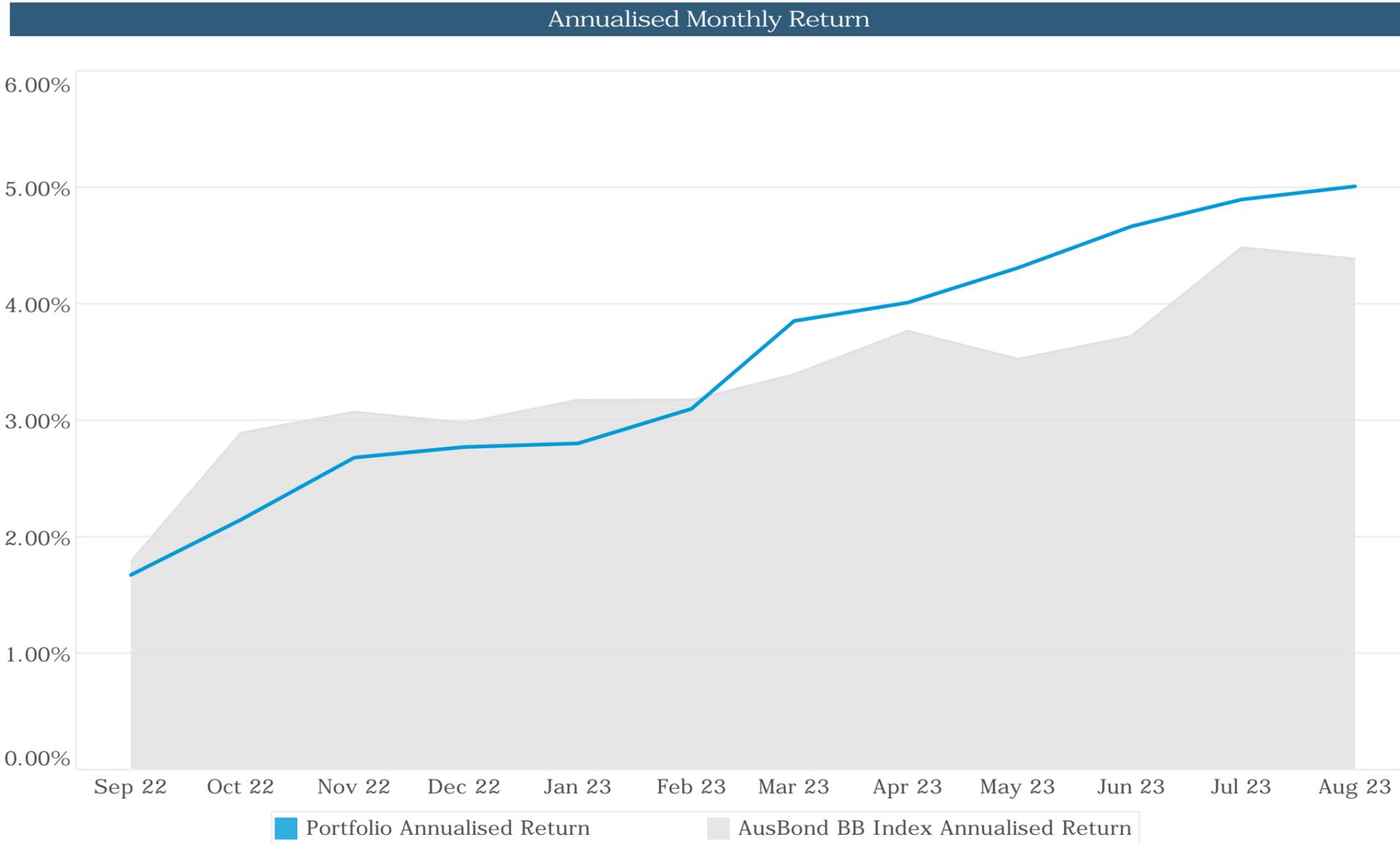


Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
Cash									
Macquarie Bank	541301					3,906.31	0	3,906.31	4.18%
						3,906.31		3,906.31	4.18%
Term Deposits									
AMP Bank	543519		2,000,000.00	Nov-22	Aug-23	69,813.70	7	1,783.56	4.65%
AMP Bank	543520		3,000,000.00	Nov-22	Aug-23	104,720.55	7	2,675.34	4.65%
Westpac Group	543396		3,012,115.07	Sep-22	Sep-23	0.00	31	12,381.85	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	31	4,484.38	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	10,828.77	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	25,277.22	31	4,329.25	5.05%
Westpac Group	543888		1,004,763.01	Feb-23	Feb-24	24,663.49	31	4,224.13	4.95%
Westpac Group	544120		2,000,000.00	May-23	Mar-24	0.00	31	8,255.34	4.86%
Suncorp Bank	544321		2,000,000.00	Jul-23	Apr-24	0.00	31	9,291.51	5.47%
AMP Bank	544062		3,000,000.00	May-23	May-24	0.00	31	12,867.13	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	31	4,713.70	5.55%
National Australia Bank	544137		3,000,000.00	May-23	May-24	0.00	31	12,714.25	4.99%
Suncorp Bank	544204		2,500,000.00	Jun-23	Jun-24	0.00	31	11,635.61	5.48%
Westpac Group	544220		2,500,000.00	Jun-23	Jun-24	0.00	31	11,869.18	5.59%
Commonwealth Bank of Australia	544422		2,000,000.00	Aug-23	Jun-24	0.00	8	2,367.12	5.40%
Commonwealth Bank of Australia	544377		5,000,000.00	Aug-23	Jul-24	0.00	22	16,605.48	5.51%

Catalina Regional Council
Accrued Interest Report - August 2023



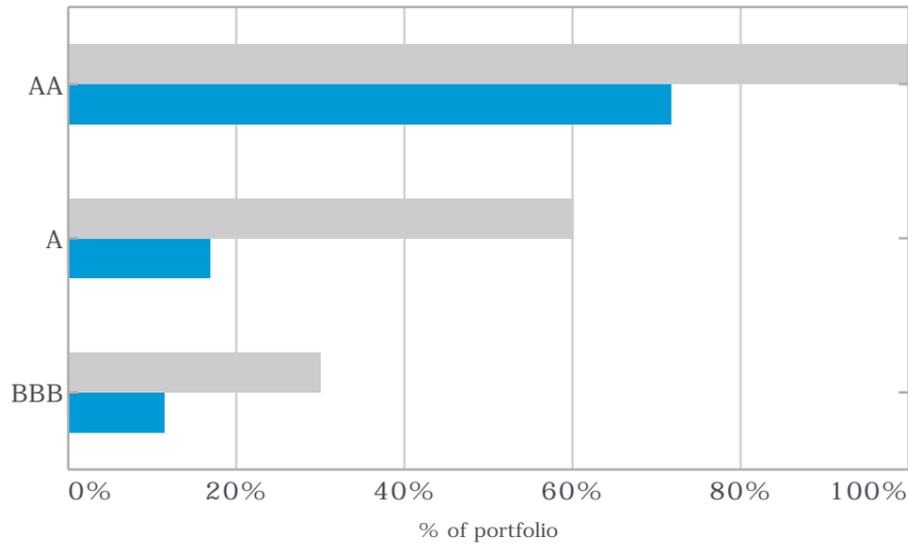
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
						224,474.96		193,103.04	5.03%
<u>Grand Totals</u>						<u>228,381.27</u>		<u>197,009.35</u>	<u>5.01%</u>



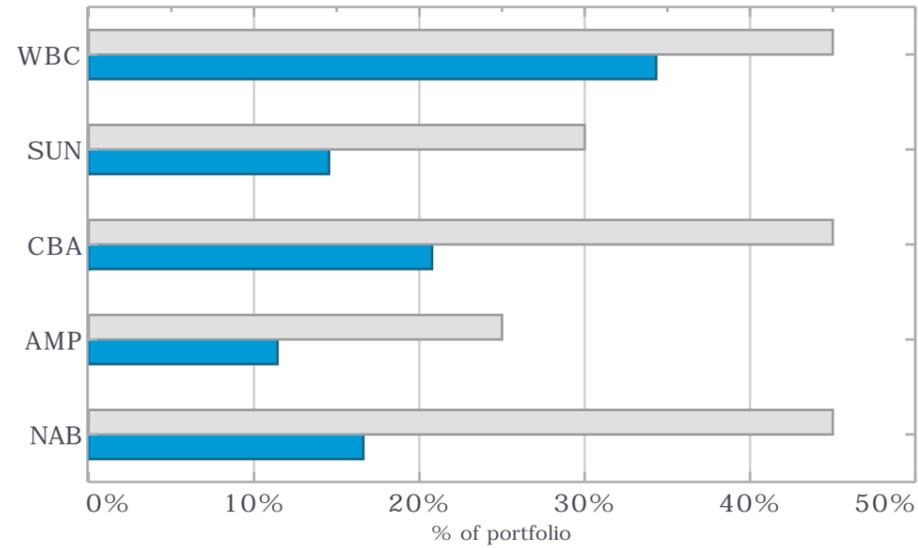
Historical Performance Summary (% pa)			
	Portfolio	Annualised BB Index	Outperformance
Aug 2023	5.01%	4.39%	0.62%
Last 3 months	4.86%	4.20%	0.66%
Last 6 months	4.46%	3.88%	0.58%
Financial Year to Date	4.95%	4.44%	0.51%
Last 12 months	3.49%	3.37%	0.12%



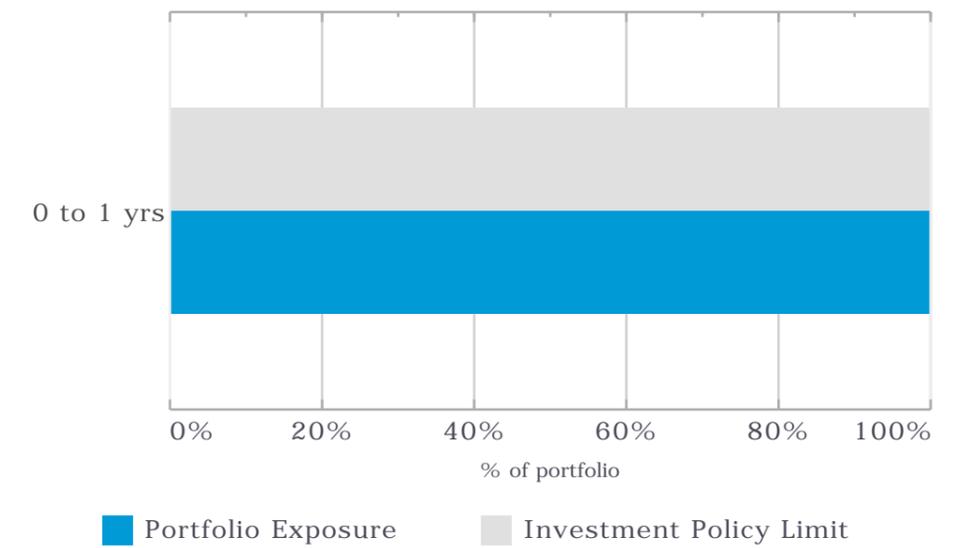
Total Credit Exposure



Individual Institutional Exposures



Term to Maturities



Credit Rating Group	Face Value (\$)	Policy Max
AA	34,526,252	100%
A	8,125,798	60%
BBB	5,500,000	30%
	48,152,050	

Institution	% of portfolio	Investment Policy Limit
Westpac Group (AA-)	34%	45%
Suncorp Bank (A+)	15%	30%
Commonwealth Bank of Australia (AA-)	21%	45%
AMP Bank (BBB)	11%	25%
National Australia Bank (AA-)	17%	45%
Macquarie Bank (A+)	2%	30%

Term to Maturity	Face Value (\$)	Policy Max
Between 0 and 1 years	48,152,050	100%

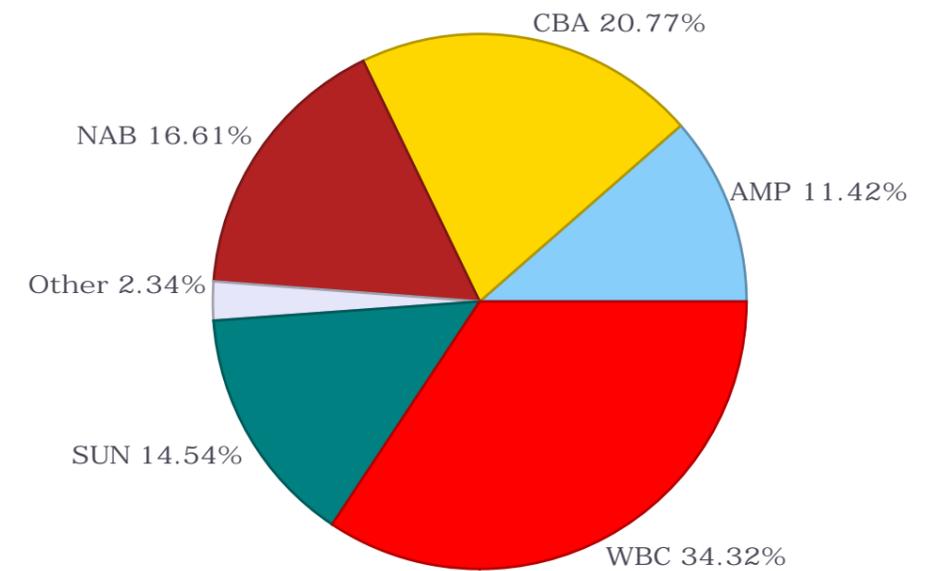
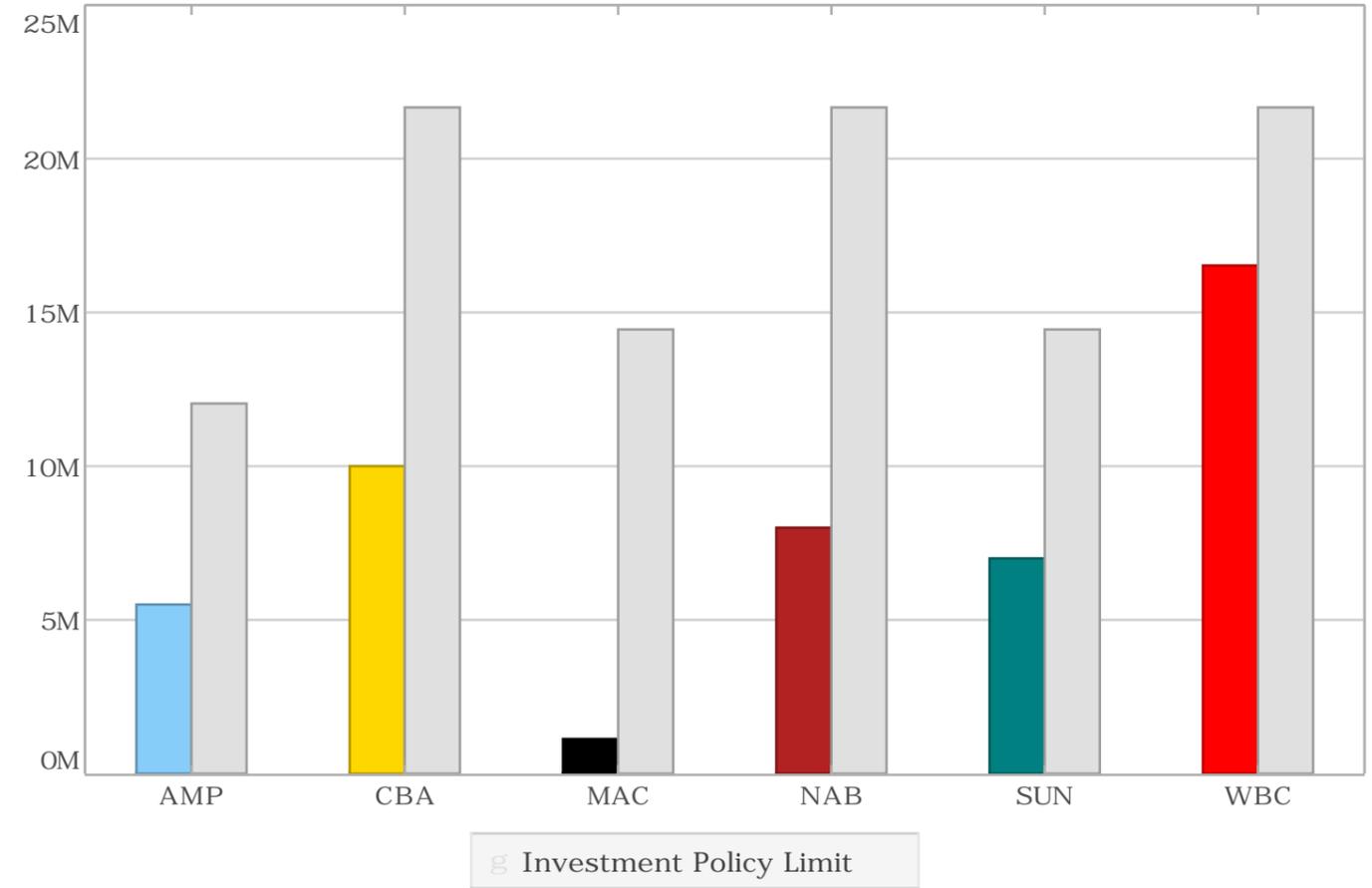
a = compliant
r = non-compliant



Individual Institutional Exposures

Individual Institutional Exposure Charts

	Current Exposures		Policy Limit		Capacity
AMP Bank (BBB)	5,500,000	11%	12,038,013	25%	6,538,013
Commonwealth Bank of Australia (AA-)	10,000,000	21%	21,668,423	45%	11,668,423
Macquarie Bank (A+)	1,125,798	2%	14,445,615	30%	13,319,817
National Australia Bank (AA-)	8,000,000	17%	21,668,423	45%	13,668,423
Suncorp Bank (A+)	7,000,000	15%	14,445,615	30%	7,445,615
Westpac Group (AA-)	16,526,252	34%	21,668,423	45%	5,142,171
	48,152,050				



Catalina Regional Council Cashflows Report - August 2023



Actual 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>	<u>2,069,813.70</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>3,104,720.55</u>
					Day Total	5,174,534.24
Aug-23	544377	Commonwealth Bank of Australia	Term Deposit	Settlement: Face Value	-5,000,000.00	
					<u>Deal Total</u>	<u>-5,000,000.00</u>
					Day Total	-5,000,000.00
Aug-23	543888	Westpac Group	Term Deposit	During: Interest Received/Paid Dates	24,663.49	
					<u>Deal Total</u>	<u>24,663.49</u>
					Day Total	24,663.49
Aug-23	543853	Westpac Group	Term Deposit	During: Interest Received/Paid Dates	25,277.22	
					<u>Deal Total</u>	<u>25,277.22</u>
					Day Total	25,277.22
Aug-23	544422	Commonwealth Bank of Australia	Term Deposit	Settlement: Face Value	-2,000,000.00	
					<u>Deal Total</u>	<u>-2,000,000.00</u>
					Day Total	-2,000,000.00
					<u>Total for Month</u>	<u>-1,775,525.05</u>

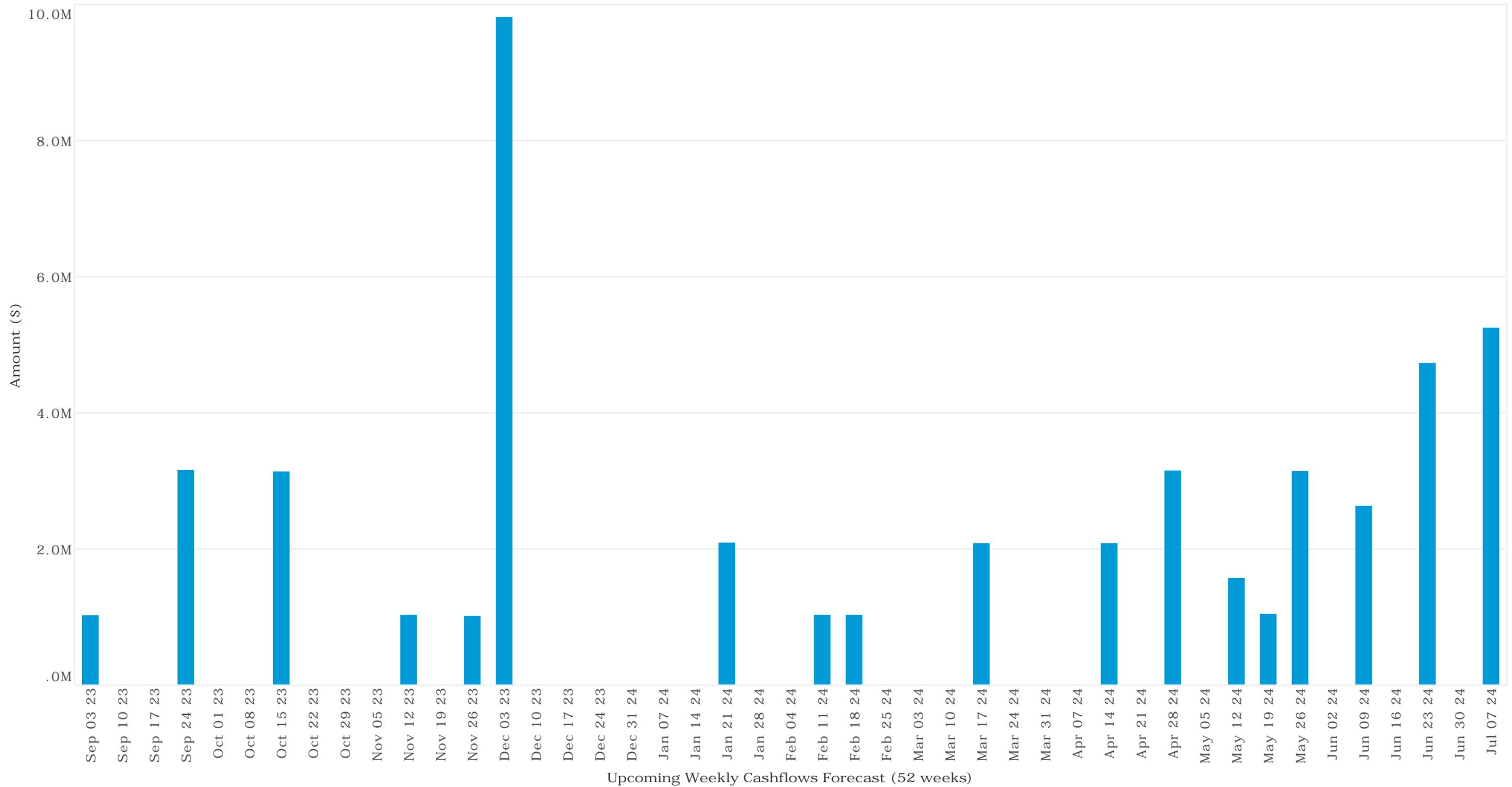
Forecast Cashflows for September 2023

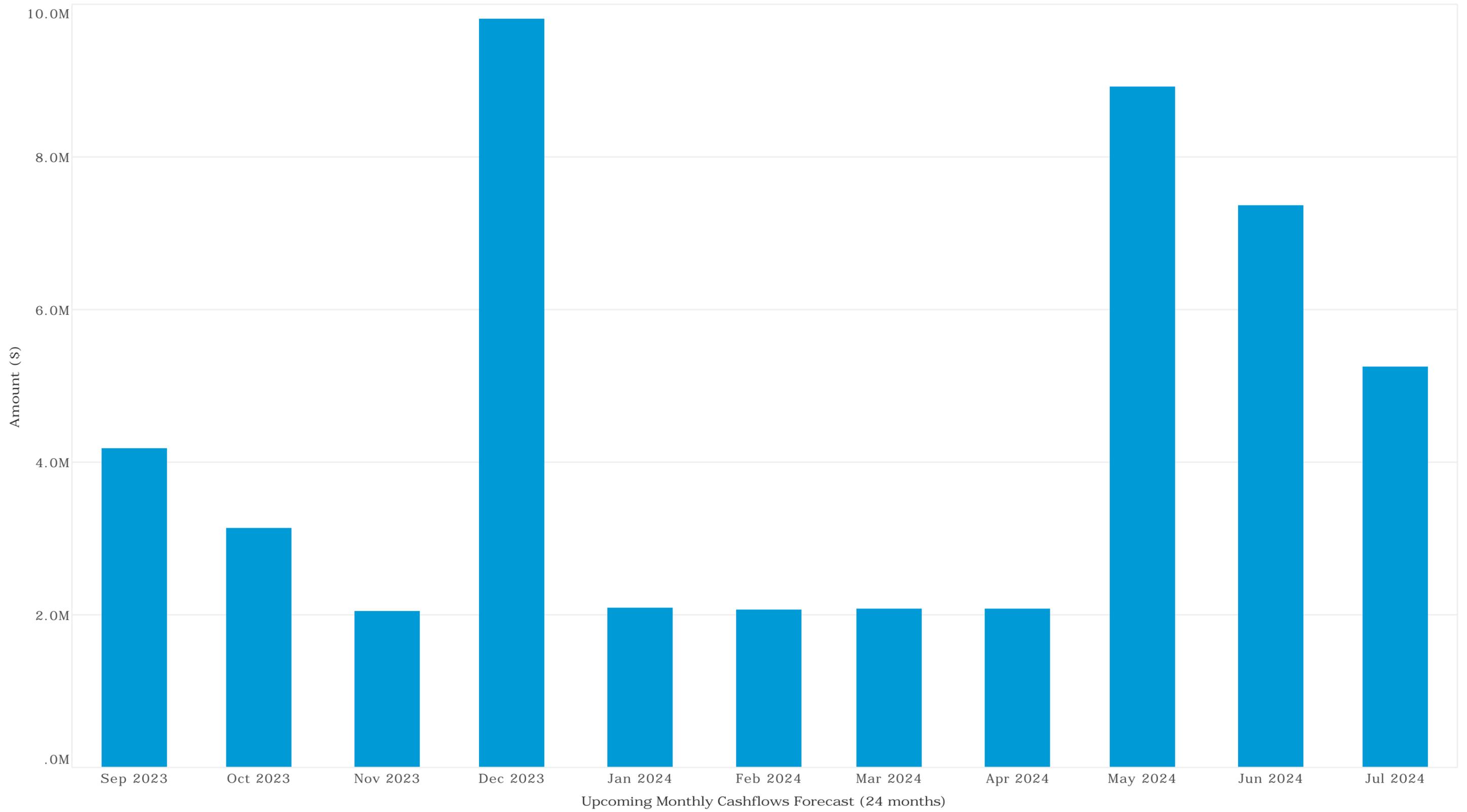
Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
Sep-23	543795	Commonwealth Bank of Australia	Term Deposit	Maturity: Face Value	1,000,000.00
		Commonwealth Bank of Australia	Term Deposit	Maturity: Interest Received/Paid	25,840.27
					<u>Deal Total</u>

Catalina Regional Council Cashflows Report - August 2023



Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
				Day Total	1,025,840.27
Sep-23	543396	Westpac Group	Term Deposit	Maturity: Face Value	3,012,115.00
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	145,786.38
				<u>Deal Total</u>	<u>3,157,901.38</u>
				Day Total	3,157,901.38
				<u>Total for Month</u>	<u>4,183,741.65</u>





9.3. LIST OF MONTHLY ACCOUNTS SUBMITTED - AUGUST 2023

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

RECOMMENDATION

That the Council:

- 1. RECEIVES and NOTES the list of accounts paid under Delegated Authority to the CEO for August 2023 - \$3,220,849.94.**
 - 2. APPROVES the CRC Credit Card Statement for August 2023.**
-

PURPOSE

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

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

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

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
--------------------	---------------------

CRC Operations - Financial Management of CRC.	Low
Action:	
Preparation and reporting on monthly accounts for Council approval.	

BACKGROUND

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

COMMENT

Payments made are in accordance with authorisations from Council, approved budget, 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
August 2023**

Date	Name	Description	Amount
02/08/2023	LP Visuals	Catalina flythrough video	-1,100.00
10/08/2023	Employee costs	Wages for period 27/07/23 - 09/08/23	-16,125.61
10/08/2023	Adams, Chris	Mobile phone charges (July 2023)	-62.19
10/08/2023	Burgess Rawson	Valuation services	-1,210.00
10/08/2023	City of Stirling	Rent & ICT support	-4,574.62
10/08/2023	City of Wanneroo	Rates 2023/2024	-319,852.45
10/08/2023	Cossill and Webley	Engineering services	-55,189.51
10/08/2023	Ideal Living	Building plan assessments	-3,509.00
10/08/2023	LD Total	Landscaping services	-129,103.98
10/08/2023	Match & Wood Pty Ltd	Digital media campaign (July 2023)	-5,500.00
10/08/2023	McMullen Nolan Group	Surveying services	-18,777.44
10/08/2023	Moore Australia (WA) Pty Ltd	Compilation of SOFA (June 2023)	-2,310.00
10/08/2023	Neverfail	Bottled water x 3	-46.10
10/08/2023	New Living Cleaning	Sales Office cleaning (July 2023)	-462.00
10/08/2023	Niche Planning Studio	Retainer (June 2023) & Subdivision reports	-17,325.00
10/08/2023	O'Sullivan, Simon	Mobile phone charges (July 2023)	-58.19
10/08/2023	Prudential Investment Services	Investment Portfolio Services (July 2023)	-1,815.00
10/08/2023	R J Vincent and Co	Civil works	-1,481,699.55
10/08/2023	Satterley Property Group	Catalina recharges (1 April 2023 - 30 June 2023)	-19,070.73
10/08/2023	Stantons International	Probity audit advisory services (July 2023)	-649.69
10/08/2023	Thomson, Dean & Heike	Solar Panel Rebate (Lot 2067)	-2,000.00
10/08/2023	Treacy Fencing	Fencing (Lot 2161)	-1,834.25
10/08/2023	Vocus Pty Ltd	Business Internet (August 2023)	-162.80
10/08/2023	Synergy	Stage 25 POS power charges (08/06/23 - 04/08/23)	-53.92
10/08/2023	Water Corporation	Sales Office water charges (17/05/23 - 18/07/23)	-233.87
10/08/2023	Australian Super	Superannuation for period 27/07/23 - 09/08/23	-2,563.38
15/08/2023	Westpac Bank	Payment of credit card charges - July/Aug 2023	-1,732.97
15/08/2023	Commonwealth Bank of Australia	Fee for preparation of Bank Audit Certificate FYE 21	-60.00
16/08/2023	Australian Taxation Office	IAS (July 2023)	-15,563.00
24/08/2023	Employee costs	Wages for period 10/08/23 - 23/08/23	-16,065.79
24/08/2023	Bignell, F & R	Solar panel rebate (Lot 2178)	-2,000.00
24/08/2023	Bioscience Pty Ltd	BCA prehandover lab testing	-2,392.00
24/08/2023	Chester, John	Elected member attendance fee 20 April 2023 - 19	-2,706.00
24/08/2023	City of Vincent	GST owing July 2023	-3,972.00
24/08/2023	City of Wanneroo	Stage 38 Engineering Assessment Fee	-637.19
24/08/2023	Cossill and Webley	Stage 43 Earthworks engineering services (July 2023)	-5,389.32
24/08/2023	Dench, J & Parker, C	Solar panel rebate (Lot 2375)	-2,000.00
24/08/2023	Dominic Carbone and Assoc	GST & Accounting services (July 2023)	-2,244.00
24/08/2023	Fleeton, Brent	Elected member attendance fee 20 April 2023 - 19	-2,706.00
24/08/2023	Haddon-Casey, Elaine	Elected member attendance fee 20 April 2023 - 19	-2,706.00
24/08/2023	Ife, Bronwyn	Elected member attendance fee 20 April 2023 - 19	-2,706.00
24/08/2023	Jones, Nige	Elected member attendance fee 20 April 2023 - 19	-2,706.00
24/08/2023	Kevin Smith Cleaning Services	Cleaning of TPRC office (July 2023)	-154.81
24/08/2023	King, Simon & Anna	Solar panel rebate (Lot 2016)	-2,000.00
24/08/2023	Krsticevic, Tony	Elected member attendance fee 20 April 2023 - 19	-2,706.00
24/08/2023	LD Total	Landscaping services	-876,954.60
24/08/2023	McMullen Nolan Group	Surveying services	-10,571.00
24/08/2023	Migdale, Suzanne	Deputy Chair allowance 20 April 2023 - 19 July 2023	-3,991.31
24/08/2023	New Living Cleaning	Cleaning of Sales Office (11/08/23)	-231.00
24/08/2023	Niche Planning Studio	Subdivision applications & LDP	-15,521.00

**Catalina Regional Council
Summary Payment List
August 2023**

24/08/2023	Officeworks	Office supplies	-144.14
24/08/2023	Parker, Glynis	Elected member attendance fee 20 April 2023 - 19 .	-2,706.00
24/08/2023	Perkov, Karlo	Elected member attendance fee 20 April 2023 - 19 .	-2,706.00
24/08/2023	Sandri, Bianca	Chairman allowance 20 April 2023 - 19 July 2023	-9,200.00
24/08/2023	Satterley Property Group	Community development services	-22,724.35
24/08/2023	Starr, S	Milk x 2	-10.40
24/08/2023	Tim Davies Landscaping P/L	Landscape maintenance supervision (July 2023)	-4,077.92
24/08/2023	Tonner, Natasha	Solar panel rebate (Lot 959)	-2,000.00
24/08/2023	Treacy Fencing	Fencing (Lot 2026)	-5,980.32
24/08/2023	Treby, Brett	Elected member attendance fee 20 April 2023 - 19 .	-2,706.00
24/08/2023	Walkerden, Paul	Solar & WELS Rebates	-3,000.00
24/08/2023	Wallace, Ashley	Elected member attendance fee 20 April 2023 - 19 .	-2,706.00
24/08/2023	Wings Photographics Pty Ltd	Aerial photography	-1,320.00
24/08/2023	Canon Australia Pty Ltd	Photocopying (22/07/23 - 20/08/23)	-41.83
24/08/2023	Synergy	Stage 36 POS power charges (13/07/23 - 14/08/23)	-266.53
24/08/2023	City of Perth	GST owing July 2023	-3,972.26
24/08/2023	Australian Taxation Office	BAS (April - June 2023)	-15,259.00
24/08/2023	Australian Super	Superannuation for period 10/08/23 - 23/08/23	-2,563.38
25/08/2023	Town of Cambridge	GST (April - July 2023)	-68,516.01
31/08/2023	City of Wanneroo	GST owing July 2023	-7,944.53
			-3,220,849.94

Catalina Regional Council
Credit Card Report
As of August 31, 2023

Type	Date	Name	Description	Amount
Credit Card Credit	01/08/2023	Officeworks	Refund of CEO chair (double billed)	-448.95
Credit Card Charge	02/08/2023	Lot Six Zero	Milk x 1	4.04
Credit Card Charge	02/08/2023	Lot Six Zero	Refreshments (staff meeting)	21.74
Credit Card Charge	04/08/2023	Coles Supermarkets	Coffee pods	22.00
Credit Card Charge	06/08/2023	Woolworths	Coffee pods	22.00
Credit Card Charge	08/08/2023	Ampol	Milk x 2	11.10
Credit Card Charge	10/08/2023	Westpac Bank	Credit card fees (CEO, EA & MPC)	11.25
Credit Card Charge	11/08/2023	Coles Supermarkets	Coffee pods	33.00
Credit Card Charge	13/08/2023	Reckon	Reckon Accounts Hosted Annual Licence x 1	850.00
Cheque	15/08/2023	Westpac Bank	Credit card charges (EA)	-696.26
Cheque	15/08/2023	Westpac Bank	Credit card charges (CEO)	-1,010.96
Cheque	15/08/2023	Westpac Bank	Credit card charges (MPC)	-25.75
Credit Card Charge	21/08/2023	Coles Supermarkets	Milk	1.60
Credit Card Charge	23/08/2023	Chemist Warehouse	RAT Tests	24.99
Credit Card Charge	28/08/2023	UDIA (Qld)	UDIA National Congress 2024 (CEO)	3,422.00
Credit Card Charge	28/08/2023	UDIA (Qld)	UDIA National Congress 2024 (additional night's at	270.00
Credit Card Charge	29/08/2023	Zoom Video Communicatio	Standard Pro Monthly x 3 (September 2023)	69.18
				2,580.98
TOTAL				2,580.98

9.4. SALES AND SETTLEMENT REPORT – AS AT 30 SEPTEMBER 2023

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

RECOMMENDATION

That the Council RECEIVES the Sales and Settlement Report as at 30 September 2023.

PURPOSE

To advise the Council of Project sales, settlements and marketing.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

Local Government Act 1995: Sect 3.58 – Disposal of Property

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Income from settled sales is posted under item 1145011 (Income on Lot Sales):

Budget Amount:	\$	40,078,630
Received to Date:	\$	12,986,233
Balance:	\$	27,092,397

RISK MANAGEMENT IMPLICATIONS

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

This report provides information on Project sales, settlements and marketing activities to ensure the Council is well informed of these matters.

BACKGROUND

This report provides the Council with a status update of Project sales, settlements and marketing activities, in addition to competitor estates' pricing and sales. The Staging Plan identifies the location and extent of stages referenced within the report.

COMMENT

Table 1 provides a summary of the Catalina Estate Sales and Settlement position for lots released up to 30 September 2023.

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

Stage	Precinct	Release Date	Lots Released	Lot Sizes (m ²)	Sold	Stock	Settled
Completed Stages		-	1163	174 – 20,000	1163	0	1163
Stage 17 (Lot 341)	Central	Aug-21	1	6,907	1	0	0
Stage 18C (1)	Central	Sep-21	21	183 - 558	21	0	21
Stage 18C (2)	Central	Nov-21	4	150 -155	4	0	4
Stage 29 (1)	Beach	May-22	14	315 - 450	11	3	11
Stage 29 (2)	Beach	Sep-22	12	315 - 470	10	2	8
Stage 29 (3)	Beach	Mar-23	17	294 - 485	15	2	8
Stage 31 (1)	Beach	Jun-23	12	375 - 450	5	7	0
Stage 31 (2)	Beach	Aug-23	6	315 - 607	2	4	0
Stage 36 (2)	Green	Dec-21	14	300 - 450	13	1	13
Stage 36 (3)	Green	Feb-22	7	188 - 484	6	1	6
Stage 37 (DV)	Green	Sep-23	9	375 – 450	0	9	0
Stage 37 (1)	Green	July-22	19	303 - 450	19	0	14
Stage 37 (2)	Green	Feb-23	13	313 - 475	11	2	8
Stage 37 (3)	Green	Feb-23	3	328 - 370	3	0	2
Stage 37 (4)	Green	Apr-23	13	188 - 595	11	2	6
Stage 38	Green	May-23	36	225-576	31	5	0
Stage 39 (1)	Green	Aug-23	42	191-465	7	35	0
Total			1,406	150 – 20,000	1,333*	73	1,264
Change since 31 July 2023			+57		+30	+27	+28

* 'Sold' figures include 11 lots pending advertising and contract-acceptance.

As at 30 September 2023, the Project had 70 lots under contract: 5 unconditional, 54 conditional and 11 pending advertising and acceptance.

Table 2 details sales for the year to date in FYE 2024. The strong sales momentum achieved in late FYE 2023 continued into the first months of the new financial year, including 12 nett sales in August and 18 nett sales in September 2023. Nett sales for FYE 2024 to date are 30 more than budget.

Table 2: Summary of Sales for FYE 2024 against Budget – Catalina Estate

	Jul	Aug	Sept	YTD	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYE 2023
Budget Nett Sales	7	7	7	21	7	7	4	14	8	8	8	8	8	93
Actual Gross Sales	21	14	22	57										
Cancellations	0	2	4	6										
Actual Nett Sales	21	12	18	51										
Nett Sales Variance to Budget	+14	+5	+11	+30										

Settlements

Settlements for FYE 2024 are shown in Table 3.

15 lots settled in August and 13 settled in September 2023. The settled lots were comprised of three lots in Stage 18C (Catalina Central), three lots in Stage 29 (Catalina Beach), three lots in Stage 36 (Catalina Green) and 19 lots in Stage 37 (Catalina Green).

Table 3: Summary of Settlements for FYE 2024 against Budget – Catalina Estate

	Jul	Aug	Sept	YTD	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYE 2024
Budget	10	7	6	23	8	6	8	12	17	12	9	8	11	114
Actual	16	15	13	44										
Variance	+6	+8	+7	+21										

Available Stock

36 gross sales were achieved over the past two months, 26 in Catalina Green and 10 in Catalina Beach. Additional stock was released in Stage 31 (6 lots) and Stage 39 (42 lots) in August 2023. An expression of interest process for nine display village lots in Catalina Green was undertaken in September 2023.

Available stock as at 30 September 2023 is set out in Table 4.

Table 4: Summary of Available Stock as at 30 September 2023 – Catalina Estate

Stage	Precinct	Stock	Change since 31 July 2023	Title Status	Anticipated Title Date
Stage 29	Beach	7	-1	Titled	N/A
Stage 31	Beach	11	+1	Untitiled	November 2023
Stage 36	Green	11	+9	Titled	N/A
Stage 37	Green	4	0	Titled	N/A

Stage 38	Green	5	-6	Untitled	January 2024
Stage 39	Green	35	+5	Untitled	May 2024
Total		73	-2		

Northern Corridor Estates Analysis

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

Table 5: Summary of Sales in Northern Corridor (September 2022 to August 2023)

ESTATE	September	October	November	December	January	February	March	April	May	June	July	August	12 Month Total Sales
Alkimos Beach (Alkimos)	0	3	3	9	1	2	3	8	15	16	5	25	90
Alkimos Vista (Alkimos)	3	1	3	3	0	2	0	12	18	19	6	14	81
Allara (Eglinton)	3	1	2	3	9	7	13	10	12	11	16	6	93
Amberton (Eglinton)	20	33	14	4	5	4	23	18	18	30	30	28	227
Catalina (Clarkson Mindarie)	9	0	1	2	4	3	8	11	16	14	15	13	96
Eden Beach (Jindalee)	-1	9	8	2	9	6	8	14	7	9	8	5	84
Elevale	4	19	-2	7	3	11	3	7	7	8	10	8	85
Jindowie Estate	0	-3	6	6	3	10	10	5	1	1	4	0	43
Shorehaven (Alkimos)	2	6	5	3	3	6	7	5	11	8	17	14	87
Trinity (Alkimos)	5	2	9	13	3	13	3	10	12	11	17	13	111
TOTAL	45	71	49	52	40	64	78	100	117	127	128	126	997
CATALINA A SHARE (%)	20.00 %	0.00 %	2.04 %	3.85 %	10.00 %	4.69 %	10.26 %	11.00 %	13.68 %	11.02 %	11.72 %	10.32 %	9.63 %
Catalina Market Share September 2022 to August 2023							9.63%						

Note: Satterley advises that competitor sales results are indicative only, based on information obtained in the marketplace and supplied by other developers on a voluntary basis.

Table 6: Average of Price of Available Lots in Northern Corridor Estates (as at 30 September 2023)

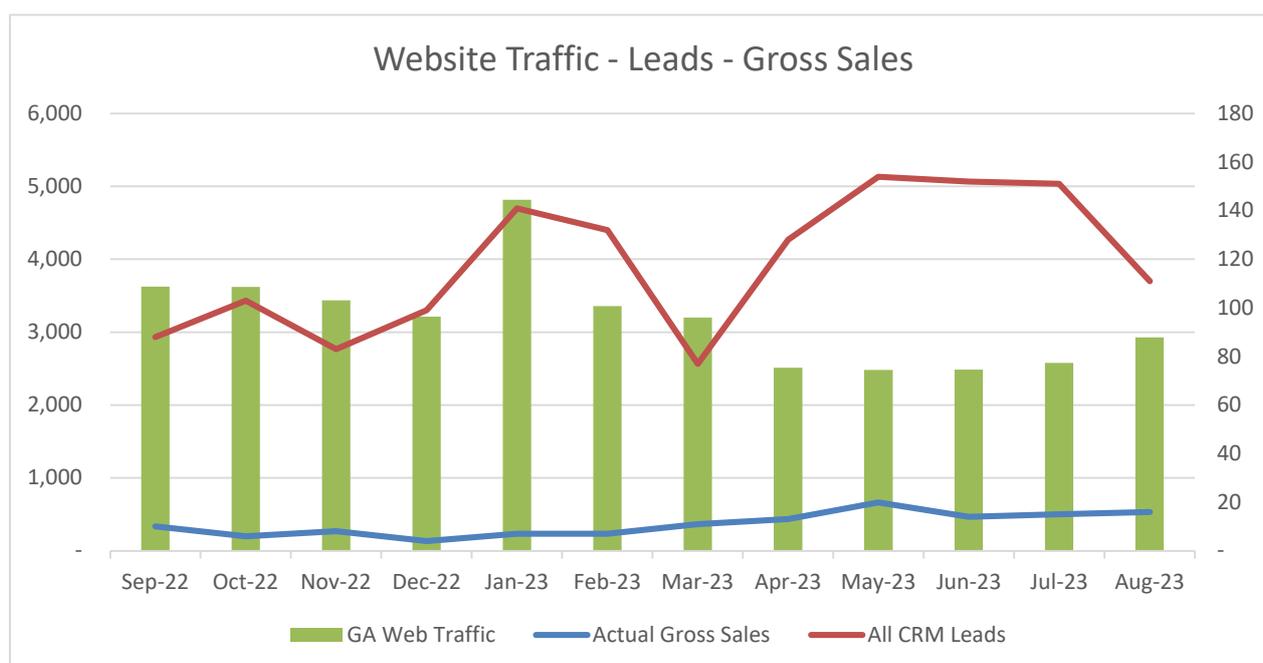
Estate	225sqm Price (\$)	300sqm Price (\$)	375sqm Price (\$)	450sqm Price (\$)	500sqm + Price (\$)	Total Dwellings	Available	Last Report
Allara	\$156,000	\$192,000	\$210,000	\$240,000	\$260,000	3,405	28	32
Alkimos Beach	\$165,000	\$247,000	n/a	\$320,000	\$340,000	2,413	9	7
Amberton	n/a	\$239,000	\$429,000	\$240,000	\$396,000	2,500	20	13
Banksia Grove	n/a	n/a	n/a	n/a	n/a	1,580	0	0
Catalina Beach	n/a	\$385,000	\$430,000	\$495,000	n/a	2,480	18	24
Catalina Green	\$233,000	\$240,000	\$285,000	\$316,000	n/a		55	41
Eden Beach	n/a	\$320,000	\$290,000	\$325,000	\$360,000	1,100	15	32
Elevale	n/a	\$235,000	\$255,000	\$283,000	\$315,000	197	9	20
Jindowie	n/a	\$135,000	n/a	n/a	n/a	1,800	2	5
Shorehaven	n/a	\$256,000	\$291,000	\$333,000	\$358,000	2,800	19	4
Trinity	n/a	\$225,000	\$275,000	\$303,000	\$315,000	2,500	11	10
					Total		186	188

Catalina’s market share of sales against various comparison estates has exceeded 10% for all months of FYE 2024 to date, continuing the strong sales performance of the last quarter of FYE 2023.

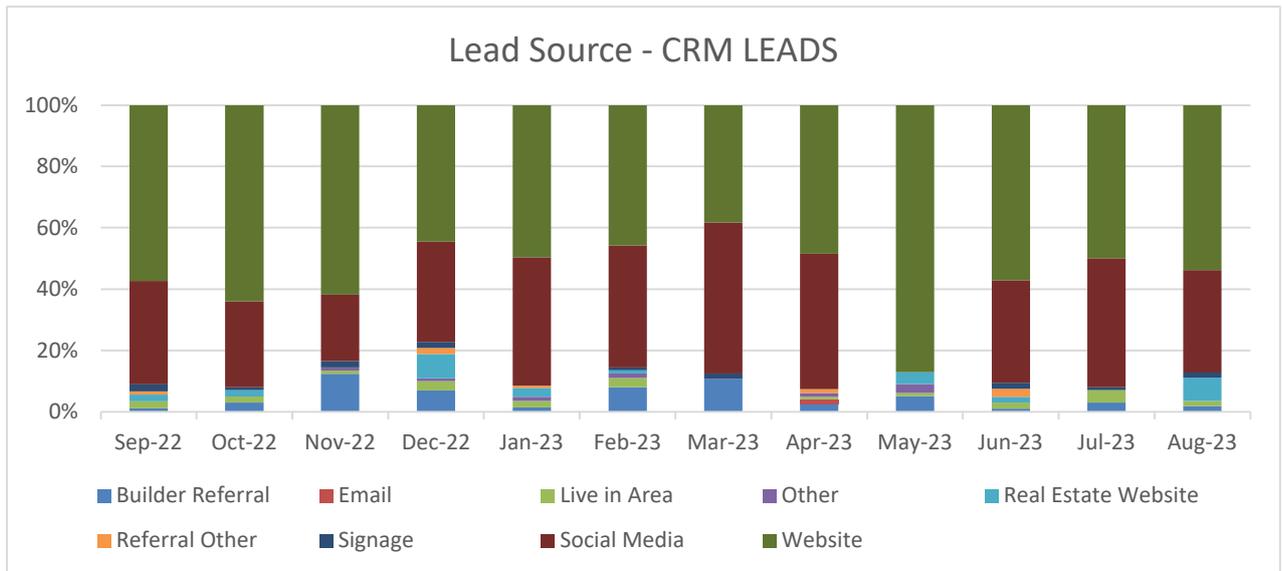
Catalina’s available lots increased by eight to 73 lots between reporting periods, while competitors’ stock decreased by 10 lots (8.1% decrease).

Marketing

Catalina’s website traffic in July and August 2023 experienced a small increase in volume on the three previous months. There was a decline in August 2023 in leads, recording 111 compared to 152 in the previous month. However, when contrasted with the same period last year, the leads still remain strong. The predominant lead sources for July were still primarily from the website and social media. Gross sales remain strong.

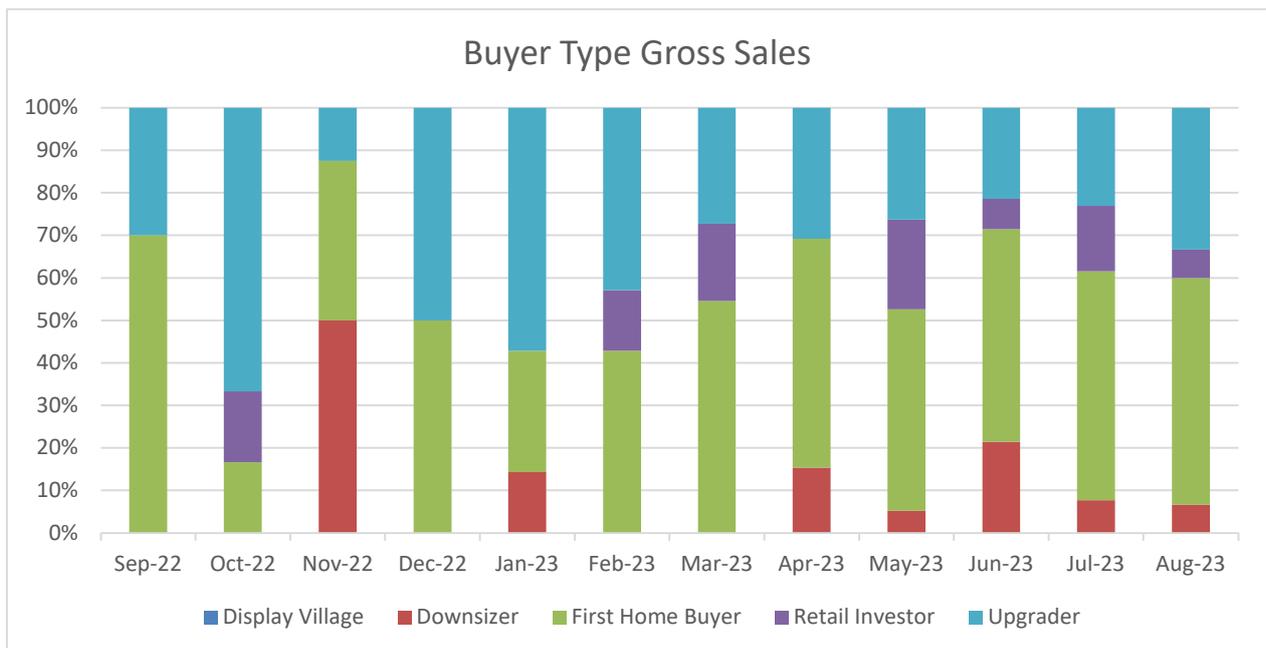


Satterley CRM Data 01/06/22 – 31/8/23



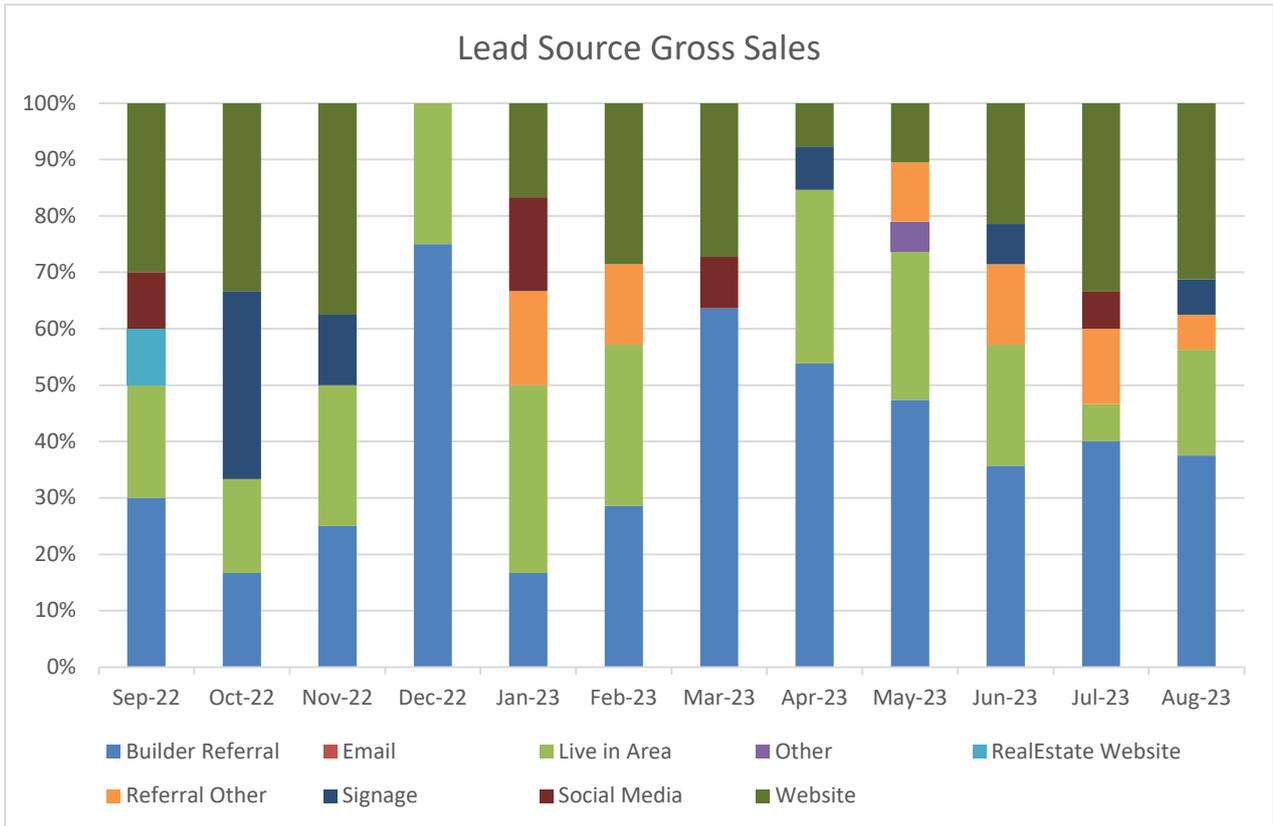
Satterley CRM Data 01/08/22 – 31/08/23

In August 2023, the main lead source types, particularly social media and real estate websites, witnessed some changes from the previous month. While builder referral and live in area maintained a relatively consistent contribution, the website continues to be a dominant lead source. Additionally, 'Other' as a lead source was a notable absence this month.



Satterley CRM Data 01/08/22 – 31/08/23

Catalina remains popular among first home buyers, with their presence consistent at 50%. While downsizers have shown a marginal presence at 6%, their contribution has been steady over the past few months. Upgraders have seen a rise, contributing to 31% of the gross sales in August. Retail investors have dipped slightly to 6%, continuing their trend of fluctuating contributions over the months. Display Village sales have been absent throughout the year. The variations in buyer types might be linked to the offerings and stock levels at Catalina Green versus Catalina Beach.



Satterley CRM Data 01/08/22 – 31/08/23

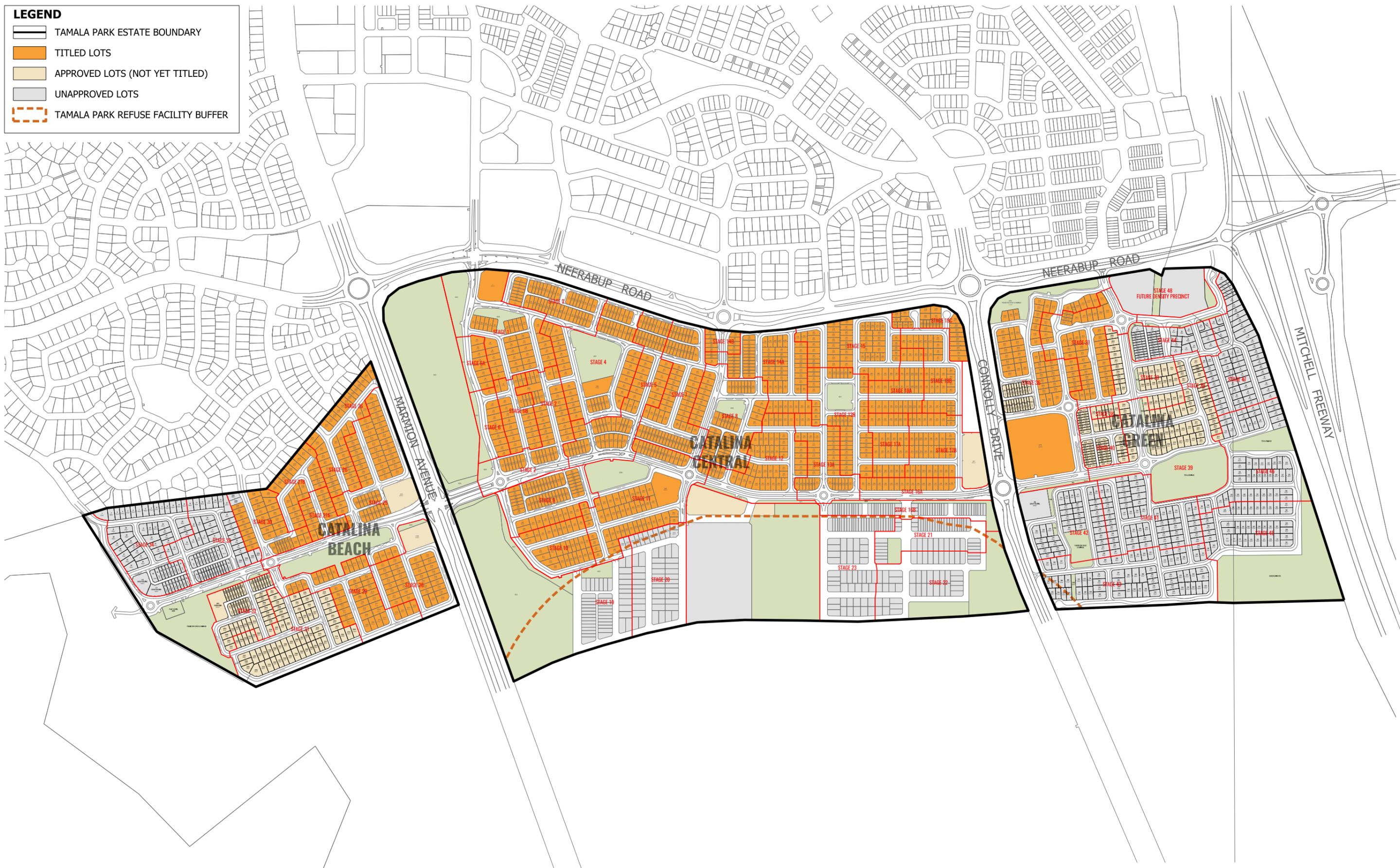
Installation of a new Catalina Green Information Bay has been completed.



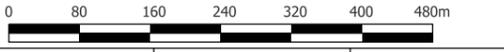
New Information Bay Signage in Catalina Green

LEGEND

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



ESTATE LAYOUT & STAGING PLAN
Catalina Estate, TAMALA PARK

<p>Aerial supplied by: Aerial Date Stamp: Survey supplied by: MNG Plan Number: NPS1059 - 023 Revision Number: B Drawn By: JP Client: Tamala Park Regional Council</p>		 <p>Scale: 1:8000 @A3 Date Issued: 04.07.2023 ©Niche Planning Studio</p> <p><small>DISCLAIMER: Town Planning compliance is subject to approval from the Tamala Park Regional Council and a suitable town planner will need to be appointed. All Dimensions, Areas and Calculations are subject to Detailed Survey and Design before Town Planning Permit application. B/L: Form is illustrative only and subject to Architectural Design and approval from an RATA qualified architect. This plan has been prepared for illustrative purposes only and should not be used as a means to judge any properties value or yield potential.</small></p>
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9.5. PROJECT FINANCIAL REPORT - JULY 2023

Responsible Officer: Project Manager
Attachments: 1. Attachment - Project Finance Report (July)
Voting Requirement: Simple Majority

RECOMMENDATION

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

PURPOSE

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

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Review of Project Financial Report for August 2023.

RISK MANAGEMENT IMPLICATIONS

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

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

BACKGROUND

At its meeting of 22 June 2023, the Council approved the Project Budget FYE 2024, submitted by the Satterley Property Group (Satterley).

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

COMMENT

Satterley has prepared a Catalina Financial Report for July 2023 for the Project. The report has been prepared on a cash basis and compares actual expenditure to approved budget expenditure for the period 1 July 2023 to 31 July 2023.

This report identifies the following main areas of variance:

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

	Budget (July-June)	Budget YTD (July)	Actual YTD (July)	Variance \$	Variance %
Revenue	\$36,306,053	\$3,028,818	\$4,616,811	\$1,587,993	52.43%
Expenditure	\$20,742,246	\$4,088,600	\$326,378	-\$3,762,222	-92.01%
Nett	\$15,563,807	-\$1,059,782	\$4,290,433	\$5,350,215	504.84%

Expenditure

- Lot Production (excluding bonds): \$2.29M under budget. Much of this under-expenditure is due to the delayed receipt of civil construction contractor invoices.
- Landscaping: \$1.19M under budget. Much of the under-expenditure is due to the delayed receipt of landscape construction contractor invoices.
- Infrastructure Spend: \$198K under budget. This is primarily due to cost savings with the construction of the Longbeach Promenade extension, with works being delivered for \$200,000 less than allocated budget.
- Clearance Bonds: \$26K unfavourable. Several bonds currently being held by the City of Wanneroo are expected to be released in coming months.

Revenue

Income: \$1.58M above expectations due to six more settlements than budgeted.

8 September 2023

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

Dear Chris

Catalina Financial Report for July 2023

Please find attached the Catalina Financial Report for July 2023. This report has been prepared on a cash basis and compares actual income and expenditure to the June 2023 approved budget for the period ending 31 July 2023, with construction spend reviewed on a period to date basis.

Sales & Settlements

- YTD residential settlement revenue for FY2024 was \$4.9m which is \$1.62m favourable to the approved 'June 2023' budget due to 6 more settlements.
- Year to date Sales for FYE2024 was \$4.66m and \$2.23m favourable to budget due to 8 more residential sales.

Expenditure

Overall period to date cashflow for at 31 July 2023 is \$5.70m below budget per the approved 'June 2023' budget. The main areas of expenditure variances are summarised below:

- Lot Production (excl. Bonds) is \$3.3m under budget PTD (\$2.3m under budget YTD). Timing of works programs on all stages are largely in line with budget, with most of the variance relating to June civils payments of \$1.5m not completed at 31 July and the flow of works/payments differences between actuals and budget. The following PTD variances are noted:
 - Stage 36 - \$1.35m under budget due to timing variances & savings from Westen Power Refund;
 - Stage 31 - \$890k under budget due to timing variances;
 - Stage 38 - \$330k under budget due to timing variances;
 - Stage 37 - \$261k under budget due to timing variances and estimated savings of \$200k;
 - Stage 29 - \$199k under budget due to timing variance and estimated savings of \$100k;
 - Other stages – \$292k under budget which includes estimated savings of \$200k and some timing variances.
- Landscaping is \$1.90m under budget PTD (\$1.2m under budget YTD). Lower spend for Landscaping has resulted from some work delays, timing of payments and some savings. The following PTD variances are noted:
 - Preliminary Landscaping Consultancy - \$265k under budget due to delayed designs and constructions (primarily foreshore POS). This is an outcome of delayed works;
 - Beach Foreshore POS \$644k under budget due to delays (approvals, construction delays and internal reviews of project);

- Green POS 1 Phase 1 - \$474k under budget due to timing of payments – works on schedule to budget;
 - Green Streetscapes Phase 1 - \$143k under budget – works have been deferred to commence in September;
 - Beach Portofino Verge(South) -\$114k under budget due to savings;
 - Other landscaping activities - \$258k under budget due to a mixture of timing variances and savings.
-
- Infrastructure Spend is \$281k under budget PTD (\$198k under budget YTD), noting the following variance:
 - Longreach Prom Extension \$281k under budget due to minor timing variances and estimated savings of \$200k.
 - Clearance bonds are \$768k unfavourable to budget – timing. Stage 29 and 37 bond reductions are imminent to offset this variance.
 - Indirect Consultants are \$86 over budget PTD - timing.
 - P&L expenditure is \$103k under budget YTD, noting the following variances:
 - Sales & Marketing is \$1k over budget due to timing of spend;
 - Community and Development \$4k under budget due timing of spend;
 - Maintenance \$44k under budget due to timing of spend;
 - Legal Fees \$4k under budget – no spend required at present;
 - Contingency \$42k under budget – not required
 - Valuations \$3k under budget due to timing of spend;
 - \$7k under budget - combined minor variances for other Overheads.

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

Yours faithfully



Ross Carmichael
General Manager Finance

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - July 2023			PROJECT TO DATE - July 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Jul 2023	YTD BUD Jul 2023	Variance	PTD ACT Jul 2023	PTD BUD Jul 2023	Variance	Comments regarding variance
REVENUE								
Settlements	Settlement revenue	4,900,000	3,279,504	1,620,496	342,157,500	337,306,171	4,851,329	16 settlements YTD ex GST Margin scheme.
Margin GST	Margin GST	(47,667)	(45,644)	(2,023)	(4,746,273)	(4,760,634)	14,361	GST Margin Scheme applied (Burgess Rawson valuations)
Direct Selling Costs		(220,764)	(150,658)	(70,105)	(15,842,394)	(15,625,112)	(217,282)	Includes Commission and Management Fees
Interest Income		820	0	820	108,984	105,934	3,050	Penalty interest income on settlements
Forfeited Deposits		0	0	0	35,455	35,455	0	
Other Income	Special sites revenue	0	0	0	10,228,594	10,228,594	0	
Rebate Allowance		(15,578)	(54,384)	38,806	(6,762,517)	(8,013,075)	1,250,558	Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates
TOTAL REVENUE		4,616,811	3,028,818	1,587,992	325,179,348	319,277,332	5,902,016	
LOT PRODUCTION								<i>Commentary (PTD Analysis)</i>
Completed Earthworks		0	0	0	13,529,541	13,529,541	(0)	
Completed Stages		0	0	0	52,299,143	52,298,143	1	
Stage 18C	Siteworks / Earthworks	0	0	0	1,685,379	1,700,000	14,621	
	Authorities Fees	0	0	0	233,167	233,167	0	
	Direct Consultants	0	9,958	9,958	114,393	138,041	23,648	
Total Stage 18C		0	9,958	9,958	2,032,940	2,071,209	38,269	
Stage 27B	Siteworks / Earthworks	0	0	0	958,961	960,144	1,183	
	Authorities Fees	0	66,982	66,982	145,269	278,955	133,686	
	Direct Consultants	0	13,985	13,985	116,366	148,411	32,045	
Total Stage 27B		0	80,966	80,966	1,220,596	1,387,510	166,915	Under budget as result of ~\$100k savings from authority fees (WP) to be reflected in next update.
Stage 29	Siteworks / Earthworks	0	205,375	205,375	3,822,112	3,866,360	44,248	
	Authorities Fees	1,320	0	(1,320)	319,683	428,043	108,360	
	Direct Consultants	4,171	12,700	8,529	164,390	211,053	46,663	
Total Stage 29		5,491	218,075	212,584	4,306,185	4,505,456	199,271	Under budget as result of ~\$100k savings from authority fees (WP) to be reflected in next update.
Stage 31	Siteworks / Earthworks	0	631,298	631,298	1,115,533	1,974,808	859,275	
	Authorities Fees	0	0	0	12,210	12,210	0	
	Direct Consultants	12,590	20,651	8,061	207,564	238,589	31,025	
Total Stage 31		12,590	651,949	639,359	1,335,307	2,225,607	890,300	Cashflow under budget: Timing variance on civils payments (works on schedule).
Stage 36	Siteworks / Earthworks	0	351,126	351,126	5,362,233	6,215,422	853,189	
	Authorities Fees	(146,908)	0	146,908	238,610	716,382	477,772	
	Direct Consultants	0	3,638	3,638	435,575	454,905	19,331	
Total Stage 36		(146,908)	354,764	501,672	6,036,418	7,386,709	1,350,291	Cashflow under budget due to: Timing variance on civils payments (works on schedule); unforecast credit for WP refund; Headworks and civils below forecast due to fencing and headworks deferred on cottage lots. Portion of unused budget expenditure anticipated to be taken up as savings in next update.
Stage 37	Siteworks / Earthworks	0	406,271	406,271	1,639,360	1,832,502	193,142	
	Authorities Fees	0	0	0	369,831	401,300	31,469	
	Direct Consultants	15,452	18,467	3,015	199,218	235,277	36,059	
Total Stage 37		15,452	424,738	409,286	2,208,409	2,469,078	260,670	Cashflow under budget: Timing variance on civils payments (works on schedule). Current estimated savings on stage costs ~\$200k - will be reflected in next budget update.
Stage 38	Siteworks / Earthworks	0	415,688	415,688	104,452	415,688	311,235	
	Authorities Fees	0	0	0	396	0	(396)	
	Direct Consultants	1,053	9,573	8,520	107,320	126,539	19,219	
Total Stage 38		1,053	425,261	424,208	212,168	542,227	330,059	Cashflow under budget: Timing variance on civils payments (works on schedule).

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - July 2023			PROJECT TO DATE - July 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Jul 2023	YTD BUD Jul 2023	Variance	PTD ACT Jul 2023	PTD BUD Jul 2023	Variance	Comments regarding variance
Stage 39	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	
	Direct Consultants	39,420	52,886	13,466	72,270	52,886	(19,384)	
Total Stage 39		39,420	52,886	13,466	72,270	52,886	(19,384)	
TOTAL LOT PRODUCTION		(72,902)	2,218,599	2,291,500	101,494,994	104,817,278	3,322,284	Summary Note: (Civil payments are budgeted to be the month after works. Budget also averages civil costs equally over the budget period). R J Vincent June works for \$1.5m were not paid at 31 July
Clearance Bonds	Various Stages	26,303	0	(26,303)	3,525,906	2,788,020	(737,886)	Timing variances - Stage 29 & 37 bond reductions imminent.
LANDSCAPING								Commentary (PTD Analysis)
Completed Landscaping		0	0	0	15,753,900	15,753,900	0	
Preliminary Landscaping Consultancy	Landscape Consulting	3,585	133,386	129,801	1,031,619	1,296,703	265,084	Under budget as direct result of delays in construction, particularly foreshore POS, consultancy payments a % fee tied directly to construction works.
Environmental Landscaping	Landscape Construction	0	0	0	448,925	514,842	65,917	
Public Art	Landscape Construction	0	22,406	22,406	189,497	211,902	22,406	Under budget as a result of savings.
Central Connolly Drive	Landscape Construction	0	13,035	13,035	1,068,207	1,107,364	39,157	Under budget as a result of savings.
Beach Display Village Verge	Landscape Construction	0	120	120	302,082	298,805	(3,277)	
Beach Portofino Verge - South	Landscape Construction	0	29,652	29,652	698,909	813,133	114,225	Under budget as a result of savings.
Beach Park 2	Landscape Construction	188,108	105,559	(82,549)	429,174	467,705	38,531	
Beach Foreshore POS Area 1	Landscape Construction	0	643,853	643,853	88,800	732,653	643,853	Under budget as result of ongoing delays (delayed approvals, value management exercise and construction delays), with costs to normalise over coming months. Works anticipated to commence in September.
Beach Mallaça Way Medians	Landscape Construction	0	10,042	10,042	0	20,042	20,042	
Green POS 1 Phase 1	Landscape Construction	80,000	350,710	270,710	1,008,549	1,482,804	474,255	Under budget due to timing of payments, works on schedule to complete to budget timeframes.
Green Streetscapes Phase 1	Landscape Construction	0	71,456	71,456	0	142,615	142,615	Under budget as works have been deferred, forecast to commence December.
Green Central Bore, Pump & Filtration Unit	Landscape Construction	0	14,592	14,592	62,932	83,807	20,874	
Beach offset Area Revegetation Initial	Landscape Construction	0	54,392	54,392	8,990	54,392	45,402	Cashflow under budget: Timing variance on payments (works on schedule).
Beach Stage 29 Landscaping	Landscape Construction	0	18,042	18,042	0	53,975	53,975	Cashflow under budget: Timing variance on payments (works on schedule).
TOTAL LANDSCAPING		271,693	1,467,243	1,195,550	25,202,151	27,100,540	1,898,389	In general landscaping spend under budget due to delays in works \$1.26m, timing of payments and minor savings.
INDIRECT CONSULTANTS								Commentary (PTD Analysis)
Planning - indirect	Planning	11,959	15,418	3,459	3,004,064	3,111,848	107,783	
	Architect	0	6,569	6,569	31,555	44,720	13,165	
	Environmental	9,935	3,347	(6,588)	480,943	456,077	(24,866)	
	Geotechnical	0	639	639	12,300	20,573	8,273	
	Title - Survey & Legal fees	3,875	2,929	(946)	262,597	249,259	(13,338)	
	Engineering fees	9,611	4,161	(5,450)	411,137	388,859	(22,278)	
	Miscellaneous Consultants	0	2,458	2,458	47,762	49,620	1,858	
	Planning - fire & safety	0	0	0	32,280	32,280	0	
	Planning - Hydrology	4,217	2,183	(2,034)	161,410	174,871	13,462	
	Planning - Sustainability	0	1,093	1,093	37,305	47,961	10,656	
	Acoustic & Noise Consult	0	82	82	8,265	9,325	1,060	
	Tree Mapping	0	628	628	7,971	8,599	628	
TOTAL INDIRECT CONSULTANTS		39,597	39,506	(91)	4,601,706	4,688,173	86,466	Overall consultancy costs within budget, minor variances across disciplines as result of timing of works being required.

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - July 2023			PROJECT TO DATE - July 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Jul 2023	YTD BUD Jul 2023	Variance	PTD ACT Jul 2023	PTD BUD Jul 2023	Variance	Comments regarding variance
INFRASTRUCTURE								<i>Commentary (PTD Analysis)</i>
Completed Infrastructure		0	0	0	12,038,793	12,038,793	-0	
Marmion relocation services		0	0	0	450,680	450,680	0	
Marmion relocation services		0	0	0	48,750	48,750	0	
Neerabup Road Key Largo Intersection		0	0	0	974,127	974,127	0	
Neerabup Road Key Largo Intersection Eng		0	0	0	54,024	54,024	0	
Neerabup Rd Maroochydore Way Intersection		0	0	0	1,498,274	1,480,279	(17,995)	
Neerabup Rd Maroochydore Way Intersection		0	0	0	97,321	97,321	0	
Connolly Drive Aviator Blvd Intersection		0	0	0	1,411,148	1,411,148	0	
Connolly Drive Aviator Blvd Intersection		0	0	0	92,855	92,855	0	
Neerabup Road Green Link Underpass		0	0	0	2,296,934	2,296,934	0	
EPBC Offset - foraging		0	0	0	490,000	490,000	0	
Gravity Sewer		0	0	0	1,518,761	1,518,761	0	
Gravity Sewer Engineering		0	0	0	100,778	100,778	0	
Marmion Avenue Green Link Intersection		0	0	0	3,041,955	3,041,955	0	
Marmion Avenue Green Link Intersection Eng		0	0	0	151,585	151,585	0	
Asbestos and rubbish removal - Gen Allowance		0	0	0	25,801	46,987	21,186	under budget - savings
Foreshore Access Road		0	0	0	1,182,677	1,182,677	0	
Foreshore Access Road		0	0	0	58,350	58,350	0	
UXO - Search Western Cell Phase 2		0	0	0	14,500	14,500	0	
UXO - Search Western Cell Phase 2		0	0	0	1,625	1,625	0	
Portofino Extension		0	0	0	1,898,829	1,898,829	0	
Portofino Extension		0	0	0	91,321	91,321	0	
Housing Auth Dist Plan Scheme 2		0	0	0	162,919	162,919	0	
Main 01 Bulk Earthworks Stg 20-24 Primary School & GHS		0	0	0	57,021	57,021	0	
Catalina Beach North/South Dual Use Path		0	0	0	680,742	680,742	0	
Longreach Prom Extension		0	194,883	194,883	743,844	1,008,734	264,890	under budget as result of contract savings approx. \$200k
Longreach Prom Extension		0	3,240	3,240	45,606	58,526	12,920	under budget as result of civil contract being lower than forecast (is % fee based)
INFRASTRUCTURE		0	198,123	198,123	19,022,697	19,303,698	281,001	
INFRASTRUCTURE REFUNDS								<i>Commentary (PTD Analysis)</i>
Neerabup Road Reimbursement		0	0	0	(432,548)	(432,548)	0	
Waste Water Pump Station (West)		0	0	0	(1,397,613)	(1,397,613)	0	
INFRASTRUCTURE REFUNDS		0	0	0	(1,830,161)	(1,830,161)	0	
TOTAL INFRASTRUCTURE		-	198,123	198,123	17,192,536	17,473,536	281,001	Within budget - savings circa \$200k
SPECIAL SITES & FIXED ASSETS								<i>Commentary (PTD Analysis)</i>
Lot 1 Group Housing Site Construction		0	0	0	172,782	172,782	0	
Catalina Green Commercial Site		0	0	0	8,660	8,660	0	
Removal of temp sales office		0	0	0	8,636	8,636	0	
Stage 17B GHS - Lot 341		0	0	0	9,576	9,576	0	
Sales Office Building		0	0	0	573,050	573,981	932	
Sales Office Retrofit		0	0	0	11,186	3,440	(7,746)	
Sales Office Carparks		0	0	0	98,087	98,087	0	
Temp Sales office services		0	0	0	3,812	3,812	0	
Sales Office Construction Western		0	0	0	624,762	624,776	14	
Sales office carparks Western		0	0	0	240,000	240,000	0	
Security Cameras		0	0	0	19,560	19,560	0	
TOTAL SPECIAL SITES & FIXED ASSETS		-	-	-	1,770,111	1,763,311	(6,800)	Within budget - minor variances
TOTAL CONSTRUCTION		264,692	3,923,471	3,658,779	153,787,404	158,630,858	4,843,454	Within budget
LAND		0	0	0	0	0	0	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - July 2023			PROJECT TO DATE - July 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Jul 2023	YTD BUD Jul 2023	Variance	PTD ACT Jul 2023	PTD BUD Jul 2023	Variance	Comments regarding variance
PROFIT & LOSS EXPENDITURE								<i>Commentary (YTD Analysis)</i>
Sales & Marketing	Brand Development	1,300	500	(800)	292,738	300,713	7,975	
	Sales Office & Builder Rel.	0	2,417	2,417	126,081	135,735	9,653	
	Brochures	0	1,333	1,333	185,807	191,233	5,426	
	Advertising	5,320	7,083	1,763	1,189,761	1,139,024	(50,737)	
	Signage	10,553	4,833	(5,720)	587,417	596,847	9,431	
	Website	126	500	374	27,705	33,649	5,944	
	Promotions	0	0	0	19,625	28,978	9,353	
	Public Relations	0	0	0	7,424	13,498	6,075	
Total Sales and Marketing		17,299	16,667	(633)	2,436,557	2,439,677	3,119	Overall marketing spend within budget.
Total Community Development	Comm Dev - Resident Dev	3,240	7,500	4,261	617,857	672,860	55,003	Within budget
Adminstration	Audit and Tax	897	0	(897)	292,566	278,299	(14,268)	
	Cleaning	231	1,004	773	65,273	67,516	2,243	
	Computer Costs	0	502	502	0	4,968	4,968	
	Couriers	0	301	301	1,338	11,816	10,478	
	Electricity & Gas	24	1,004	980	160,876	159,222	(1,654)	
	Insurance	0	502	502	3,184	5,186	2,002	
	Legal fees	0	4,184	4,184	201,567	218,260	16,693	
	Licenses & Fees	0	502	502	5,609	8,423	2,814	
	Postage, Print & Stationery	6	502	496	3,504	32,247	28,743	
	Sundry Office Expenses	94	1,506	1,412	1,544	22,362	20,818	
	Training	0	2,092	2,092	0	8,342	8,342	
	Valuations	800	3,347	2,547	228,113	235,260	7,147	
	Rates & Taxes	96	0	(96)	1,194,963	1,496,470	301,508	
	Maintenance	38,999	82,844	43,844	3,716,644	3,859,026	142,381	
	Security	0	1,004	1,004	28,877	33,302	4,425	
Total Administration		41,148	99,295	58,148	6,425,207	6,961,849	536,642	Under budget, driven mainly by savings in maintenance and timing of payments in rates and taxes
Finance	Contingency	0	41,667	41,667	2,985,410	270,172	(2,715,238)	
	Contingency Offset Transfer	0	0	0	(2,983,185)	0	2,983,185	
Total Finance		0	41,667	41,667	2,625	270,172	267,547	
Total P&L Expenditure		61,686	165,129	103,442	9,482,247	10,344,558	862,311	
Grand Expense Total		326,378	4,088,600	3,762,222	163,269,650	168,975,415	5,705,765	Within budget
NET CASHFLOW		4,290,432	(1,055,782)	5,350,214	161,909,698	158,301,917	11,607,781	

1.0 Management Accounts

1.1 KEY STATISTICS

1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS

	Lots Produced (titles)		Sales		Settlements		Distributions	
	Actual	Budget (Jun-23)	Actual	Budget (Jun-23)	Actual	Budget (Jun-23)	Actual	Budget (Jun-23)
Prior Years	1,314	1,314	1,274	1,265	1,218	1,209	117,000,000	117,000,000
Jul-2023	-	-	15	7	16	10	-	-
Aug-2023	-	-	-	7	-	7	-	-
Sep-2023	-	66	-	7	-	6	-	-
Sep Qtr	-	66	15	21	16	23	-	-
Oct-2023	-	-	-	7	-	8	-	-
Nov-2023	-	37	-	7	-	6	-	-
Dec-2023	-	-	-	4	-	8	-	10,000,000
Dec Qtr	-	37	-	18	-	22	-	10,000,000
Jan-2024	-	-	-	14	-	12	-	-
Feb-2024	-	-	-	8	-	17	-	-
Mar-2024	-	-	7	8	-	12	-	-
Mar Qtr	-	-	7	30	-	41	-	-
Apr-2024	-	-	-	8	-	9	-	-
May-2024	-	-	-	8	-	8	-	-
Jun-2024	-	-	-	8	-	11	-	10,000,000
Jun Qtr	-	-	-	24	-	28	-	10,000,000
PTD	1,314	1,314	1,289	1,272	1,234	1,219	117,000,000	117,000,000
Full 2023/24 Year	-	103	22	93	16	114	-	20,000,000
2024/25	-	64	-	127	-	97	-	17,000,000
2025/26	-	141	-	146	-	145	-	15,000,000

- There were 15 sales and 16 settlements for July.

1.2 Sales & Settlements

	MTH Act	MTH Bgt (Jun-23)	YTD Act	YTD Bgt (Jun-23)	PTD Act	PTD Bgt (Jun-23)
Residential						
- Sales #	15	7	15	7	1,289	1,272
- Sales \$	4,658,000	2,430,732	4,658,000	2,430,732	358,681,000	353,735,391
- Sales \$/lot	310,533	347,247	310,533	347,247	278,263	278,094
- Settlements #	16	10	16	10	1,234	1,219
- Settlements \$	4,900,000	3,279,504	4,900,000	3,279,504	342,157,500	337,306,170
- Settlements \$/lot	306,250	327,950	306,250	327,950	277,275	276,707
Special Sites						
- Sales #	-	-	-	-	6	6
- Sales \$	-	-	-	-	13,902,500	13,902,500
- Sales \$/lot	-	-	-	-	2,317,083	2,317,083
- Settlements #	-	-	-	-	5	5
- Settlements \$	-	-	-	-	10,922,000	10,922,000
- Settlements \$/lot	-	-	-	-	2,184,400	2,184,400
Lots Under Contract						
- Unsettled sales #	55		Unconditional	12	Titled	
- Unsettled sales \$	16,523,500		Conditional	43	1,318 incl. Spec sites	
- Unsettled sales \$/lot	300,427					

Special sites under contract:

Lot 341 (Stg 17B)		Bud Settlement Mar-24
	2,750,000	
	<u>2,750,000</u>	

1.3 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u> <i>(Jun-23)</i>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	4,900,000	3,279,504	1,620,496
Margin GST	(47,667)	(45,644)	(2,023)
Direct selling costs	(220,764)	(150,658)	(70,105)
Interest Income	820	-	820
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(15,578)	(54,384)	38,806
	<u>4,616,811</u>	<u>3,028,818</u>	<u>1,587,992</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	(72,902)	2,218,599	2,291,500
Clearance Bonds	26,303	-	(26,303)
Landscaping	271,693	1,467,243	1,195,550
Consultants	39,597	39,506	(91)
Infrastructure	-	198,123	198,123
Special Sites	-	-	-
	<u>264,692</u>	<u>3,923,471</u>	<u>3,658,779</u>
<u>Overheads</u>			
Sales & marketing	17,299	16,667	(633)
Community Develop.	3,240	7,500	4,261
Administration	41,148	99,295	58,148
Finance/Contingency	-	41,667	41,667
	<u>61,686</u>	<u>165,129</u>	<u>103,442</u>
Net Cashflow	<u>4,290,432</u>	<u>(1,059,782)</u>	<u>5,350,214</u>

1.4 Cashflow - YTD Actuals to budget

	<u>PTD Act</u>	<u>PTD Bgt</u> <i>(Jun-23)</i>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	342,157,500	337,306,171	4,851,329
Margin GST	(4,746,273)	(4,760,634)	14,361
Direct selling costs	(15,842,394)	(15,625,112)	(217,282)
Interest Income	108,984	105,934	3,050
Forfeited Deposits	35,455	35,455	-
Other Income	10,228,594	10,228,594	-
Rebate Allowance	(6,762,517)	(8,013,075)	1,250,558
	<u>325,179,348</u>	<u>319,277,332</u>	<u>5,902,016</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	101,494,994	104,817,278	3,322,284
Clearance Bonds	3,525,906	2,788,020	(737,886)
Landscaping	25,202,151	27,100,540	1,898,389
Consultants	4,601,706	4,688,173	86,467
Infrastructure	17,192,536	17,473,536	281,000
Special Sites	1,770,111	1,763,311	(6,800)
	<u>153,787,404</u>	<u>158,630,858</u>	<u>4,843,454</u>
<u>Overheads</u>			
Sales & marketing	2,436,557	2,439,677	3,120
Community Develop.	617,857	672,860	55,003
Administration	6,425,207	6,961,849	536,642
Finance/Contingency	2,625	270,172	267,547
	<u>9,482,246</u>	<u>10,344,558</u>	<u>862,312</u>
Net Cashflow	<u>161,909,698</u>	<u>150,301,916</u>	<u>11,607,782</u>

1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	<u>3,499,603</u>	<u>3,499,603</u>	<u>3,525,906</u>
	<u>3,499,603</u>	<u>3,499,603</u>	<u>3,525,906</u>

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

2.0 PROFIT & LOSS

	<u>MTH Act</u>	<u>MTH Bgt</u> <i>(Jun-23)</i>	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u> <i>(Jun-23)</i>	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u> <i>(Jun-23)</i>
- Revenue \$ (Stlmnts)	4,900,000	3,279,504	1,620,496	4,900,000	3,279,504	1,620,496	342,157,500	337,306,170
- Revenue \$/lot	306,250	327,950		306,250	327,950		277,275	276,707
- Selling & GST \$	452,431	312,659	(139,772)	452,431	312,659	(139,772)	29,795,604	29,759,558
- Selling & GST \$/lot	28,277	31,266		28,277	31,266		24,146	24,413
- Cost of sales \$	1,916,199	1,440,573	(475,626)	1,916,199	1,440,573	(475,626)	121,946,138	120,766,893
- Cost of sales \$/lot	119,762	144,057		119,762	144,057		98,822	99,070
- Gross profit \$	<u>2,531,370</u>	<u>1,526,272</u>	<u>1,005,098</u>	<u>2,531,370</u>	<u>1,526,272</u>	<u>1,005,098</u>	<u>190,415,758</u>	<u>186,779,719</u>
- Gross profit \$/lot	158,211	152,627		158,211	152,627		154,308	153,224
- Gross profit Mgn %	51.66%	46.54%		51.66%	46.54%		55.65%	55.37%
- Special Sites \$	-	-	-	-	-	-	6,731,808	6,639,738
- Other income \$	820	-	820	820	-	820	292,008	288,959
- Sales & Marketing \$	33,613	25,164	(8,449)	33,613	25,164	(8,449)	3,073,824	3,026,588
- Administration \$	49,054	116,230	67,176	49,054	116,230	67,176	7,078,218	7,212,682
- Finance/Other \$	1,903	-	(1,903)	1,903	-	(1,903)	231,967	224,478
- Contingency \$	-	41,667	41,667	-	41,667	41,667	4,091	274,264
- Net profit \$	<u>2,447,620</u>	<u>1,343,212</u>	<u>1,104,408</u>	<u>2,447,620</u>	<u>1,343,212</u>	<u>1,104,408</u>	<u>187,051,474</u>	<u>182,970,405</u>
- Net profit \$/lot	152,976	134,321		152,976	134,321		151,581	150,099

- Year to date Gross profit is \$1m favourable on 6 more settlements.
- Year to date Overheads are \$98k below budget due to:
 - Marketing 8k unfavourable - timing;
 - Admin \$67k favourable - timing;
 - Unused Contingency \$42k.

YEAR TO DATE VERSUS FULL YEAR BUDGET

	<u>YTD Act</u>	<u>Full Year Bgt</u>	<u>Var</u>
- Revenue \$ (Stlmnts)	4,900,000	37,328,635	(32,428,635)
- Revenue \$/lot	306,250	327,444	
- Selling & GST \$	452,431	3,608,879	3,156,448
- Selling & GST \$/lot	28,277	31,657	
- Cost of sales \$	1,916,199	16,575,122	14,658,923
- Cost of sales \$/lot	119,762	145,396	
- Gross profit \$	<u>2,531,370</u>	<u>17,144,634</u>	<u>(14,613,264)</u>
- Gross profit \$/lot	158,211	150,392	
- Gross profit Mgn %	51.66%	45.93%	
- Special Sites \$	-	1,242,494	(1,242,494)
- Other income \$	820	-	820
- Sales & Marketing \$	33,613	301,966	268,353
- Administration \$	49,054	1,440,648	1,391,595
- Finance \$	1,903	-	(1,903)
- Contingency \$	-	500,004	500,004
- Net profit \$	<u>2,447,620</u>	<u>16,144,510</u>	<u>(13,696,890)</u>
- Net profit \$/lot	152,976	141,619	

2.1 GROSS PROFIT ANALYSIS

Actual

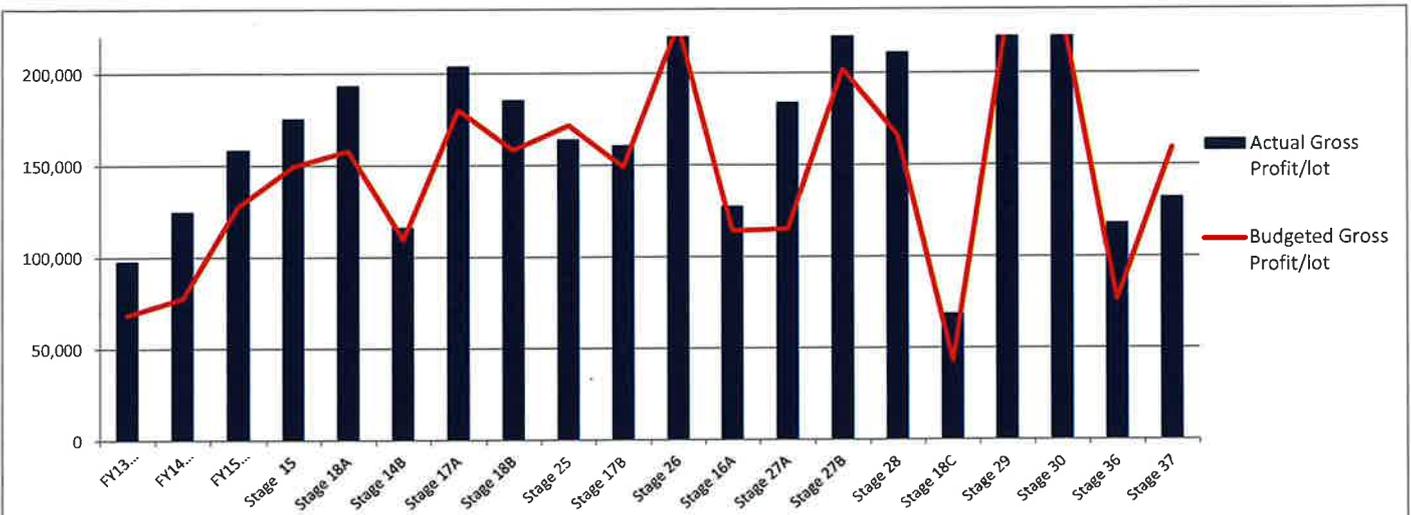
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Actual Gross Profit	Actual Gross Profit/lot	Actual Gross Margin %
Incentives Writeback				-5,599,217		5,599,217		
FY13 Stages	2012 / 2013	51,375,500	220,496	28,570,159	122,619	22,805,341	97,877	44.39%
FY14 Stages	2013 / 2014	50,325,000	243,116	24,477,309	118,248	25,847,691	124,868	51.36%
FY15 Stages	2014 / 2015	77,688,000	275,489	32,963,408	116,892	44,724,592	158,598	57.57%
Stage 15	15-Dec-15	15,444,000	280,800	5,791,567	105,301	9,652,433	175,499	62.50%
Stage 18A	27-May-16	8,626,000	297,448	3,015,429	103,980	5,610,571	193,468	65.04%
Stage 14B	28-Oct-16	2,444,000	244,400	1,281,011	128,101	1,162,989	116,299	47.59%
Stage 17A	20-Feb-17	7,774,000	310,960	2,674,295	106,972	5,099,705	203,988	65.60%
Stage 18B	13-Jun-17	8,792,000	283,613	3,035,185	97,909	5,756,815	185,704	65.48%
Stage 25	8-Aug-17	20,323,000	350,397	10,802,146	186,244	9,520,854	164,153	46.85%
Stage 17B	22-May-18	9,827,500	272,986	4,038,425	112,178	5,789,075	160,808	58.91%
Stage 26	26-Sep-19	14,125,500	371,724	5,669,441	149,196	8,456,059	222,528	59.86%
Stage 16A	25-Jan-21	4,514,000	265,529	2,344,352	137,903	2,169,648	127,626	48.06%
Stage 27A	24-Feb-21	6,341,000	317,050	2,661,467	133,073	3,679,533	183,977	58.03%
Stage 27B	20-Apr-22	9,355,000	406,739	4,017,669	174,681	5,337,331	232,058	57.05%
Stage 28	1-Sep-21	12,770,000	375,588	5,591,783	164,464	7,178,217	211,124	56.21%
Stage 18C	26-Oct-22	5,033,000	201,320	3,311,740	132,470	1,721,260	68,850	34.20%
Stage 29	21-Apr-23	10,120,000	421,667	4,818,487	200,770	5,301,513	220,896	52.39%
Stage 30	25-May-22	13,595,000	388,429	4,881,002	139,457	8,713,998	248,971	64.10%
Stage 36	2-Nov-22	11,095,000	264,167	6,129,821	145,948	4,965,179	118,219	44.75%
Stage 37	22-Jun-23	2,590,000	259,000	1,266,264	126,626	1,323,736	132,374	51.11%
		<u>342,157,500</u>		<u>151,741,742</u>		<u>190,415,758</u>		

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

Budget

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Budgeted Gross Profit	Budgeted Gross Profit/lot	Budgeted Gross Margin %
FY13 Stages	May-12	51,358,953	217,623	35,200,675	149,155	16,158,278	68,467	31.46%
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421	149,360	16,014,514	77,365	34.12%
FY 15 Stages	Aug-14	76,167,089	273,000	40,469,170	145,051	35,697,919	127,950	46.87%
Stage 15	Aug-15	15,433,000	280,600	7,203,599	130,975	8,229,401	149,625	53.32%
Stage 18A	Jun-16	8,626,000	297,448	4,048,854	139,616	4,577,146	157,833	53.06%
Stage 14B	Jun-16	2,448,087	244,809	1,352,232	135,223	1,095,855	109,585	44.76%
Stage 17A	Jun-16	9,427,756	304,121	3,845,430	124,046	5,582,326	180,075	59.21%
Stage 18B	Jun-16	8,584,690	276,925	3,677,414	118,626	4,907,276	158,299	57.16%
Stage 18C	Oct-22	5,563,000	198,679	4,363,541	155,841	1,199,459	42,838	21.56%
Stage 25	Aug-17	19,696,448	345,552	9,915,141	173,950	9,781,307	171,602	49.66%
Stage 17B	Dec-17	10,496,494	291,569	5,131,807	142,550	5,364,687	149,019	51.11%
Stage 26	Jun-19	14,347,000	377,553	5,766,060	151,738	8,580,940	225,814	59.81%
Stage 16A	Dec-20	4,498,002	264,588	2,555,841	150,344	1,942,161	114,245	43.18%
Stage 27A	Dec-20	6,251,840	312,592	3,951,378	197,569	2,300,462	115,023	36.80%
Stage 27B	Feb-22	9,345,000	406,304	4,698,534	204,284	4,646,466	202,020	49.72%
Stage 28	Jul-21	12,669,500	372,632	7,027,024	206,677	5,642,476	165,955	44.54%
Stage 18C	Oct-22	5,563,000	198,679	4,363,541	155,841	1,199,459	42,838	21.56%
Stage 29	Apr-23	19,190,000	446,279	9,365,867	217,811	9,824,133	228,468	51.19%
Stage 30	Dec-21	13,520,000	386,286	5,434,179	155,262	8,085,821	231,023	59.81%
Stage 36	Oct-22	18,086,000	231,872	12,110,457	155,262	5,975,543	76,610	33.04%
Stage 37	Jun-23	13,117,500	273,281	5,478,256	114,130	7,639,244	159,151	58.24%
		<u>371,321,294</u>		<u>206,876,422</u>		<u>164,444,873</u>		

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



Catalina

Finished Lots & Cost of Lots Sold calculations to 31 Jul 2023

Title date:	Completed	Completed	7-Nov-12	8-Aug-17	8-Aug-17	25-Jan-21	24-Feb-21	20-Apr-22	1-Sep-21	25-May-22	26-Oct-22	2-Nov-22	27-Feb-23	21-Apr-23	22-Jun-23	22-Jun-23	TOTAL
	Spec Sites	Rest Stages	Central Cell Sales Office	Stage 2/5 Sales Office	Stage 2/5 GHS Lot 217/9	Stage 1/6A	Stage 2/7A	Stage 2/7B	Stage 2/8	Stage 3/9	Stage 1/8C	Stage 3/6	Stage 3/6 Lot 312/8	Stage 2/9	Stage 3/7	Stage 1/7B Lot 311	
Direct costs																	
Civil Construction			89,540	83,260	253,163	932,193	707,388	901,496	2,223,532	792,261	1,769,211	3,773,787	-	3,997,295	1,916,924	356,322	
Siteworks				75,529	245,432	926,000	652,600	838,353	2,165,633	706,851	1,701,800	3,633,649	-	3,823,355	1,816,124	356,322	
URD Power				7,731		2,403		27,152		40,143		57,899		148,940	47,000		
Third Pipe																	
General						3,790		20,000		23,000				25,000	25,000		
MATV							7,636								28,800		
Sewer headwks			5,660	4,514	4,514	101,201	113,955	138,339	196,552	213,570	171,524	249,566	7,463	259,143	289,910	7,463	
Local authority fees			4,363	615	615	28,623	17,424	6,930	14,962	9,466	18,412	31,691		22,895	20,550	1,196	
Local authority scheme costs			2,705	-	-	-	-	8,954	-	14,405	10,426	21,225		15,490	17,291		
Survey & legal fees			1,003	945	945	16,150	21,000	25,428	31,487	39,574	35,227	65,579	1,196	41,074	44,260	917	
Engineering fees			5,557	2,750	12,341	77,057	58,349	88,238	116,545	98,586	87,167	271,035		140,105	162,800		
Sales Office Build Cost			330,780														
Finished Goods Adjustments	31,206	1,281,787	28,238				14,482	60,165	32,920	440,245							
	420,826	57,554,106	411,370	92,084	271,578	1,155,224	932,598	1,229,550	2,615,998	1,608,107	2,091,967	4,412,883	8,659	4,476,002	2,451,735	365,898	
Earthworks Allocation	260,179	14,495,542	12,091	18,574	66,681	112,605	303,183	542,975	642,426	-	131,588	539,279	569,141	-	528,899	108,452	
Indirect Costs																	
Land																	
Infrastructure	84,898	8,359,526	7,165	7,879	31,674	176,806	245,746	511,942	381,466	731,652	201,965	477,101	255,846	686,670	469,380	98,402	
Landscape	118,628	13,546,018	9,006	16,613	66,785	409,039	568,530	975,581	725,814	1,384,271	587,095	1,386,869	752,534	2,019,738	1,380,610	289,436	
TOTAL COST	884,530	93,955,192	439,633	135,150	436,718	1,853,674	2,050,057	3,260,048	4,365,704	3,734,030	3,012,615	6,816,152	1,586,180	7,182,410	4,830,624	862,188	
Lots	3	1,004	1	1	1	17	20	23	34	35	28	57	1	43	48	1	
COST PER LOT	294,843	93,581	439,633	135,150	436,718	109,040	102,503	141,741	128,403	106,687	107,593	119,582	1,586,180	167,033	100,638	862,188	
Lots settled	3	1,004	1	-	-	17	20	23	34	35	25	42	1	24	10	-	1,239
COST OF LOTS SETTLED	884,530	93,955,192	439,633	-	-	1,853,674	2,050,057	3,260,048	4,365,704	3,734,030	2,689,835	5,022,428	1,586,180	4,008,787	1,006,380	-	124,856,478
Stage Area (m2)	10,900	332,827	320	255	1,795	6,632	6,615	9,933	13,721	13,416	8,396	21,808	20,012	17,349	18,597	6,921	
Cost per m2	81	282	1,374	530	243	280	310	328	318	278	359	313	79	414	260	125	
Avg lot size	3,633	332	320	255	1,795	390	331	432	404	383	300	383	20,012	403	387	6,921	

Other cash expenditure

Direct Selling & Proj Mgt Costs	
Marketing costs	
Administration	
Finance	
Contingency	

31,075,453
3,073,825
7,078,218
231,967
4,091

TOTAL COSTS	166,320,032
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PERIODIC ANALYSIS

	Month	YTD	PTD	PY Jun-23
Lots settled	16	16	1,239	1,223
Cost of lots settled	1,916,199	1,916,199	124,856,481	122,940,282
Direct selling costs	452,431	452,431	31,075,453	30,623,022
Marketing costs	33,613	33,613	3,073,825	3,040,211
Administration	49,054	49,054	7,078,218	7,029,164
Finance	1,903	1,903	231,967	230,064
Contingency	-	-	4,091	4,091
TOTAL COSTS	2,453,200	2,453,200	166,320,035	163,866,834

Job	Titled Date	Direct Cost	Indirect Cost	COGS Total	Lot #	Titled	Untitled	COGS/Lot	Settled Lots	PTD COGS	Per Accounts	Variance	Finished Goods	FG/Lot
140-01-001	17-Oct-2012	4,004,839	637,443	4,642,282	35	35	-	132,637	35	4,642,282	4,642,282	-	-	-
140-01-002	7-Nov-2012	3,429,204	598,332	4,027,537	37	37	-	108,852	37	4,027,537	4,027,537	-	-	-
140-01-003	14-Jan-2013	3,002,658	554,241	3,556,899	43	43	-	82,719	43	3,556,899	3,556,899	-	-	-
140-01-004	20-Mar-2013	3,371,482	800,585	4,172,067	47	47	-	88,767	47	4,172,067	4,172,067	-	-	-
140-01-005	20-May-2013	4,894,899	968,068	5,862,967	63	63	-	93,063	63	5,862,967	5,862,967	-	-	-
140-01-06A	18-Jan-2013	483,435	179,725	663,160	8	8	-	82,895	8	663,160	663,160	-	-	-
140-01-06B	19-Jan-2015	1,100,352	510,130	1,610,482	24	24	-	67,103	24	1,610,482	1,610,482	-	-	-
140-01-06C	3-Apr-2014	671,286	211,296	882,581	10	10	-	88,258	10	882,581	882,581	-	-	-
140-01-007	31-Oct-2013	4,146,749	938,488	5,085,238	63	63	-	80,718	63	5,085,238	5,085,238	-	-	-
140-01-008	16-Jan-2014	4,389,068	881,805	5,270,874	53	53	-	99,450	53	5,270,874	5,270,874	-	-	-
140-01-009	8-May-2014	4,640,905	814,395	5,455,300	51	51	-	106,967	51	5,455,300	5,455,300	-	-	-
140-01-010	8-May-2014	2,460,031	595,126	3,055,157	30	30	-	101,839	30	3,055,157	3,055,157	-	-	-
140-01-011	1-Oct-2014	4,797,823	1,320,873	6,118,696	64	64	-	95,605	64	6,118,696	6,118,696	-	-	-
140-01-012	3-Dec-2014	3,225,081	1,064,585	4,289,666	49	49	-	87,544	49	4,289,666	4,289,666	-	-	-
140-01-13A	30-Mar-2015	2,965,498	717,571	3,683,069	37	37	-	99,542	37	3,683,069	3,683,069	-	-	-
140-01-13B	11-May-2015	2,739,324	986,155	3,725,479	45	45	-	82,788	45	3,725,479	3,725,479	-	-	-
140-01-014	4-Jun-2015	3,619,629	1,347,229	4,966,858	63	63	-	78,839	63	4,966,858	4,966,858	-	-	-
140-01-015	15-Dec-2015	3,073,171	1,243,145	4,316,316	55	55	-	78,478	55	4,316,316	4,316,316	-	-	-
140-01-18A	27-May-2016	1,453,614	760,239	2,213,853	29	29	-	76,340	29	2,213,853	2,213,853	-	-	-
140-01-14B	28-Oct-2016	784,420	224,347	1,008,767	10	10	-	100,877	10	1,008,767	1,008,767	-	-	-
140-01-017	2-Feb-2017	1,194,140	730,941	1,925,081	25	25	-	77,003	25	1,925,081	1,925,081	-	-	-
140-01-18B	13-Jun-2017	1,266,620	876,513	2,143,133	31	31	-	69,133	31	2,143,133	2,143,133	-	-	-
140-01-18C	26-Oct-2022	2,223,555	789,060	3,012,615	28	28	-	107,593	25	2,689,834	2,689,834	0	322,780	107,593
140-02-025	8-Aug-2017	6,444,321	1,929,606	8,373,927	58	58	-	144,378	58	8,373,927	8,373,927	-	-	-
140-01-17B	22-May-2018	1,556,232	1,222,995	2,779,227	36	36	-	77,201	36	2,779,227	2,779,227	-	-	-
140-02-026	26-Sep-2019	2,334,871	1,791,711	4,126,582	38	38	-	108,594	38	4,126,582	4,126,582	-	-	-
140-01-16A	25-Jan-2021	1,267,829	585,845	1,853,674	17	17	-	109,040	17	1,853,674	1,853,674	-	-	-
140-02-27A	24-Feb-2021	1,235,782	814,276	2,050,058	20	20	-	102,503	20	2,050,058	2,050,058	-	0	-
140-02-27B	20-Apr-2022	1,772,525	1,487,523	3,260,048	23	23	-	141,741	23	3,260,048	3,260,048	-	-	-
140-02-028	1-Sep-2021	3,258,423	1,107,280	4,365,703	34	34	-	128,403	34	4,365,703	4,365,703	-	-	-
140-02-029	21-Apr-2023	4,476,001	2,706,408	7,182,409	43	43	-	167,033	24	4,008,786	4,008,787	-	3,173,623	167,033
140-02-030	25-May-2022	1,608,107	2,125,923	3,734,030	35	35	-	106,687	35	3,734,030	3,734,030	-	-	-
140-03-036	2-Nov-2022	2,240,216	1,863,990	6,816,153	78	57	21.00	119,582	42	5,022,428	5,022,428	0	1,793,724	119,582
140-03-037	22-Jun-2023	6,588,817	1,849,990	4,830,624	48	48	-	100,638	10	1,006,380	1,006,380	0	3,824,244	100,638
140-70-001	7-Nov-2012	423,461	16,171	439,633	1	1	-	439,633	1	439,633	439,633	-	-	-
140-70-004	12-Dec-2013	20,322	41,798	62,119	1	1	-	62,119	1	62,119	62,119	-	-	-
140-70-005	8-Aug-2017	110,657	24,492	135,149	1	1	-	135,149	-	-	-	-	135,149	135,149
140-70-007	17-Oct-2012	222,150	87,611	309,761	1	1	-	309,761	1	309,761	309,761	-	-	-
140-70-008	1-Oct-2014	438,532	74,117	512,649	1	1	-	512,649	1	512,649	512,649	-	-	-
140-70-009	27/2/23	577,801	1,008,380	1,586,181	1	1	-	1,586,181	1	1,586,181	1,586,181	-	-	-
140-70-021	22-Jun-2023	474,351	387,838	862,189	1	-	1.00	-	-	-	-	-	862,189	-
140-70-028	8-Aug-2017	338,259	98,459	436,718	1	1	-	436,718	-	-	-	-	436,718	436,718
99,326,439		36,974,705	135,404,908	1,338	1,316	22.00			1,239	124,856,481	124,856,481	0	10,548,427	

9.6. PROJECT FINANCIAL REPORT - AUGUST 2023

Responsible Officer: Project Manager
Attachments: 1. Attachment - Project Finance Report (Aug)
Voting Requirement: Simple Majority

RECOMMENDATION

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

PURPOSE

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

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Review of Project Financial Report for August 2023.

RISK MANAGEMENT IMPLICATIONS

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

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

BACKGROUND

At its meeting of 22 June 2023, the Council approved the Project Budget FYE 2024, submitted by the Satterley Property Group (Satterley).

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

COMMENT

Satterley has prepared a Catalina Financial Report for August 2023 for the Project. The report has been prepared on a cash basis and compares actual expenditure to approved budget expenditure for the period 1 August 2023 to 31 August 2023.

This report identifies the following main areas of variance:

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

	Budget (July-June)	Budget YTD (July-August)	Actual YTD (July-August)	Variance \$	Variance %
Revenue	\$36,306,053	\$4,920,983	\$8,781,670	\$3,860,687	78.45%
Expenditure	\$20,742,246	\$8,075,139	\$2,626,133	-\$5,449,006	-67.48%
Nett	\$15,563,807	-\$3,154,156	\$6,155,537	\$9,309,693	295.16%

Expenditure

- Lot Production (excluding bonds): \$3.25M under budget. While a considerable portion of this under-expenditure is due to the timing of civil construction contractor invoices, there are also some ‘real’ budget savings as project stages are being delivered under budget allocations. This is due to a combination of good project management and the fact that considerable contingencies were included in initial budget estimates that have not been fully utilised.
- Landscaping: \$1.72M under budget. This is primarily due to the timing of landscape construction contractor invoices, minor delays in the delivery of works programs and cost savings. The vast majority of these under-budgeted funds will be expended, just later than was initially anticipated.
- Infrastructure Spend: \$291,681K under budget. This is primarily due cost savings in the construction of Longbeach Promenade (which was completed in June 2023).
- Clearance Bonds: \$382K unfavourable. Several bonds currently being held by the City of Wanneroo are expected to be released in coming months.

Revenue

Income: \$3.86M above expectations due to 14 more settlements achieved than anticipated.

29 September 2023

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

Dear Chris

Catalina Financial Report for August 2023

Please find attached the Catalina Financial Report for August 2023. This report has been prepared on a cash basis and compares actual income and expenditure to the June 2023 approved budget for the period ending 31 August 2023, with construction spend reviewed on a period to date basis.

Sales & Settlements

- YTD residential settlement revenue for FY2024 was \$9.34m which is \$3.98m favourable to the approved 'June 2023' budget due to 14 more settlements. (PTD settlements 23 ahead of budget)
- Year to date Sales for FY2024 was \$9.18m and \$4.16m favourable to budget due to 14 more residential sales. (PTD sales 23 ahead of budget)

Expenditure

Overall period to date cashflow for 31 August 2023 is \$15.6m below budget per the approved 'June 2023' budget. The main areas of expenditure variances are summarised below:

- o Lot Production (excl. Bonds) is \$4.24m under budget PTD (\$3.26m under budget YTD). Timing of works programs on all stages are largely in line with budget, with most of the variance relating to July civils payments of \$0.9m not completed at 31 August and the flow of works/payments differences between actuals and budget. The following PTD variances are noted:
 - o Stage 27B - \$167k under budget due to timing variances and estimated savings of \$100k;
 - o Stage 29 - \$121k under budget due to timing variance and estimated savings of \$100k;
 - o Stage 31 - \$1.27m under budget due to timing variances on civils payments;
 - o Stage 36 - \$1.35m under budget due to timing variances on civils payments & savings from Western Power Refund;
 - o Stage 37 - \$471k under budget due to timing variances and estimated savings of \$300k;
 - o Stage 38 - \$684k under budget due to timing variances;
 - o Other stages - \$17k under budget due to timing variances.
- o Landscaping is \$2.43m under budget PTD (\$1.72m under budget YTD). Lower spend for Landscaping has resulted from some work delays, timing of payments and some savings. The following PTD variances are noted:
 - o Preliminary Landscaping Consultancy - \$391k under budget due to delayed designs and constructions (primarily foreshore POS). This is an outcome of delayed works;
 - o Beach Park 2 \$118k under budget due to savings;

- Beach Foreshore POS \$1.29m under budget due to delays (approvals, construction delays and internal reviews of project);
- Green Streetscapes Phase 1 - \$214k under budget – works have been deferred to commence in December;
- Beach Portofino Verge(South) -\$130k under budget due to savings;
- Other landscaping activities - \$287k under budget due to a mixture of timing variances and savings.

- Infrastructure Spend is \$375k under budget PTD (\$292k under budget YTD), noting the following variance:
 - Longreach Prom Extension \$371k under budget due to minor timing variances and estimated savings of \$200k.

- Clearance bonds are \$382k unfavourable to budget – timing. Stage 29 and 37 bond reductions are in progress to offset this variance.

- Indirect Consultants are \$84k under budget PTD - timing.

- P&L expenditure is \$148k over budget YTD, noting the following variances:
 - Sales & Marketing is \$15k over budget due to timing of spend;
 - Community and Development \$9k over budget due timing of spend;
 - Maintenance \$122k under budget due to timing of spend;
 - Legal Fees \$8k under budget – no spend required at present;
 - Contingency \$44k under budget – not required
 - Valuations \$4k under budget due to timing of spend;
 - Rates & Taxes \$318k over budget due to timing of spend and \$117k over full year budget;
 - Training \$4k under budget due to timing of spend;
 - \$12k under budget - combined minor variances for other Overheads.

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

Yours faithfully



Ross Carmichael
General Manager Finance

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - August 2023			PROJECT TO DATE - August 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Aug 2023	YTD BUD Aug 2023	Variance	PTD ACT Aug 2023	PTD BUD Aug 2023	Variance	Comments regarding variance
REVENUE								
Settlements	Settlement revenue	9,342,000	5,357,904	3,984,096	346,599,500	339,384,570	7,214,930	31 settlements YTD ex GST Margin scheme.
Margin GST	Margin GST	(96,568)	(77,728)	(18,841)	(4,795,175)	(4,792,718)	(2,457)	GST Margin Scheme applied (Burgess Rawson valuations)
Direct Selling Costs		(421,166)	(246,669)	(174,498)	(16,042,796)	(15,721,122)	(321,675)	Includes Commission and Management Fees
Interest Income		820	0	820	108,984	105,934	3,050	Penalty interest income on settlements
Forfeited Deposits		0	0	0	35,455	35,455	0	
Other Income	Special sites revenue	0	0	0	10,228,594	10,228,594	0	
Rebate Allowance		(43,415)	(112,524)	69,109	(6,790,354)	(8,071,216)	1,280,862	Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates
		8,781,670	4,920,983	3,860,687	329,344,208	321,169,497	8,174,711	
LOT PRODUCTION								
Completed Earthworks		0	0	0	13,502,429	13,502,429	-0	
Earthworks Stage 20-24	Direct Consultants	0	0	0	27,113	27,113	0	
Total Earthworks Stage 20-24		0	0	0	27,113	27,113	0	
Earthworks Stages 25-27	Siteworks / Earthworks	0	0	0	3,603,087	3,603,087	(0)	
	Direct Consultants	0	0	0	186,216	189,523	3,307	
Total Earthworks Stage 25-27		0	0	0	3,789,303	3,792,610	3,307	
Earthworks Stages 36-37	Siteworks / Earthworks	6,764	0	(6,764)	1,067,885	1,088,432	20,547	
	Authorities Fees	0	0	0	0	0	0	
	Direct Consultants	0	0	0	0	0	0	
Total Earthworks Stage 36-37		6,764	0	(6,764)	1,067,885	1,088,432	20,547	
Completed Stages		0	0	0	50,620,302	50,620,302	1	
Stage 14B	Siteworks / Earthworks	0	0	0	482,855	500,850	17,995	
	Authorities Fees	0	0	0	110,991	110,991	0	
	Direct Consultants	0	0	0	17,639	17,639	0	
Total Stage 14B		0	0	0	611,485	629,480	17,995	
Stage 16B	Direct Consultants	0	0	0	26,000	26,000	0	
Total Stage 16B		0	0	0	26,000	26,000	0	
Stage 17B	Siteworks / Earthworks	0	0	0	1,273,015	1,273,015	0	
	Authorities Fees	0	0	0	198,958	197,958	(1,000)	
	Direct Consultants	0	0	0	180,869	180,869	0	
Total Stage 17B		0	0	0	1,652,842	1,651,842	(1,000)	
Stage 18C	Siteworks / Earthworks	6,425	6,425	0	1,694,029	1,700,000	5,971	
	Authorities Fees	0	0	0	233,167	233,167	0	
	Direct Consultants	0	9,958	9,958	114,393	138,041	23,648	
Total Stage 18C		6,425	16,383	9,958	2,041,590	2,071,209	29,619	
Stage 25	Siteworks / Earthworks	0	0	0	5,523,981	5,523,981	0	
	Authorities Fees	0	0	0	212,929	212,929	0	
	Direct Consultants	0	0	0	280,279	276,971	(3,307)	
Total Stage 25		0	0	0	6,017,188	6,013,881	(3,307)	
Stage 26	Siteworks / Earthworks	0	0	0	1,273,228	1,263,410	(9,818)	
	Authorities Fees	0	0	0	239,777	239,777	0	
	Direct Consultants	0	0	0	145,718	145,718	0	
Total Stage 26		0	0	0	1,658,723	1,648,905	(9,818)	
Stage 27A	Siteworks / Earthworks	0	0	0	719,840	728,022	8,182	
Total Stage 27A		0	0	0	932,599	940,781	8,182	
Stage 27B	Siteworks / Earthworks	0	0	0	958,961	960,144	1,183	
	Authorities Fees	0	66,982	66,982	145,269	278,955	133,686	
	Direct Consultants	0	13,985	13,985	116,366	148,411	32,045	
Total Stage 27B		0	80,966	80,966	1,220,596	1,387,510	166,915	Cashflow under budget as result of: ~\$100k savings from authority fees (WP) to be reflected in next update.
Stage 28	Siteworks / Earthworks	0	0	0	2,196,566	2,198,203	1,636	
	Authorities Fees	0	0	0	269,413	269,413	0	
	Direct Consultants	0	0	0	148,382	148,382	0	
Total Stage 28		0	0	0	2,614,361	2,615,998	1,636	
Stage 29	Siteworks / Earthworks	78,001	244,938	166,937	3,900,113	3,866,360	(33,753)	
	Authorities Fees	1,320	0	(1,320)	319,683	428,043	108,360	
	Direct Consultants	4,171	12,700	8,529	164,390	211,053	46,663	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - August 2023			PROJECT TO DATE - August 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Aug 2023	YTD BUD Aug 2023	Variance	PTD ACT Aug 2023	PTD BUD Aug 2023	Variance	Comments regarding variance
Total Stage 29		83,493	257,638	174,146	4,384,186	4,505,456	121,270	Cashflow under budget as result of: ~\$100k savings from authority fees (WP) to be reflected in next update.
Stage 30	Siteworks / Earthworks	0	0	0	1,150,269	1,155,179	4,910	
	Authorities Fees	0	0	0	267,882	284,196	16,314	
	Direct Consultants	0	0	0	139,088	179,450	40,362	
Total Stage 30		0	0	0	1,557,239	1,618,824	61,586	Cashflow under budget: minor savings in consultants and authority fees.
Stage 31	Siteworks / Earthworks	904,909	1,262,596	357,687	2,020,442	2,606,106	585,664	
	Authorities Fees	(24,741)	617,944	642,684	-12,530	630,154	642,684	
	Direct Consultants	20,395	41,303	20,907	215,369	259,240	43,871	
Total Stage 31		900,564	1,921,842	1,021,279	2,223,280	3,495,500	1,272,220	Cashflow under budget: Timing variance on civils payments (works on schedule).
Stage 32	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	(16,447)	0	16,447	-16,447	0	16,447	*Refund from W/Power
	Direct Consultants	0	0	0	0	(0)	(0)	
Total Stage 32		(16,447)	0	16,447	-16,447	(0)	16,447	
Stage 33	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	(22,950)	0	22,950	-22,950	0	22,950	*Refund from W/Power
	Direct Consultants	0	0	0	0	0	0	
Total Stage 33		(22,950)	0	22,950	-22,950	0	22,950	
Stage 34	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	(20,655)	0	20,655	-20,655	0	20,655	*Refund from W/Power
	Direct Consultants	0	0	0	0	0	0	
Total Stage 34		(20,655)	0	20,655	-20,655	0	20,655	
Stage 36	Siteworks / Earthworks	0	351,126	351,126	5,362,233	6,215,422	853,189	
	Authorities Fees	(146,708)	0	146,708	238,810	716,382	477,572	
	Direct Consultants	0	3,638	3,638	435,575	454,905	19,331	
Total Stage 36		(146,708)	354,764	501,473	6,036,617	7,386,709	1,350,092	Cashflow under budget due to: Timing variance on civils payments (works on schedule); unforecast credit for WP refund; Headworks and civils below forecast due to fencing and headworks deferred on cottage lots. Portion of unused budget expenditure anticipated to be taken up as savings in next update.
Stage 37	Siteworks / Earthworks	192,246	812,543	620,297	1,831,606	2,238,773	407,167	
	Authorities Fees	0	0	0	369,831	401,300	31,469	
	Direct Consultants	19,527	18,467	(1,060)	203,293	235,277	31,984	
Total Stage 37		211,773	831,009	619,237	2,404,729	2,875,350	470,620	Cashflow under budget: Timing variance on civils payments (works on schedule). Current estimated savings on stage costs ~\$300k - will be reflected in next budget update.
Stage 38	Siteworks / Earthworks	66,453	831,375	764,922	170,905	831,375	660,470	
	Authorities Fees	637	0	(637)	1,033	0	(1,033)	
	Direct Consultants	4,833	19,186	14,353	111,100	136,152	25,052	
Total Stage 38		71,923	850,561	778,638	283,038	967,527	684,489	Cashflow under budget: Timing variance on civils payments (works on schedule).
Stage 39	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	
	Direct Consultants	75,960	105,993	30,033	108,810	105,993	(2,817)	
Total Stage 39		75,960	105,993	30,033	108,810	105,993	(2,817)	
Stage 41	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	
	Direct Consultants	3,335	0	(3,335)	3,335	0	(3,335)	
Total Stage 41		3,335	0	(3,335)	3,335	0	(3,335)	
Stage 42	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	
	Direct Consultants	4,388	0	(4,388)	4,388	0	(4,388)	
Total Stage 42		4,388	0	(4,388)	4,388	0	(4,388)	
Stage 43	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	
	Direct Consultants	4,899	0	(4,899)	4,899	0	(4,899)	
Total Stage 43		4,899	0	(4,899)	4,899	0	(4,899)	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - August 2023			PROJECT TO DATE - August 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Aug 2023	YTD BUD Aug 2023	Variance	PTD ACT Aug 2023	PTD BUD Aug 2023	Variance	Comments regarding variance
Various Stages	Clearance Bonds	(329,283)	0	329,283	3,170,320	2,788,020	(382,300)	Timing variances - Stage 29 & 37 bond reductions in progress.
TOTAL LOT PRODUCTION		833,480	4,419,158	3,585,678	105,903,203	109,759,869	3,856,666	Summary Note: (Civil payments are budgeted to be the month after works. Budget also averages civil costs equally over the budget period). R J Vincent July works for \$0.9m were not paid at 31 August.
LANDSCAPING								
Completed Landscaping		0	0	0	15,769,346	15,769,346	0	
Stage 11 Landscape Consultancy	Landscape Construction	0	0	0	1,332,634	1,328,968	(3,666)	
Stage 14A Landscaping	Landscape Consulting	0	0	0	12,013	8,430	(3,583)	
Seed Collection	Landscape Construction	0	0	0	22,797	0	(22,797)	
Catalina Beach Foreshore Node / Beach Connect	Landscape Construction	0	0	0	889	0	(889)	
Catalina Beach Portofino Medians	Landscape Construction	0	0	0	506	0	(506)	
Catalina Beach Greenlink Stage 25	Landscape Consulting	0	0	0	120,249	118,508	(1,741)	
Preliminary Landscaping Consultancy	Landscape Consulting	7,292	263,186	255,894	1,035,326	1,426,503	391,177	Under budget as direct result of delays in construction, particularly foreshore POS, consultancy payments a % fee tied directly to construction works.
Environmental Landscaping	Landscape Construction	0	0	0	448,925	514,842	65,917	Under budget as a result of savings.
Public Art	Landscape Construction	0	44,905	44,905	189,497	234,401	44,905	Under budget as a result of savings.
Fauna Relocation	Landscape Construction	0	0	0	37,080	(0)	(37,080)	
Central Connolly Drive	Landscape Construction	0	13,035	13,035	1,068,207	1,107,364	39,157	Under budget as a result of savings.
Central Green Link	Landscape Construction	0	0	0	2,061,523	2,092,209	30,686	Under budget as a result of savings.
Beach Display Village Verge	Landscape Construction	0	120	120	302,082	298,805	(3,277)	
Beach Portofino Verge - South	Landscape Construction	14,061	59,427	45,366	712,969	842,908	129,939	Under budget as a result of savings.
Beach Park 2	Landscape Construction	214,151	211,558	(2,593)	455,217	573,704	118,487	
Beach Foreshore POS Area 1	Landscape Construction	0	1,290,389	1,290,389	88,800	1,379,189	1,290,389	Under budget as result of ongoing delays (delayed approvals, value management exercise and construction delays), with costs to normalise over coming months. Works anticipated to commence in September.
Beach Foreshore Access Area 1	Landscape Construction	1,846	0	(1,846)	509,019	502,338	(6,681)	
Beach Malla Way Medians	Landscape Construction	0	10,042	10,042	0	20,042	20,042	
Beach Long Beach Promenade Verge	Landscape Construction	25,181	0	(25,181)	25,439	0	(25,439)	
Green POS 1 Phase 1	Landscape Construction	862,248	702,881	(159,367)	1,790,797	1,834,975	44,179	Under budget PTD due to timing variance on payments (works on schedule).
Green Streetscapes Phase 1	Landscape Construction	0	143,209	143,209	0	214,368	214,368	Under budget due to delays in commencement of works which are currently going through approvals and pricing, anticipated to commence in December
Green Central Bore, Pump & Filtration Unit	Landscape Construction	0	29,245	29,245	62,932	98,460	35,528	Under budget as a result of savings.
Beach offset Area Revegetation Initial	Landscape Construction	0	109,011	109,011	8,990	109,011	100,021	Under budget PTD due to timing variance on payments (works on schedule).
Beach Stage 29 Landscaping	Landscape Construction	47,849	18,042	(29,807)	47,849	53,975	6,126	
TOTAL LANDSCAPING		1,172,628	2,895,049	1,722,422	26,103,086	28,528,346	2,425,261	In general under budget due to delays in works (\$1.9m PTD, \$1.7m YTD), timing of payments and minor savings

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - August 2023			PROJECT TO DATE - August 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Aug 2023	YTD BUD Aug 2023	Variance	PTD ACT Aug 2023	PTD BUD Aug 2023	Variance	Comments regarding variance
INDIRECT CONSULTANTS								
Planning - indirect	Planning	41,819	30,901	(10,918)	3,033,924	3,127,330	93,406	
	Architect	3,190	13,165	9,975	34,745	51,316	16,571	
	Environmental	9,935	6,708	(3,227)	480,943	459,439	(21,504)	
	Geotechnical	0	1,280	1,280	12,300	21,215	8,915	
	Title - Survey & Legal fees	13,295	5,870	(7,426)	272,017	252,200	(19,817)	
	Engineering fees	9,611	8,340	(1,271)	411,137	393,038	(18,099)	
	Traffic planning	0	0	0	94,181	94,181	0	
	Landscaping consultancy	0	0	0	9,936	0	(9,936)	
	Miscellaneous Consultants	0	4,925	4,925	47,762	52,087	4,325	
	Planning - fire & safety	0	0	0	32,280	32,280	0	
	Planning - Hydrology	4,217	4,375	158	161,410	177,063	15,654	
	Planning - Sustainability	0	2,191	2,191	37,305	49,059	11,753	
	Acoustic & Noise Consult	0	164	164	8,265	9,407	1,142	
	Tree Mapping	0	1,258	1,258	7,971	9,229	1,258	
TOTAL INDIRECT CONSULTANTS		82,067	79,177	-2,890	4,644,176	4,727,843	83,667	Overall consultancy costs within budget, minor variances across disciplines as result of timing of works being required.
INFRASTRUCTURE								
Completed Infrastructure		0	0	0	16,709,172	16,709,172	-0	
Neerabup Rd Maroochydore Way Intersection		0	0	0	1,498,274	1,480,279	(17,995)	
Asbestos and rubbish removal - Gen Allowance		0	0	0	25,801	46,987	21,186	under budget - savings
Longreach Prom Extension		105,390	390,578	285,188	849,234	1,204,429	355,195	under budget as result of contract savings approx. \$200k
Longreach Prom Extension		0	6,494	6,494	45,606	61,779	16,174	under budget as result of civil contract being lower than forecast (is % fee based)
INFRASTRUCTURE		105,390	397,072	291,681	19,128,087	19,502,646	374,559	
INFRASTRUCTURE REFUNDS								
Neerabup Road Reimbursement		0	0	0	(432,548)	(432,548)	0	
Waste Water Pump Station (West)		0	0	0	(1,397,613)	(1,397,613)	0	
INFRASTRUCTURE REFUNDS		0	0	0	(1,830,161)	(1,830,161)	0	
TOTAL INFRASTRUCTURE		105,390	397,072	291,681	17,297,926	17,672,485	374,559	within budget
SPECIAL SITES & FIXED ASSETS								
Completed Special Sites & Fixed Assets		0	0	0	561,114	561,114	0	
Sales Office Building		0	0	0	573,050	573,981	932	
Sales Office Retrofit		0	0	0	11,186	3,440	(7,746)	
Sales Office Construction Western		0	0	0	624,762	624,776	14	
TOTAL SPECIAL SITES & FIXED ASSETS		0	0	0	1,770,111	1,763,311	(6,800)	Within budget
TOTAL CONSTRUCTION		2,193,565	7,790,456	5,596,891	155,718,502	162,451,854	6,733,352	Within budget

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - August 2023			PROJECT TO DATE - August 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Aug 2023	YTD BUD Aug 2023	Variance	PTD ACT Aug 2023	PTD BUD Aug 2023	Variance	Comments regarding variance
LAND		0	0	0	0	0	0	
PROFIT & LOSS EXPENDITURE								
Sales & Marketing								
	Brand Development	2,500	1,000	(1,500)	293,938	301,213	7,275	
	Sales Office & Builder Rel.	0	4,833	4,833	126,081	138,151	12,070	
	Brochures	7,510	2,667	(4,843)	193,317	192,567	(750)	
	Advertising	10,320	14,167	3,846	1,194,761	1,146,107	(48,654)	
	Signage	10,553	9,667	(886)	587,417	601,681	14,264	
	Website	17,451	1,000	(16,451)	45,030	34,149	(10,881)	
	Promotions	0	0	0	19,625	28,978	9,353	
	Public Relations	0	0	0	7,424	13,498	6,075	
Total Sales and Marketing		48,334	33,333	(15,001)	2,467,592	2,456,343	(11,249)	Within budget.
Total Community Development	Comm Dev - Resident Dev	23,910	15,000	(8,910)	636,372	680,360	43,988	Within budget
Administration								
	Audit and Tax	2,328	0	(2,328)	293,997	278,299	(15,698)	
	Cleaning	924	2,013	1,089	65,966	68,524	2,558	
	Computer Costs	0	1,006	1,006	0	5,472	5,472	
	Couriers	0	604	604	1,338	12,119	10,781	
	Electricity & Gas	(488)	2,013	2,501	160,365	160,231	(134)	
	Insurance	0	1,006	1,006	3,184	5,690	2,506	
	Legal fees	0	8,385	8,385	201,567	222,462	20,895	
	Licenses & Fees	0	1,006	1,006	5,609	8,928	3,319	
	Postage, Print & Stationery	6	1,006	1,000	3,504	32,752	29,248	
	Rent - Sales Office & Cprk	0	0	0	467,350	467,350	0	
	Sundry Office Expenses	94	3,019	2,925	1,544	23,875	22,330	
	Telephone	0	0	0	0	0	0	
	Training	0	4,193	4,193	0	10,443	10,443	
	Travel & Accommodation	0	0	0	0	0	0	
	Valuations	1,900	6,708	4,808	229,213	238,622	9,408	
	Rates & Taxes	317,936	0	(317,936)	1,514,643	1,496,470	(18,173)	FY23 rates and taxes \$116k above FY23 budget.
	Maintenance	44,049	166,033	121,984	3,721,694	3,942,215	220,521	
	Maint- Carpark Makegood	0	0	0	53,798	53,798	0	
	Security	0	2,013	2,013	28,877	34,310	5,433	
Total Administration		366,749	199,004	(167,744)	6,752,648	7,061,558	308,909	Under budget, driven by savings and underspend in maintenance
Finance	Bank Charges - Comm Bills	0	0	0	400	0	(400)	
Finance	Contingency	39,563	83,333	43,770	3,024,973	311,839	(2,713,134)	
	Contingency Offset Transfer	(45,988)	(45,988)	0	(3,031,398)	0	3,031,398	
Total Finance		(6,425)	37,345	43,770	-6,025	311,839	317,864	
Total P&L Expenditure		432,568	284,683	(147,885)	9,850,587	10,510,100	659,513	
Grand Expense Total		2,626,133	8,075,139	5,449,006	165,569,089	172,961,954	7,392,865	Within budget
NET CASHFLOW		6,155,537	(1,728,194)	9,309,693	163,775,118	148,207,543	15,567,576	

1.0 Management Accounts

1.1 KEY STATISTICS

1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS								
	<u>Lots Produced (titles)</u>		<u>Sales</u>		<u>Settlements</u>		<u>Distributions</u>	
	<u>Actual</u>	<u>Budget</u> <i>(Jun-23)</i>	<u>Actual</u>	<u>Budget</u> <i>(Jun-23)</i>	<u>Actual</u>	<u>Budget</u> <i>(Jun-23)</i>	<u>Actual</u>	<u>Budget</u> <i>(Jun-23)</i>
Prior Years	1,314	1,314	1,274	1,265	1,218	1,209	117,000,000	117,000,000
Jul-2023	-	-	15	7	16	10	-	-
Aug-2023	-	-	13	7	15	7	-	-
Sep-2023	-	66	-	7	-	6	-	-
Sep Qtr	-	66	28	21	31	23	-	-
Oct-2023	-	-	-	7	-	8	-	-
Nov-2023	-	37	-	7	-	6	-	-
Dec-2023	-	-	-	4	-	8	-	10,000,000
Dec Qtr	-	37	-	18	-	22	-	10,000,000
Jan-2024	-	-	-	14	-	12	-	-
Feb-2024	-	-	-	8	-	17	-	-
Mar-2024	-	-	-	8	-	12	-	-
Mar Qtr	-	-	-	30	-	41	-	-
Apr-2024	-	-	-	8	-	9	-	-
May-2024	-	-	-	8	-	8	-	-
Jun-2024	-	-	-	8	-	11	-	10,000,000
Jun Qtr	-	-	-	24	-	28	-	10,000,000
PTD	1,314	1,314	1,302	1,279	1,249	1,226	117,000,000	117,000,000
Full 2023/24 Year	-	103	28	93	31	114	-	20,000,000
2024/25	-	64	-	127	-	97	-	17,000,000
2025/26	-	141	-	146	-	145	-	15,000,000

- There were 13 sales and 15 settlements for August.

1.2 Sales & Settlements

	<u>MTH Act</u>	<u>MTH Bgt</u> <i>(Jun-23)</i>	<u>YTD Act</u>	<u>YTD Bgt</u> <i>(Jun-23)</i>	<u>PTD Act</u>	<u>PTD Bgt</u> <i>(Jun-23)</i>
Residential						
- Sales #	13	7	28	14	1,302	1,279
- Sales \$	4,521,000	2,589,661	9,179,000	5,020,393	363,202,000	356,325,052
- Sales \$/lot	347,769	369,952	327,821	358,600	278,957	278,597
- Settlements #	15	7	31	17	1,249	1,226
- Settlements \$	4,442,000	2,078,399	9,342,000	5,357,903	346,599,500	339,384,569
- Settlements \$/lot	296,133	296,914	301,355	315,171	277,502	276,823
Special Sites						
- Sales #	-	-	-	-	6	6
- Sales \$	-	-	-	-	13,902,500	13,902,500
- Sales \$/lot	-	-	-	-	2,317,083	2,317,083
- Settlements #	-	-	-	-	5	5
- Settlements \$	-	-	-	-	10,922,000	10,922,000
- Settlements \$/lot	-	-	-	-	2,184,400	2,184,400
Lots Under Contract						
- Unsettled sales #	53			14	Titled	
- Unsettled sales \$	16,602,500			39	1,318 incl. Spec sites	
- Unsettled sales \$/lot	313,255					

Special sites under contract:

Lot 341 (Stg 17B)		<u>Bud</u> <u>Settlement</u>
	2,750,000	Mar-24
	<u>2,750,000</u>	

1.3 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u> (Jun-23)	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	9,342,000	5,357,904	3,984,096
Margin GST	(96,568)	(77,728)	(18,841)
Direct selling costs	(421,166)	(246,669)	(174,498)
Interest Income	820	-	820
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(43,415)	(112,524)	69,109
	<u>8,781,670</u>	<u>4,920,983</u>	<u>3,860,687</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	1,162,763	4,419,158	3,256,395
Clearance Bonds	(329,283)	-	329,283
Landscaping	1,172,628	2,895,049	1,722,422
Consultants	82,067	79,177	(2,890)
Infrastructure	105,390	397,072	291,681
Special Sites	-	-	-
	<u>2,193,565</u>	<u>7,790,456</u>	<u>5,596,891</u>
<u>Overheads</u>			
Sales & marketing	48,334	33,333	(15,001)
Community Develop.	23,910	15,000	(8,910)
Administration	366,749	199,004	(167,744)
Finance/Contingency	(6,425)	37,345	43,770
	<u>432,568</u>	<u>284,683</u>	<u>(147,885)</u>
Net Cashflow	<u>6,155,537</u>	<u>(3,154,156)</u>	<u>9,309,693</u>

1.4 Cashflow - PTD Actuals to budget

	<u>PTD Act</u>	<u>PTD Bgt</u> (Jun-23)	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	346,599,500	339,384,570	7,214,930
Margin GST	(4,795,175)	(4,792,718)	(2,457)
Direct selling costs	(16,042,796)	(15,721,122)	(321,675)
Interest Income	108,984	105,934	3,050
Forfeited Deposits	35,455	35,455	-
Other Income	10,228,594	10,228,594	-
Rebate Allowance	(6,790,354)	(8,071,216)	1,280,862
	<u>329,344,208</u>	<u>321,169,497</u>	<u>8,174,711</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	102,732,883	106,971,849	4,238,966
Clearance Bonds	3,170,320	2,788,020	(382,300)
Landscaping	26,103,086	28,528,346	2,425,261
Consultants	4,644,176	4,727,843	83,667
Infrastructure	17,297,926	17,672,485	374,559
Special Sites	1,770,111	1,763,311	(6,800)
	<u>155,718,502</u>	<u>162,451,854</u>	<u>6,733,352</u>
<u>Overheads</u>			
Sales & marketing	2,467,592	2,456,343	(11,249)
Community Develop.	636,372	680,360	43,988
Administration	6,752,648	7,061,558	308,909
Finance/Contingency	(6,025)	311,839	317,864
	<u>9,850,587</u>	<u>10,510,100</u>	<u>659,513</u>
Net Cashflow	<u>163,775,118</u>	<u>148,207,543</u>	<u>15,567,576</u>

1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	3,499,603	3,525,906	3,170,320
	<u>3,499,603</u>	<u>3,525,906</u>	<u>3,170,320</u>

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

2.0 PROFIT & LOSS

	<u>MTH Act</u>	<u>MTH Bgt</u> (Jun-23)	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u> (Jun-23)	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u> (Jun-23)
- Revenue \$ (Stlmnts)	4,442,000	2,078,399	2,363,601	9,342,000	5,357,903	3,984,097	346,599,500	339,384,569
- Revenue \$/lot	296,133	296,914		301,355	315,171		277,502	276,823
- Selling & GST \$	421,804	209,883	(211,921)	874,235	522,542	(351,693)	30,217,408	29,969,441
- Selling & GST \$/lot	28,120	29,983		28,201	30,738		24,193	24,445
- Cost of sales \$	1,706,146	1,009,454	(696,692)	3,622,345	2,450,027	(1,172,318)	123,652,284	121,776,347
- Cost of sales \$/lot	113,743	144,208		116,850	144,119		99,001	99,328
- Gross profit \$	2,314,050	859,062	1,454,988	4,845,420	2,385,334	2,460,086	192,729,809	187,638,781
- Gross profit \$/lot	154,270	122,723		156,304	140,314		154,307	153,050
- Gross profit Mgn %	52.09%	41.33%		51.87%	44.52%		55.61%	55.29%
- Special Sites \$	-	-	-	-	-	-	6,731,808	6,639,738
- Other income \$	-	-	-	820	-	820	292,008	288,959
- Sales & Marketing \$	37,758	25,164	(12,594)	71,371	50,328	(21,044)	3,111,582	3,051,751
- Administration \$	74,045	116,641	42,596	123,098	232,870	109,772	7,152,262	7,329,322
- Finance/Other \$	1,903	-	(1,903)	3,806	-	(3,806)	233,870	224,478
- Contingency \$	45,988	41,667	(4,321)	45,988	83,334	37,346	50,079	315,931
- Net profit \$	2,154,357	675,591	1,478,766	4,601,976	2,018,802	2,583,174	189,205,831	183,645,996
- Net profit \$/lot	143,624	96,513		148,451	118,753		151,486	149,793

- Year to date Gross profit is \$2.46m favourable on 14 more settlements.
- Year to date Overheads are \$122k below budget due to:
 - Marketing 21k unfavourable - timing;
 - Admin \$110k favourable - timing;
 - Unused Contingency \$37k.

YEAR TO DATE VERSUS FULL YEAR BUDGET

	<u>YTD Act</u>	<u>Full Year Bgt</u>	<u>Var</u>
- Revenue \$ (Stlmnts)	9,342,000	37,328,635	(27,986,635)
- Revenue \$/lot	301,355	327,444	
- Selling & GST \$	874,235	3,608,879	2,734,644
- Selling & GST \$/lot	28,201	31,657	
- Cost of sales \$	3,622,345	16,575,122	12,952,777
- Cost of sales \$/lot	116,850	145,396	
- Gross profit \$	4,845,420	17,144,634	(12,299,214)
- Gross profit \$/lot	156,304	150,392	
- Gross profit Mgn %	51.87%	45.93%	
- Special Sites \$	-	1,242,494	(1,242,494)
- Other income \$	820	-	820
- Sales & Marketing \$	71,371	301,966	230,595
- Administration \$	123,098	1,440,648	1,317,550
- Finance \$	3,806	-	(3,806)
- Contingency \$	45,988	500,004	454,016
- Net profit \$	4,601,976	16,144,510	(11,542,533)
- Net profit \$/lot	148,451	141,619	

2.1 GROSS PROFIT ANALYSIS

Actual

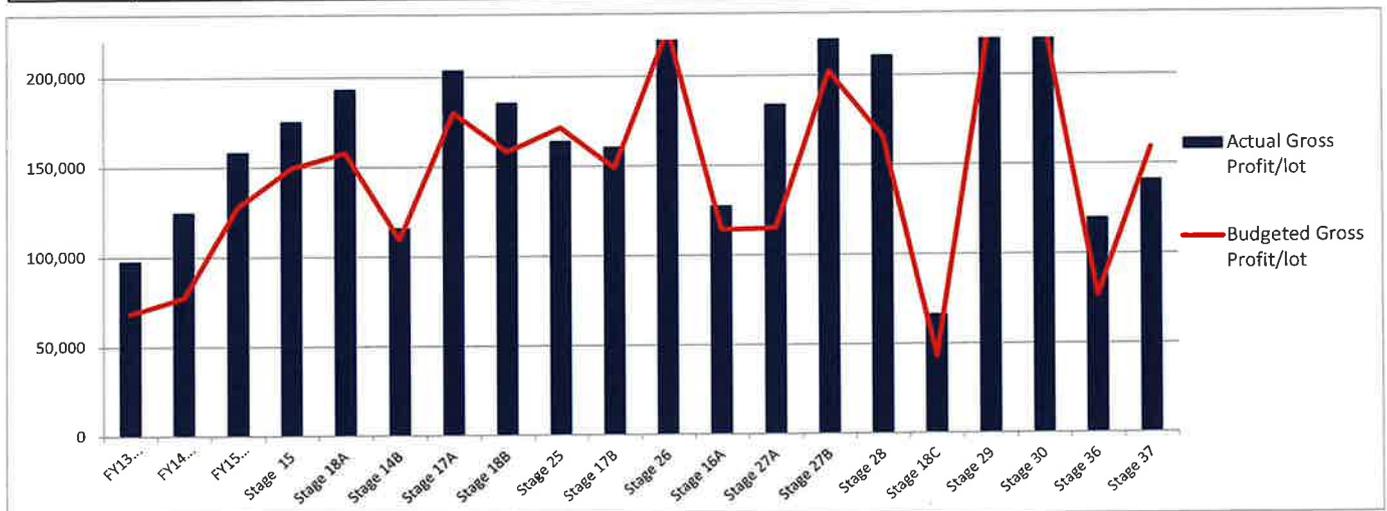
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl.)		Actual Gross		Actual Gross	
				GST	Direct Costs/lot	Profit	Profit/lot	Margin %	
Incentives Writeback				-5,599,217		5,599,217			
FY13 Stages	2012 / 2013	51,375,500	220,496	28,570,159	122,619	22,805,341	97,877	44.39%	
FY14 Stages	2013 / 2014	50,325,000	243,116	24,477,309	118,248	25,847,691	124,868	51.36%	
FY15 Stages	2014 / 2015	77,688,000	275,489	32,963,408	116,892	44,724,592	158,598	57.57%	
Stage 15	15-Dec-15	15,444,000	280,800	5,791,567	105,301	9,652,433	175,499	62.50%	
Stage 18A	27-May-16	8,626,000	297,448	3,015,429	103,980	5,610,571	193,468	65.04%	
Stage 14B	28-Oct-16	2,444,000	244,400	1,281,011	128,101	1,162,989	116,299	47.59%	
Stage 17A	20-Feb-17	7,774,000	310,960	2,674,295	106,972	5,099,705	203,988	65.60%	
Stage 18B	13-Jun-17	8,792,000	283,613	3,035,185	97,909	5,756,815	185,704	65.48%	
Stage 25	8-Aug-17	20,323,000	350,397	10,802,146	186,244	9,520,854	164,153	46.85%	
Stage 17B	22-May-18	9,827,500	272,986	4,038,425	112,178	5,789,075	160,808	58.91%	
Stage 26	26-Sep-19	14,125,500	371,724	5,669,441	149,196	8,456,059	222,528	59.86%	
Stage 16A	25-Jan-21	4,514,000	265,529	2,344,352	137,903	2,169,648	127,626	48.06%	
Stage 27A	24-Feb-21	6,341,000	317,050	2,661,467	133,073	3,679,533	183,977	58.03%	
Stage 27B	20-Apr-22	9,355,000	406,739	4,017,669	174,681	5,337,331	232,058	57.05%	
Stage 28	1-Sep-21	12,770,000	375,588	5,591,783	164,464	7,178,217	211,124	56.21%	
Stage 18C	26-Oct-22	5,168,000	198,769	3,439,389	132,284	1,728,611	66,485	33.45%	
Stage 29	21-Apr-23	11,040,000	424,615	5,223,956	200,921	5,816,044	223,694	52.68%	
Stage 30	25-May-22	13,595,000	388,429	4,881,002	139,457	8,713,998	248,971	64.10%	
Stage 36	2-Nov-22	11,975,000	266,111	6,575,032	146,112	5,399,968	119,999	45.09%	
Stage 37	22-Jun-23	5,097,000	268,263	2,415,885	127,152	2,681,115	141,111	52.60%	
		<u>346,599,500</u>		<u>153,869,692</u>		<u>192,729,808</u>			

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

Budget

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl.)		Budgeted		Budgeted Gross	
				GST	Direct Costs/lot	Gross Profit	Profit/lot	Margin %	
FY13 Stages	May-12	51,358,953	217,623	35,200,675	149,155	16,158,278	68,467	31.46%	
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421	149,360	16,014,514	77,365	34.12%	
FY 15 Stages	Aug-14	76,167,089	273,000	40,469,170	145,051	35,697,919	127,950	46.87%	
Stage 15	Aug-15	15,433,000	280,600	7,203,599	130,975	8,229,401	149,625	53.32%	
Stage 18A	Jun-16	8,626,000	297,448	4,048,854	139,616	4,577,146	157,833	53.06%	
Stage 14B	Jun-16	2,448,087	244,809	1,352,232	135,223	1,095,855	109,585	44.76%	
Stage 17A	Jun-16	9,427,756	304,121	3,845,430	124,046	5,582,326	180,075	59.21%	
Stage 18B	Jun-16	8,584,690	276,925	3,677,414	118,626	4,907,276	158,299	57.16%	
Stage 18C	Oct-22	5,563,000	198,679	4,363,541	155,841	1,199,459	42,838	21.56%	
Stage 25	Aug-17	19,696,448	345,552	9,915,141	173,950	9,781,307	171,602	49.66%	
Stage 17B	Dec-17	10,496,494	291,569	5,131,807	142,550	5,364,687	149,019	51.11%	
Stage 26	Jun-19	14,347,000	377,553	5,766,060	151,738	8,580,940	225,814	59.81%	
Stage 16A	Dec-20	4,498,002	264,588	2,555,841	150,344	1,942,161	114,245	43.18%	
Stage 27A	Dec-20	6,251,840	312,592	3,951,378	197,569	2,300,462	115,023	36.80%	
Stage 27B	Feb-22	9,345,000	406,304	4,698,534	204,284	4,646,466	202,020	49.72%	
Stage 28	Jul-21	12,669,500	372,632	7,027,024	206,677	5,642,476	165,955	44.54%	
Stage 18C	Oct-22	5,563,000	198,679	4,363,541	155,841	1,199,459	42,838	21.56%	
Stage 29	Apr-23	19,190,000	446,279	9,365,867	217,811	9,824,133	228,468	51.19%	
Stage 30	Dec-21	13,520,000	386,286	5,434,179	155,262	8,085,821	231,023	59.81%	
Stage 36	Oct-22	18,086,000	231,872	12,110,457	155,262	5,975,543	76,610	33.04%	
Stage 37	Jun-23	13,117,500	273,281	5,478,256	114,130	7,639,244	159,151	58.24%	
		<u>371,321,294</u>		<u>206,876,422</u>		<u>164,444,873</u>			

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



Catalina

Finished Lots & Cost of Lots Sold calculations to 31 Aug 2023

Title date:	Completed	Completed	7-Nov-12	8-Aug-17	8-Aug-17	25-Jan-21	24-Feb-21	20-Apr-22	1-Sep-21	25-May-22	26-Oct-22	2-Nov-22	27-Feb-23	21-Apr-23	22-Jun-23	22-Jun-23	TOTAL
	Spec Sites	Resil Stages	Central Cell Sales Office	Stage 29 Sales Office	Stage 29 GHS Lot 217R	Stage 16A	Stage 27A	Stage 27B	Stage 28	Stage 30	Stage 18C	Stage 36	Stage 36 Lot 3128	Stage 29	Stage 37	Stage 17B Lot 341	
Direct costs																	
Civil Construction			89,540	83,260	253,163	932,193	707,388	901,496	2,223,532	792,281	1,769,211	3,773,787	-	3,997,295	1,916,924	356,322	
Siteworks				75,529	245,432	926,000	652,600	838,353	2,165,633	706,851	1,701,800	3,633,649	-	3,823,355	1,816,124	356,322	
URD Power				7,731	7,731	2,403	27,152	40,143	57,898	60,410	42,411	121,869	-	148,940	47,000		
Third Pipe																	
General						3,790	20,000	23,000		25,000	25,000	18,269		25,000	25,000		
MATV							7,636								28,800		
Sewer headwks			5,660	4,514	4,514	101,201	113,955	138,339	196,552	213,570	171,524	249,566	7,463	259,143	289,910	7,463	
Local authority fees			4,363	615	615	28,623	17,424	6,930	14,962	9,466	18,412	31,691		22,895	20,550	1,196	
Local authority scheme costs			2,705					8,954		14,405	10,426	21,225		15,490	17,291		
Survey & legal fees			1,003	945	945	16,150	21,000	25,428	31,487	39,574	35,227	65,579	1,196	41,074	44,260	917	
Engineering fees			5,557	2,750	12,341	77,057	58,349	86,238	116,545	98,586	87,167	271,035		140,105	162,800		
Sales Office Build Cost			330,780														
Finished Goods Adjustments	31,206	1,281,787	26,238				14,482	60,165	32,920	440,245							
Earthworks Allocation	420,826	57,554,106	411,370	92,084	271,578	1,155,224	932,598	1,229,550	2,615,998	1,608,107	2,091,967	4,412,883	8,659	4,476,002	2,451,735	365,898	
	260,179	14,495,542	12,091	18,574	66,681	112,605	303,183	542,975	642,426		131,588	539,279	569,141		528,899	108,452	
Indirect Costs																	
Land																	
Infrastructure	84,898	8,359,526	7,165	7,879	31,674	176,806	245,746	511,942	381,466	731,652	201,965	477,101	255,846	686,670	469,380	98,402	
Landscape	118,628	13,546,018	9,006	16,613	66,785	409,039	568,530	975,581	725,814	1,394,271	587,095	1,366,989	752,534	2,019,738	1,380,610	289,436	
TOTAL COST	884,530	93,955,192	439,633	135,150	436,718	1,853,674	2,050,057	3,260,048	4,365,704	3,734,030	3,012,615	6,816,152	1,586,180	7,182,410	4,830,624	862,188	
Lots	3	1,004	1	1	1	17	20	23	34	35	26	45	1	26	19	1	1,254
COST PER LOT	294,843	93,581	439,633	135,150	436,718	109,040	102,503	141,741	128,403	106,687	107,593	119,582	1,586,180	167,033	100,638	862,188	
Lots settled	3	1,004	1	-	-	17	20	23	34	35	26	45	1	26	19	-	1,254
COST OF LOTS SETTLED	884,530	93,955,192	439,633	-	-	1,853,674	2,050,057	3,260,048	4,365,704	3,734,030	2,797,428	5,381,173	1,586,180	4,342,853	1,912,122	-	126,562,624
Stage Area (m2)	10,900	332,827	320	255	1,795	6,632	6,615	9,933	13,721	13,416	8,396	21,808	20,012	17,349	18,597	6,921	
Cost per m2	81	282	1,374	530	243	280	310	328	318	278	359	313	79	414	260	125	
Avg lot size	3,633	332	320	255	1,795	390	331	432	404	383	300	383	20,012	403	387	6,921	
Other cash expenditure																	
Direct Selling & Proj Mgt Costs																	31,497,257
Marketing costs																	3,111,583
Administration																	7,152,262
Finance																	233,870
Contingency																	50,079
TOTAL COSTS																	168,607,675

PERIODIC ANALYSIS	Month	YTD	PTD	PY Jun-23
Lots settled	15	31	1,254	1,223
Cost of lots settled	1,706,146	3,622,345	126,562,627	122,940,282
Direct selling costs	421,804	874,235	31,497,257	30,623,022
Marketing costs	37,758	71,371	3,111,583	3,040,211
Administration	74,045	123,098	7,152,262	7,029,184
Finance	1,903	3,806	233,870	230,064
Contingency	45,988	45,988	50,079	4,091
TOTAL COSTS	2,287,643	4,740,844	168,607,678	163,866,834

Catalina COGS Calc

31-Aug-23

Job	Titled Date	Direct Cost	Indirect Cost	COGS Total	Lot #	Titled	Untitled	COGS/Lot	Settled Lots	PTD COGS	Per Accounts	Variance	Finished Goods	FG/Lot
140-01-001	17-Oct-2012	4,004,839	637,443	4,642,282	35	35	-	132,637	35	4,642,282	4,642,282	-	-	-
140-01-002	7-Nov-2012	3,429,204	598,332	4,027,537	37	37	-	108,852	37	4,027,537	4,027,537	-	-	-
140-01-003	14-Jan-2013	3,002,658	554,241	3,556,899	43	43	-	82,719	43	3,556,899	3,556,899	-	-	-
140-01-004	20-Mar-2013	3,371,482	800,585	4,172,067	47	47	-	88,767	47	4,172,067	4,172,067	-	-	-
140-01-005	20-May-2013	4,894,899	968,068	5,862,967	63	63	-	93,063	63	5,862,967	5,862,967	-	-	-
140-01-06A	18-Jan-2013	483,435	179,725	663,160	8	8	-	82,895	8	663,160	663,160	-	-	-
140-01-06B	19-Jan-2015	1,100,352	510,130	1,610,482	24	24	-	67,103	24	1,610,482	1,610,482	-	-	-
140-01-06C	3-Apr-2014	671,286	211,296	882,581	10	10	-	88,258	10	882,581	882,581	-	-	-
140-01-007	31-Oct-2013	4,146,749	938,488	5,085,238	63	63	-	80,718	63	5,085,238	5,085,238	-	-	-
140-01-008	16-Jan-2014	4,389,068	881,805	5,270,874	53	53	-	99,450	53	5,270,874	5,270,874	-	-	-
140-01-009	8-May-2014	4,640,905	814,395	5,455,300	51	51	-	106,967	51	5,455,300	5,455,300	-	-	-
140-01-010	8-May-2014	2,460,031	595,126	3,055,157	30	30	-	101,839	30	3,055,157	3,055,157	-	-	-
140-01-011	1-Oct-2014	4,797,823	1,320,873	6,118,696	64	64	-	95,605	64	6,118,696	6,118,696	-	-	-
140-01-012	3-Dec-2014	3,225,081	1,064,585	4,289,666	49	49	-	87,544	49	4,289,666	4,289,666	-	-	-
140-01-13A	30-Mar-2015	2,965,498	717,571	3,683,069	37	37	-	99,542	37	3,683,069	3,683,069	-	-	-
140-01-13B	11-May-2015	2,739,324	986,155	3,725,479	45	45	-	82,788	45	3,725,479	3,725,479	-	-	-
140-01-014	4-Jun-2015	3,619,629	1,347,229	4,966,858	63	63	-	78,839	63	4,966,858	4,966,858	-	-	-
140-01-015	15-Dec-2015	3,073,171	1,243,145	4,316,316	55	55	-	78,478	55	4,316,316	4,316,316	-	-	-
140-01-18A	27-May-2016	1,453,614	760,239	2,213,853	29	29	-	76,340	29	2,213,853	2,213,853	-	-	-
140-01-14B	28-Oct-2016	784,420	224,347	1,008,767	10	10	-	100,877	10	1,008,767	1,008,767	-	-	-
140-01-017	2-Feb-2017	1,194,140	730,941	1,925,081	25	25	-	77,003	25	1,925,081	1,925,081	-	-	-
140-01-18B	13-Jun-2017	1,266,620	876,513	2,143,133	31	31	-	69,133	31	2,143,133	2,143,133	-	-	-
140-01-18C	26-Oct-2022	2,223,555	789,060	3,012,615	28	28	-	107,593	26	2,797,428	2,797,428	0	215,187	107,593
140-02-025	8-Aug-2017	6,444,321	1,929,606	8,373,927	58	58	-	144,378	58	8,373,927	8,373,927	-	-	-
140-01-17B	22-May-2018	1,556,232	1,222,995	2,779,227	36	36	-	77,201	36	2,779,227	2,779,227	-	-	-
140-02-026	26-Sep-2019	2,334,871	1,791,711	4,126,582	38	38	-	108,594	38	4,126,582	4,126,582	-	-	-
140-01-16A	25-Jan-2021	1,267,829	585,845	1,853,674	17	17	-	109,040	17	1,853,674	1,853,674	-	-	-
140-02-27A	24-Feb-2021	1,235,782	814,276	2,050,058	20	20	-	102,503	20	2,050,058	2,050,058	-	0	-
140-02-27B	20-Apr-2022	1,772,525	1,487,523	3,260,048	23	23	-	141,741	23	3,260,048	3,260,048	-	-	-
140-02-028	1-Sep-2021	3,258,423	1,107,280	4,365,703	34	34	-	128,403	34	4,365,703	4,365,703	-	-	-
140-02-029	21-Apr-2023	4,476,001	2,706,408	7,182,409	43	43	-	167,033	26	4,342,852	4,342,852	-	2,839,557	167,033
140-02-030	25-May-2022	1,608,107	2,125,923	3,734,030	35	35	-	106,687	35	3,734,030	3,734,030	-	-	-
140-03-036	2-Nov-2022	2,922,887	1,863,990	6,816,153	78	57	21.00	119,582	45	5,381,173	5,381,173	0	1,434,980	119,582
140-03-037	22-Jun-2023	6,589,016	1,849,990	4,830,624	48	48	-	100,638	19	1,912,122	1,912,122	0	2,918,502	100,638
140-70-001	7-Nov-2012	423,461	16,171	439,633	1	1	-	439,633	1	439,633	439,633	-	-	-
140-70-004	12-Dec-2013	20,322	41,798	62,119	1	1	-	62,119	1	62,119	62,119	-	-	-
140-70-005	8-Aug-2017	110,657	24,492	135,149	1	1	-	135,149	-	-	-	-	135,149	135,149
140-70-007	17-Oct-2012	222,150	87,611	309,761	1	1	-	309,761	1	309,761	309,761	-	-	-
140-70-008	1-Oct-2014	438,532	74,117	512,649	1	1	-	512,649	1	512,649	512,649	-	-	-
140-70-009	27/2/23	577,801	1,008,380	1,586,181	1	1	-	1,586,181	1	1,586,181	1,586,181	-	-	-
140-70-021	22-Jun-2023	474,351	387,838	862,189	1	-	1.00	-	-	-	-	-	862,189	-
140-70-028	8-Aug-2017	338,259	98,459	436,718	1	1	-	436,718	-	-	-	-	436,718	436,718
100,009,309		36,974,705	135,404,908	1,338	1,316	22.00			1,254	126,562,627	126,562,627	-0	8,842,281	

9.7. CATALINA ESTATE DEVELOPER CONTRIBUTION OBLIGATIONS

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

RECOMMENDATION

That the Council:

1. **ACKNOWLEDGES** its obligation under the City of Wanneroo District Planning Scheme No.2 to contribute to the developer contribution arrangement in operation for the Clarkson/Butler Planning District - Development Contribution Area No.4;
2. **AUTHORISES** payment of the 50% development milestone contribution for Catalina Estate, as invoiced by the City of Wanneroo (Invoice No: 199811);
3. **NOTES** the need to make appropriate adjustments to the Project Budget FYE 2024 as a component of the mid-year review by increasing the budget allowance needed for the 50% development milestone contribution payment; and
4. **INFORMS** the City of Wanneroo that the Council's agreement to make the 50% development milestone contribution payment for Catalina Estate should not be construed as an agreement to the Council's total contribution obligation for the Estate, as this is a matter requiring further review and consideration of:
 - a. The outcomes of the City's review of the implementation status of the related development contribution arrangement;
 - b. The basis upon which the City will rely on in calculating the Council's total contribution obligation, including its approach to indexation applied to the contribution amount, apportioning Scheme costs to Catalina and accounting for Catalina's developable area being substantially less than was originally assumed.
 - c. Any reimbursement or credit that may be due to the Council for its expenditure on Scheme-funded works.

PURPOSE

For the Council to consider its developer contribution obligation required by the City of Wanneroo District Planning Scheme No.2 (DPS 2) for Catalina Estate.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

City of Wanneroo District Planning Scheme No.2

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

As discussed in this report.

RISK MANAGEMENT IMPLICATIONS

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

This report provides information on developer contribution obligations applicable to Catalina Estate.

BACKGROUND

Development of Catalina Estate is subject to City of Wanneroo requirements for a contribution to be made towards the cost of constructing district-level road infrastructure in the locality. The City has advised that the extent of development completed at Catalina has triggered the Member Council's obligation to pay half of the total required contribution for the Catalina landholding. This report provides details on the background of the related development contribution arrangement, how the contribution obligation applicable to Catalina has been calculated by the City and financial implications of the contribution requirement for the Project.

COMMENT

DPS 2 identifies a Special Control Area over the coastal urban development corridor that extends from Clarkson and Mindarie in the south to Jindalee and Butler in the north. This area is referred to by DPS 2 as the Clarkson/Butler Planning District and Development Contribution Area 4 (DCA 4).

The objective of DCA 4 is to provide a funding arrangement through development contributions to provide district distributor roads, including the now-constructed Marmion Avenue, Neerabup Road and Connolly Drive which pass through or by Catalina.

Schedule 15 of DPS 2 includes a plan showing DCA 4 divided into four cells (see below). Catalina Estate straddles the boundary between Cells 3 and 4. Schedule 15 indicates that DCA 4 has a total area of 2066ha, of which 228ha comprises the Catalina landholding. It is noted that the Schedule 15 provisions have existed in DPS 2 since the Scheme's gazettal in July 2001, well before the commencement of any development at Catalina.

The City has advised that it considers that the extent of development completed at Catalina has reached a point that has triggered the Member Councils' obligation to pay 50% of its required

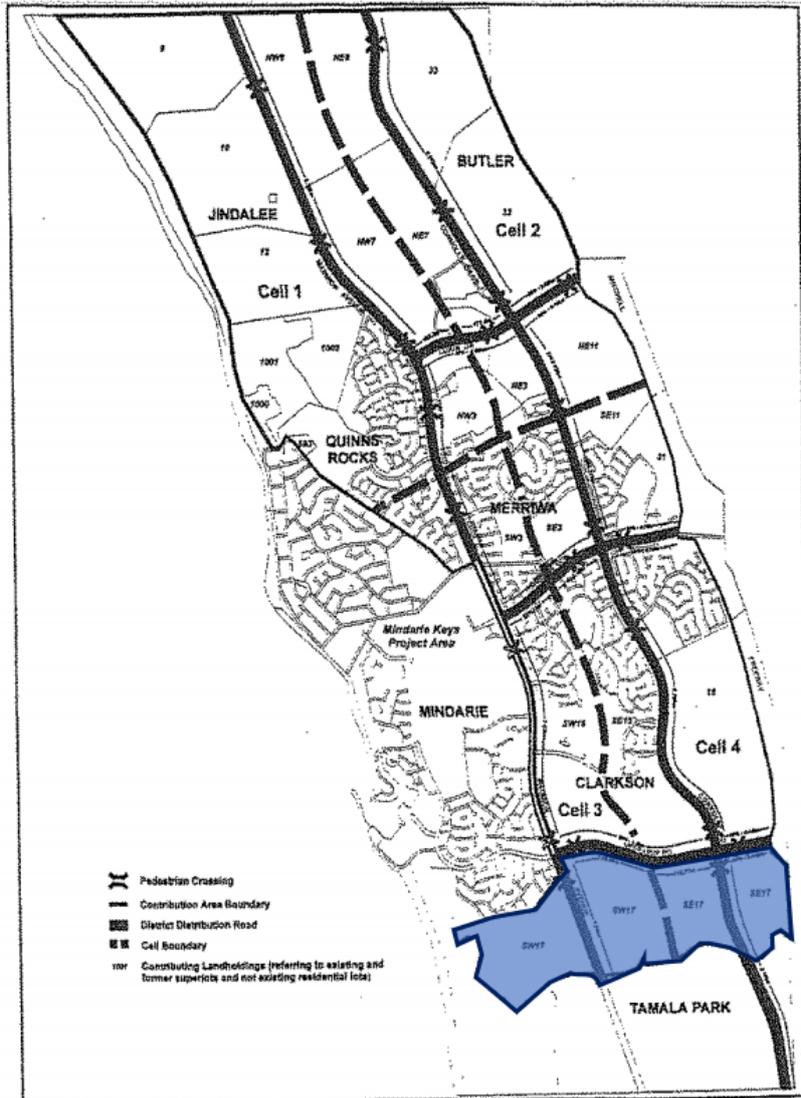
contribution and has issued an invoice seeking payment of the amount of \$1,602,154.31. This has been calculated on the following basis:

50% of estimated 2007 construction costs applicable to Catalina (total cost of \$1,929,144.26)	\$964,572.13
Indexation (CPI Rate 53.1%, 2007 to 2023)	\$491,931.79
Total liability at 50% Developed	\$1,456,503.92
GST	\$145,650.39
Invoice Amount	\$1,602,154.31

The City has advised that 50% development milestone contribution payment being made now will ensure that the City is able to clear future Catalina stages. It has also advised that the remaining 50% contribution amount will need to be calculated in the future (this being, prior to the payment becoming due when 90% of Catalina is developed, in accordance with DPS 2 requirements), based on the remaining applicable construction cost of \$964,572.13, plus indexation calculated from 2007 to the date the outstanding sum is paid in the future, plus GST.

The City has advised the following in respect to the current status of DCA 4:

- The majority of developers in DCA 4 have satisfied their contribution obligations by either constructing the Scheme-funded infrastructure or through cash contributions. The CRC is an exception, having not made any contribution to DCA 4 at this stage.
- The City is undertaking an audit of completed Scheme-funded works and will undertake a transaction review for each of the cells within DCA 4 to identify any outstanding works and associated costs. It also intends to reconcile the contribution obligations defined in DPS2 against completed works and payments received in lieu of works and rationalise them after consideration for any external grant funding or municipal expenditure on Scheme works in DCA 4. The City anticipates that this work may take some time to finalise, however it has indicated it should be in position by the end of this financial year to determine Catalina's remaining contribution obligation.



The City's request for payment of the first contribution milestone payment for Catalina has been reviewed and the following observations are made:

- Development of Catalina, whether measured in terms of the number of lots or the area of land developed to date, has exceeded 50% of the total anticipated number of lots and Project area to be developed and the Council should accept that the 50% development contribution milestone has been reached.
- DCA 4 is a long-established development contribution arrangement that commenced operation prior to development of Catalina commencing. Much of the contribution area is now developed or under development and much of the Scheme-funded works are in place. Unlike the contribution arrangements currently operating elsewhere in the City in East Wanneroo (nine cells), Alkimos/Eglinton and Yanchep/Two Rocks, for which the City publishes on its website extensive operational details for each one, including shared infrastructure and contribution cost rates and periodic adjustments made to them and reports from independent auditors and detailing the status of implementation, there are no such details published for DCA 4.
- The City has calculated Catalina's contribution obligation based on a rate of \$1,065/linear metre for the cost of constructing one dual-lane carriageway and earthworks for a second carriageway for a 1.8114km-length district distributor road, based on construction costs incurred by the City in the construction of Connolly Drive in 2007. Cossill and Webley

advises that its and the City's original calculations were within 10% of each other and use of the figure of \$1,065/linear metre as a basis for calculation of Catalina's contribution sum is a reasonable indication of the scope of works and construction costs that were applicable in 2007.

- The City has also applied indexation on the 2007 cost contribution to account for inflation since this time. The indexation increase is 53.1%, which equates to an average increase of 3.32% per annum. It is common for local governments that operate development contribution arrangements to adjust contribution rates to account for inflation. The method used by the City to escalate Catalina's contribution, while rudimentary and potentially needing more detailed review, is considered to be reasonable on a preliminary basis.
- When DCA 4 was established, it was assumed that the extent of Catalina's Project area was 228ha. This assumption was made prior to a substantial portion of the western extent of the landholding being excised and ceded to the State Government for conservation purposes and the Project boundary being rationalised. The Project area is now just short of 180ha and includes 10.2ha of land yet to be acquired from the Western Australian Planning Commission in Catalina Green and 26.7ha of land currently impacted by the Tamala Park landfill site buffer. The extent of developable land in Catalina is going to be at least 48ha less than was originally anticipated when DCA 4 was established, potentially changing the basis for calculation of Catalina's final contribution obligation. It is unclear if or how the City will account for this.
- The Council, through the execution of a 2016 agreement with the City, constructed a section of the Neerabup Road widening. It also funded construction of another section of Neerabup Road further east through an agreement with Main Roads WA. Elements of this work may be reimbursable by DCA 4, however there is seemingly no recognition for any reimbursement or credit for any of these elements in the calculation of the first milestone contribution payment.

Given issues with a lack of detail, clarity and transparency with the operation of DCA 4, the City's review of the DCA 4 contribution arrangement is welcomed. In the meantime, the main consideration is whether the 50% development contribution payment invoiced by the City is fair and reasonable. Ideally, such an assessment would be made in light of:

- Better detailing of the basis upon which the City has calculated the Council's total contribution obligation, including its calculation of Scheme costs and their apportionment to Catalina and the approach to indexation applied to the contribution amount.
- The outcomes of the City's review of the implementation status of the related development contribution arrangement.
- The City's consideration of Catalina's developable area being substantially less than was originally assumed.
- The City's consideration of any reimbursement or credit that may be due to the Council for its expenditure on Scheme-funded works.

Without these details, it is noted that:

- The City has provided sufficient details indicating how it has calculated the 50% development milestone contribution payment. It is effectively a preliminary amount and there will be scope for an adjustment to be made to the final required contribution, up or down as is necessary, when it becomes due.

- While DPS 2 provides a dispute resolution process in respect to how contribution payments are calculated, it would likely be a complicated and time-consuming exercise to challenge this matter at this point. A prolonged resolution would risk the City in the meantime withholding clearances for stages of subdivision and delaying or potentially preventing creation of new lot titles. This would have a detrimental financial and reputational impact on the Project.

It has been anticipated that that the payment of the 50% development milestone would become due this financial year. The Project Budget FYE 2024 made allowance for payment of a contribution being made to the City in December 2023, however the allowance of \$1,000,000 is \$456,000, plus allowance for the GST component, short of the amount invoiced by the City. The Budget Forecast for the remainder of the Project beyond FYE 2024 assumes additional payments of \$100,000 each year for 10 years. Agreeing to make the first milestone contribution payment will require expenditure to be brought forward from future years' budgets.

CONCLUSION

Development of Catalina is subject to a requirement to contribute to the cost of district distributor roads in the locality. Payment of a portion of the member Councils' contribution obligation is now due.

It is recommended that the Council:

1. ACKNOWLEDGES its obligation under the City of Wanneroo District Planning Scheme No.2 to contribute to the developer contribution arrangement in operation for the Clarkson/Butler Planning District - Development Contribution Area No.4;
2. AUTHORISES payment of the 50% development milestone contribution for Catalina Estate, as invoiced by the City of Wanneroo (Invoice No: XXX);
3. NOTES the need to make appropriate adjustments to the Project Budget FYE 2024 as a component of the mid-year review by increasing the budget allowance needed for the 50% development milestone contribution payment; and
4. INFORMS the City of Wanneroo that the Council's agreement to make the 50% development milestone contribution payment for Catalina Estate should not be construed as an agreement to the Council's total contribution obligation for the Estate, as this is a matter requiring further review and consideration of:
 - a. The outcomes of the City's review of the implementation status of the related development contribution arrangement;
 - b. The basis upon which the City will rely on in calculating the Council's total contribution obligation, including its approach to indexation applied to the contribution amount, apportioning Scheme costs to Catalina and accounting for Catalina's developable area being substantially less than was originally assumed.
 - c. Any reimbursement or credit that may be due to the Council for its expenditure on Scheme-funded works.

9.8. CEO PERFORMANCE REVIEW

Responsible Officer:	Governance Officer; City of Stirling
Attachments:	1. Attachment 1 - CEO Performance Review 2. Attachment 2 - CEO Performance Review KPIs 2024
Voting Requirement:	Absolute Majority

RECOMMENDATION

1. That the Council **ENDORSES** the Catalina Regional Council Chief Executive Officer's Performance Review as outlined in Attachment 1.
 2. That the Council **ENDORSES** the CEO Performance Review Key Performance Indicators for the period 19 September 2023 to 18 September 2024 as outlined in Attachment 2.
 3. That the Council **AGREES** to an increase to the Catalina Regional Council CEO's remuneration of 3.5% as of 12 September 2023.
 4. That the Chair of Catalina Regional Council **ADVISES** the CEO of the outcome of this review.
-

PURPOSE

To formally review the Chief Executive Officer's performance for the period 18 September 2022 to 19 September 2023, to review and set CEO Key Performance Indicators for 2023-2024, and to review the CEO's current remuneration.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- S5.38 of the *Local Government Act 1995*.
- Schedule 2, Division 3 – Standards for review of performance of CEOs of the *Local Government (Administration) Regulations 1996*.

PREVIOUS MINUTES

Ordinary Council Meeting – 8 December 2022.

FINANCIAL/BUDGET IMPLICATIONS

Nil

RISK MANAGEMENT IMPLICATIONS

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

BACKGROUND

Section 5.38(1) of the *Local Government Act 1995* states that:

“A local government must review the performance of the CEO if the CEO is employed for a term of more than 1 year.”

Schedule 2, Division 3 of the *Local Government (Administration) Regulations 1996* require that when reviewing a CEO’s performance the Council must:

- Collect evidence of the CEO’s performance;
- Review the CEO’s performance against the agreed performance criteria;
- Consider the outcome of the review and endorse the review outcome via an Absolute Majority decision;
- Formally notify the CEO of the outcome of the review.

The current Chief Executive Officer of the Catalina Regional Council (CRC), Mr Chris Adams, commenced in the role on 12 September 2022. He completed one year in the role on 12 September 2023.

At the Ordinary Council Meeting held 8 December 2022, Council agreed to the performance review process for the CEO and the CEO’s Performance Criteria for the period 19 September 2022 to 18 September 2023.

The performance review process agreed upon is as follows:

Date	Action	By Whom
Early September	CEO completes self-assessment of performance against agreed criteria.	CEO
Early September	CEO Performance Review Survey/Template forwarded to all Councillors for their individual completion with information provided by CEO (template attached).	CRC Contracted Governance Officer
Late September	Councillors provide completed templates back to CRC Contracted Governance Officer.	Councillors
Early October	Councillors’ responses collated into a consolidated report.	CRC Contracted Governance Officer

October Council Meeting	<p>Council receives a report on the CEO’s Performance review outcomes. Report covers:</p> <ol style="list-style-type: none"> 1. Outcomes of the review (collated responses from the template); 2. Establishment of any revised/new criteria for 2023/24 period; and 3. Review of CEO Remuneration. 	Council and CEO
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On 1 September 2023 the CEO completed his self-assessment against the performance criteria, and the CRC’s Contracted Governance Officer provided all CRC Councillors with a copy of this. All CRC Councillors were invited to review the template and rate the CEO’s performance using the rating scale provided. The scale asked Councillors to rate the CEO’s performance in relation to the seven key competencies from ‘1 – Well Below Expectations’ to ‘5 – Well Above Expectations’. Councillors were given a month in which to complete and return the templates.

COMMENT

Summary of Responses

Seven Councillors provided completed Performance Reviews, a response rate of 58%. The table below gives an average of the scores for each Assessment Criteria:

Assessment Criteria	Average Score	Comments
Strategic Focus	4.4	<p>The CEO should be commended on implementing the strategic workshops with Council, which has been beneficial in engaging Council and ensuring we are part of the strategic direction.</p> <p>Chris has an excellent strategic approach and leadership style which is regularly evidenced.</p>
Governance	4.4	Chris has a strong handle on the governance and risk aspects of CRC.
Communication	4.5	<p>The CEO and Chair regularly catch up and meet to discuss the upcoming Council reports, issues arising and discussion of the strategic future. It is also understood he engaged with the CEOs regularly and Councillors alike.</p> <p>The development of strategy sessions has enabled Councillors to raise their thinking to the strategic level.</p>
Stakeholder Relationship	4.4	<p>As discussed above.</p> <p>(Regular catch ups held with Member CEOs and key personnel) – I’m assuming this to be the case.</p> <p>Chris is very well respected by member council CEOs and across the LG sector.</p>

Project Management	4.7	<p>The CEO should be commended on his leadership. He clearly has an understanding of when to push go on future stages to ensure we continue to have stock in this market, to facilitate additional sales.</p> <p>For this first time, the CRC CEO has considered market positioning, land development projections and very importantly, commenced project exit strategic considerations.</p>
Financial Management	4.3	<p>The current budget was reworked from previous years to be more akin to the actual spend. As the budget year is not complete, he has met expectations.</p> <p>Outstanding management of the LG finances and cash management.</p>
Innovation	4.5	<p>Very impressed by the CEO's innovation in this regard.</p>

General Comments

The following general comments were made on the Performance Reviews submitted:

"A very impressive year. We are fortunate to have an engaged and skilled CEO in this role."

"I wish to see the maintenance of the CRC's environmental and sustainability credentials."

The average scores given, and the associated comments above, indicate that Council is of a consensus that the CEOs performance over his first year of employment exceeded expectations.

CEO KPIs – September 2023 to September 2024

The proposed KPIs found in Attachment 2 were developed by the CEO in consultation with the Chair of the CRC. These KPIs are similar to the KPIs previously approved by Council at its meeting held 8 December 2022. Some KPIs have been updated to reflect the current status of the project as a whole, and other key projects being undertaken, or scheduled to be undertaken, by the organisation.

CEO Pay Review

Section 7A of the *Salaries and Allowances Act 1975* requires that the Salaries and Allowances Tribunal (SAT) determines the remuneration paid to local government Chief Executive Officers on an annual basis. The *Local Government Chief Executive Officers and Elected Members Determination No 1 of 2023* determined that:

"...that CEO remuneration Bands be increased by 3.5%. The Tribunal considered this appropriate given the economic conditions, the wider public service framework and the mandatory 0.5% superannuation increase from July 2023."

Given the positive Performance Review the CRC's CEO has received, it is recommended that the CEO's remuneration be increased by the full 3.5% stated in the SAT Determination. This increase should be effective as of the one-year anniversary of employment (12 September 2023).

CONCLUSION

It is recommended that Council reflect the positive outcome of the CEO's Performance Review by agreeing to the four recommendations of this report.

**CATALINA REGIONAL COUNCIL – CHIEF EXECUTIVE OFFICER
PERFORMANCE REVIEW SUMMARY
SEPTEMBER 2023**

Methodology

Date	Action	By Whom
Early September	CEO completes self-assessment of performance against agreed criteria	CEO
Early September	CEO Performance Review Survey/Template forwarded to all Councillors for their individual completion with information provided by CEO (Template in Appendix 14.4)	CRC Contracted Governance Officer
Late September	Councillors provide completed templates back to CRC Contracted Governance Officer	Councillors
Early October	Councillors' responses collated into a consolidated report	CRC Contracted Governance Officer
October Council Meeting	Council receives a report on the CEO's Performance review outcomes. Report covers: a) Outcomes of the review (collated responses from the template); b) Establishment of any revised/new criteria for 2023/24 period; and c) Review of CEO Remuneration.	Council and CEO

Summary of Responses

Assessment Criteria	Average Score	Comments
Strategic Focus	4.4	The CEO should be commended on implementing the strategic workshops with Council, which has been beneficial in engaging Council and ensuring we are part of the strategic direction. Chris has an excellent strategic approach and leadership style which is regularly evidenced.
Governance	4.4	Chris has a strong handle on the governance and risk aspects of CRC.
Communication	4.5	The CEO and Chair regularly catch up and meet to discuss the upcoming Council reports, issues arising and discussion of the strategic future. It is also understood he engaged with the CEO's regularly and Councillors alike. The development of strategy sessions has enabled councillors to raise their thinking to the strategic level.
Stakeholder Relationship	4.4	As discussed above. (Regular catch ups held with Member CEOs and key personnel) – I'm assuming this to be the case. Chris is very well respected by member council CEO's and across the LG sector.
Project Management	4.7	The CEO should be commended on his leadership. He clearly has an understanding of when to push go on future stages to ensure we continue to have stock in this market, to facilitate additional sales. For this first time, the CRC CEO has considered market positioning, land development projections and very importantly, commenced project exit strategic considerations.
Financial Management	4.3	The current budget was reworked from previous years to be more akin to the actual spend. As the budget year is not complete, he has met expectations. Outstanding management of the LG finances and cash management.
Innovation	4.5	Very impressed by the CEO's innovation in this regard.

CEO SELF-ASSESSMENT

TPRC CEO Performance Review – Individual Councillor Feedback (Sept 22 – Sept 23)

Councillor Name: _____

Date: _____

Please email completed review to: daniel.govus@stirling.wa.gov.au by Friday 29/9/23

Please tick one box for each competency (using the scale below) and provide any additional commentary in the space provided (if desired)

- 1: Well Below Expectations**
- 2 Below Expectations**
- 3 At Expectations**
- 4 Above Expectations**
- 5 Well Above Expectations**

	TPRC Council: Outcomes Sought	CEO's Comments	Assessed Performance: Reviewer Feedback					Reviewers Comments
			1	2	3	4	5	
Strategic Focus	<ul style="list-style-type: none"> • Uses the TPRC Strategic Community Plan and LTFP as the framework for Council decision making. • Actively seeks Council engagement and input into the strategic direction of the Catalina Project. 	<ul style="list-style-type: none"> • TPRC Objectives of quality Built Form, Environmental Excellence, Strong Community and Good Governance/Financial Performance used as framework for Council reports and operational decisions. • Identified and progressed 'Strategic Sites Strategy' with four new sites/projects being progressed. • Reviewed building design guidelines to reinforce linkages to strategy – high built form in Beach, excellence in environmental outcomes in Green • Proposed/initiated Strategic Project sessions with Council. • Initiated process to review collaboration opportunities with MRC. • Reviews short/medium/long term plans for TPRC including end-of-life for project. 						

Governance	<ul style="list-style-type: none"> • Demonstrates a detailed knowledge and understanding of LG Act and TPRC Establishment Agreement. • Timely review of TPRC policies and procedures. • Facilitate the outcomes of the 2021 Landholding Review. • Review and regular reporting of the TPRC Risk Framework 	<ul style="list-style-type: none"> • Successfully reviewed/amended TPRC Establishment Agreement through legislative and legal processes. • Reviewed all TPRC policies to ensure that they are contemporary and up to date • Worked with Members on proposed City of Perth Withdrawal/Disposition. • Undertook review/re-write of risk framework and reviewed and reported on status after 6months. 						
Communication	<ul style="list-style-type: none"> • Provides accurate, timely reports to Council for their consideration. • Responds to Councillor requests in a timely and accurate manner. • Presents information/data to Council in a manner that is informative and useful for decision making 	<ul style="list-style-type: none"> • Regular project and financial reports provided. • Timely feedback/communications to Councillors on key matters when required. • Structured Council reports to ensure that options are available/considered by Council on strategic matters. • Coordinates Council Strategic Sessions to ensure Councillor understanding and input on key matters. 						
Stakeholder Relationship	<ul style="list-style-type: none"> • Develops and maintains strong relationships with Member Councils. • Provide leadership/mentorship for the TPRC staff. • Ensures appropriate, quality, transparent contractor relationships are developed and maintained. 	<ul style="list-style-type: none"> • Regular catch up's held with Member CEO and key personnel. • Developed a strong TPRC team with good internal culture. • Actively manages contract arrangements to get fair, value for money outcomes in a transparent manner. 						
Project Management	<ul style="list-style-type: none"> • Delivers the Catalina Estate in accordance agreed milestones. • Actively monitors, manages and reports on external approval and compliance matters/processes affecting TPRC. • Reviews project staging timing in light of current market conditions/trends, land availability and best practice. 	<ul style="list-style-type: none"> • Project exceeds projections in relation to sales/settlements whilst • Increased focus on contractor Practical Completion Date with greater accountability re contractor performance. • Project complaint with all legislative requirements. • Regular review of Project Staging (reported to Council) with key focus on ensuring that appropriate level and range of stock is available. 						

Financial Management	<ul style="list-style-type: none"> Delivers a timely, unqualified Financial Audit with no major risks identified by external auditors Regular review and reporting of Budget performance to Council. Manages budget resources to achieve \$20M distributions to Members 	<ul style="list-style-type: none"> 2021/22 unqualified audit complete 2022/23 Audit well on track – no issues raised by Auditors to date. Engaged Council with Budget development through workshop on previous performance and discussions/decisions on key budget assumptions for the 2023/24 FY Budget performance (operational and project) exceeds budget expectations with expenditures lower and revenues higher. TD Investment strategy is outperforming Annualised BB Index by 0.62% - significant cash benefits to TPRC/Members \$20 Dividend delivered in 2021/22. Distributions Policy reviewed/updated 						
Innovation	<ul style="list-style-type: none"> Identifies opportunities for best practice in environmental design, urban design community engagement and/or estate development (as per SCP). Review TPRC systems, policies and procedures with the aim of becoming more efficient. 	<ul style="list-style-type: none"> Catalina is a finalist in 2023 UDIA Master Planned Community Awards. Internal design review process initiated as component of subdivision stage planning/design process to identify opportunities for project to ‘push the envelope’ and identify opportunities to more closely align with strategic objectives. Updated internal systems upgrade to make them make efficient/contemporary ie. eTenders Docusign, Initiated Cyber-security upgrade program. 						

General Commentary/Areas for focus or improvement in upcoming 12 months:

Catalina Regional Council CEO Performance Review – Individual Councillor Feedback (Sept 2023 – Sept 2024)

Councillor Name: _____

Date: _____

Please email completed review to: TBA

Please tick one box for each competency (using the scale below) and provide any additional commentary in the space provided (if desired)

- 1: Well Below Expectations**
- 2 Below Expectations**
- 3 At Expectations**
- 4 Above Expectations**
- 5 Well Above Expectations**

	TPRC Council: Outcomes Sought	CEO's Comments	Assessed Performance: Reviewer Feedback					Reviewers Comments
			1	2	3	4	5	
Strategic Focus	<ul style="list-style-type: none"> • Uses the CRC Strategic Community Plan and LTFP as the framework for Council decision making. • Critically reviews short, medium and long term options for the CRC. • Actively seeks Council engagement and input into the strategic direction of the Catalina Project. 							

Governance	<ul style="list-style-type: none"> • Demonstrates a detailed knowledge and understanding of LG Act and CRC Establishment Agreement. • Timely review of TPRC policies and procedures. • Implement agreed findings/outcomes of the MRC/CRC Collaboration Opportunity Scoping Study 							
Communication	<ul style="list-style-type: none"> • Provides accurate, timely reports to Council for their consideration. • Responds to Councillor requests in a timely and accurate manner. • Presents information/data to Council in a manner that is informative and useful for decision making 							
Stakeholder Relationship	<ul style="list-style-type: none"> • Develops and maintains strong relationships with Member Councils. • Provide leadership/mentorship for the TPRC staff. • Engages with Government and industry stakeholders to bring about quality outcomes for the CRC • Ensures appropriate, quality, transparent contractor relationships are developed and maintained. 							
Project Management	<ul style="list-style-type: none"> • Delivers the Catalina Estate in accordance agreed milestones. • Actively monitors, manages and reports on external approval and compliance matters/processes affecting CRC. • Reviews project staging timing in light of current market conditions/trends, land availability and best practice. 							
Financial Management	<ul style="list-style-type: none"> • Delivers a timely, unqualified Financial Audit with no major risks identified by external auditors • Regular review and reporting of Budget performance to Council. 							

	<ul style="list-style-type: none"> Manages budget resources to achieve minimum \$20M distributions to Members 							
Innovation	<ul style="list-style-type: none"> Identifies opportunities for best practice in environmental design, urban design community engagement and/or estate development (as per SCP). Review CRC systems, policies and procedures with the aim of becoming more efficient. 							

General Commentary/Areas for focus or improvement in upcoming 12 months:

9.9. REVIEW OF THE AUDITOR'S REPORT FOR FINANCIAL YEAR ENDING 30 JUNE 2023

Responsible Officer:	Chief Executive Officer
Attachments:	1. Attachment - Auditor's Report 2023
Voting Requirement:	Simple Majority

RECOMMENDATION

That the Council:

- 1. RECEIVES the Auditor's Report for the financial year ended 30 June 2023.**
 - 2. NOTES that the Council's Auditor (Nexia Australia) met with the Chair of the Audit and Risk Committee and the CEO at a meeting on 29 September 2023 to discharge the statutory obligation to meet with the Local Government at least once per annum.**
-

PURPOSE

To facilitate review of the Auditor's Report as required by Regulation.

POLICY REFERENCE

CRC Audit Charter 6(f) and (h)

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act Section 7.9(3)*
- *Local Government Act Section 7.12(3)*
- *Local Government (Audit) Regulations 10.4*

PREVIOUS MINUTES

- Council Meeting – 20 October 2022 (Item 9.1: Review of the Auditor's Report for the Financial Year Ended 30 June 2022)
- Council Meeting – 9 October 2021 (Item 8.2: Review of the Auditor's Report for the Financial Year Ended 30 June 2021)

FINANCIAL/BUDGET IMPLICATIONS

Nil

RISK MANAGEMENT IMPLICATIONS

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

BACKGROUND

The *Local Government (Audit) Regulations* require the Council's appointed Auditor to prepare an Auditor's Report.

Following proclamation of the *Local Government Amendment (Auditing) Act 2017*, the Auditor General is responsible for the annual financial report audit of Tamala Park Regional Council for the financial year ended 30 June 2023.

Nexia Australia has been contracted by the Auditor General to perform Tamala Park Regional Council financial report audit on the Auditor General's behalf for the year ending 30 June 2023.

The report is to give the Auditor's opinion of:

1. The financial position of the local government;
2. The results of the operations of the local government.

COMMENT

The Auditor General's appointed Auditor (Nexia Australia) has completed its assessment for the financial year ending 30 June 2023. There are no adverse comments raised by the external Auditor in its report.

CONCLUSION

It is recommended that the Council:

1. RECEIVES the Auditor's Report for the financial year ended 30 June 2022.
2. NOTES that the Council's Auditor (Nexia Australia) met with the Chair of the Audit and Risk Committee and CEO at a meeting of 29 September 2023 to discharge the statutory obligation to meet with the Local Government at least once per annum.



Auditor General

INDEPENDENT AUDITOR'S REPORT 2023 Tamala Park Regional Council

To the Council of the Tamala Park Regional Council

Opinion

I have audited the financial report of the Tamala Park Regional Council (TPRC) which comprises:

- the Statement of Financial Position at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of TPRC for the year ended 30 June 2023 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and member Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Chief Executive Officer and member Council for the financial report

The Chief Executive Officer (CEO) of the TPRC is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act and, to the extent that they are not inconsistent with the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the TPRC's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the TPRC.

The Council is responsible for overseeing the TPRC's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including

documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Tamala Park Regional Council for the year ended 30 June 2023 included in the annual report on TPRC's website. The TPRC's management is responsible for the integrity of TPRC's website. This audit does not provide assurance on the integrity of TPRC's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact TPRC to confirm the information contained in the website version.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
5 October 2023

9.10. TPRC ANNUAL FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

Responsible Officer:	Chief Executive Officer
Attachments:	1. Attachment - TPRC Annual Financial Report 2023
Voting Requirement:	Simple Majority

RECOMMENDATION

That the Council RECEIVES the Annual Financial Report for the year ended 30 June 2023 and that it be INCLUDED in the Annual Report.

PURPOSE

To consider the Annual Financial Report of the TPRC for the year ended 30 June 2023.

POLICY REFERENCE

CRC Audit Charter: Scope, includes review of Annual Financial Report and recommendation of adoption by the Council.

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995: S6.4* - Requires Local Government to prepare annual Financial Report in prescribed form; balanced accounts and financial report for preceding year to be submitted to Auditor by 30 September.
- *Local Government Act 1995: S7.2* - Requires accounts and financial report to be audited by an auditor appointed by the Local Government.
- *Local Government Act 1995: S7.9* - Requires Auditor to provide report on accounts and financial report to Chairman, CEO and Minister by 31 December.
- Regs - *Local Government (Audit) 1996 R 9* Sets out Criteria for Conduct of Audit.
- Guideline 18 - Financial Ratios - Describes Financial Ratios required in financial reports.
- Regs - *Local Government (Financial Management) 1996: R36-49* prescribes report inclusions.
- Regs - *Local Government (Financial Management) 1996: R50* - CEO to forward copy of Financial Report to Executive Director within 30 Days of Audit.
- *Local Government (Audit) Regs 1996: Reg 14* Compliance Audit Item.

PREVIOUS MINUTES

- Council Meeting – 20 October 2022 (Item 9.2 - TPRC Annual Financial Report for the FYE 2022)
- Council Meeting – 8 October 2021 (Item 9.2 - TPRC Annual Financial Report for the FYE 2020)

FINANCIAL/BUDGET IMPLICATIONS

Nil

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
TPRC Operations - Internal controls	Low
Action:	
Annual Financial Review and Mid-Year Reviews independently prepared and approved by Council.	

The preparation of the TPRC Annual Financial Report is required to comply with Section 6.4 of the *Local Government Act*.

BACKGROUND

An Annual Financial Report is required to provide a comprehensive outline of financial activities of the TPRC for the public record and public inspection.

A series of legislative requirements must be observed in preparing the Annual Financial Report.

The Annual Financial Report must be submitted for audit and included in the Council Annual Report for adoption no later than 31 December.

COMMENT

The TPRC accounts for the financial year have been balanced and the financial report has been prepared by Moore Australia – Accountants. The accounts and report have been submitted to the Auditor General appointed Auditor (Nexia Australia) for review.

The Auditor has completed audit of the documents and has provided the required management report which is required to be presented to the Chair of the Council, the CEO and the Minister for Local Government. The Auditor’s Report is considered in Item 9.9.

The accounts are in balance and there are no adverse comments from the Auditor.

CONCLUSION

It is recommended that the Council RECEIVES the Annual Financial Report for the year ended 30 June 2023 and that it be INCLUDED in the Annual Report.

**TAMALA PARK REGIONAL COUNCIL
(subsequently renamed Catalina Regional Council)**

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023

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The Tamala Park Regional Council (subsequently renamed Catalina Regional Council) conducts the operations of a local government with the following community vision:

To create an urban centre of choice, sustainability, community and opportunity.

Principal place of business:
2/369 Scarborough Beach Road
Innaloo WA 6018

**TAMALA PARK REGIONAL COUNCIL
(subsequently renamed to Catalina Regional Council)
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

*Local Government Act 1995
Local Government (Financial Management) Regulations 1996*

STATEMENT BY CEO

The accompanying financial report of the Tamala Park Regional Council (subsequently renamed Catalina Regional Council) has been prepared in compliance with the provisions of the Local Government Act 1995 from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the

4TH

day of

OCTOBER

2023



Chief Executive Officer

Chris Adams

Name of Chief Executive Officer

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
Revenue				
Interest revenue	2	1,249,328	890,426	304,540
Other revenue	2(a)	27,818	22,939	18,088
		1,277,146	913,365	322,628
Expenses				
Employee costs	2(b)	(671,118)	(737,937)	(532,794)
Materials and contracts		(263,554)	(380,310)	(255,957)
Utility charges		0	(6,829)	0
Depreciation		(45,082)	(43,510)	(44,821)
Finance costs	2(b)	(3,614)	(1,423)	(1,757)
Insurance		(19,596)	(21,952)	(17,090)
Other expenditure	2(b)	(166,809)	(171,255)	(157,340)
		(1,169,773)	(1,363,216)	(1,009,759)
		107,373	(449,851)	(687,131)
Loss on asset write off/disposals		(20,403)	0	(1,744)
Fair value adjustments to investment property	11	915,000	0	0
		894,597	0	(1,744)
Net result for the period	22(b)	1,001,970	(449,851)	(688,875)
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	14	(6,353)	0	0
Total other comprehensive loss for the period	14	(6,353)	0	0
Total comprehensive income for the period		995,617	(449,851)	(688,875)

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



**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	NOTE	2023	2022
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	12,294,817	16,310,346
Trade and other receivables	6	553,560	595,395
Other financial assets	4(a)	32,014,137	36,145,694
Other assets	8	10,800	27,600
TOTAL CURRENT ASSETS		44,873,314	53,079,035
NON-CURRENT ASSETS			
Inventories	7	0	1,600,000
Property, plant and equipment	9	0	36,311
Right-of-use assets	10(a)	125,157	149,716
Investment property	11	2,515,000	0
TOTAL NON-CURRENT ASSETS		2,640,157	1,786,027
TOTAL ASSETS		47,513,471	54,865,062
CURRENT LIABILITIES			
Trade and other payables	12	497,176	162,938
Lease liabilities	10(b)	35,214	31,760
Employee related provisions	13	27,532	21,788
TOTAL CURRENT LIABILITIES		559,922	216,486
NON-CURRENT LIABILITIES			
Lease liabilities	10(b)	93,832	119,156
Employee related provisions	13	19,795	13,527
TOTAL NON-CURRENT LIABILITIES		113,627	132,683
TOTAL LIABILITIES		673,549	349,169
NET ASSETS		46,839,922	54,515,893
EQUITY			
Retained surplus		1,390,887	388,917
Member contributions and equity	5	45,449,035	54,120,623
Revaluation surplus	14	0	6,353
TOTAL EQUITY		46,839,922	54,515,893

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



**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	RETAINED SURPLUS \$	CONTRIBUTED EQUITY \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2021		1,077,792	53,885,147	6,353	54,969,292
Comprehensive income for the period					
Net result for the period		(688,875)	0	0	(688,875)
Total comprehensive income for the period		(688,875)	0	0	(688,875)
Movement in member contributions	5	0	235,476	0	235,476
Balance as at 30 June 2022		388,917	54,120,623	6,353	54,515,893
Comprehensive income for the period					
Net result for the period		1,001,970	0	0	1,001,970
Other comprehensive income for the period	14	0	0	(6,353)	(6,353)
Total comprehensive income for the period		1,001,970	0	(6,353)	995,617
Movement in member contributions	5	0	(8,671,588)	0	(8,671,588)
Balance as at 30 June 2023		1,390,887	45,449,035	0	46,839,922

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



**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Interest revenue		1,249,328	304,540
Goods and services tax received		33,909	35,715
Other revenue		65,678	18,088
		1,348,915	358,343
Payments			
Employee costs		(646,334)	(803,505)
Materials and contracts		(114,157)	(240,915)
Finance costs		(3,499)	(1,757)
Insurance paid		(19,596)	(17,090)
Goods and services tax paid		(29,934)	(6,971)
Other expenditure		(166,809)	(157,340)
		(980,329)	(1,227,578)
Net cash provided by (used in) operating activities	15(b)	368,586	(869,235)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from financial assets at amortised cost		4,131,557	863,998
Proceeds from sale of property, plant & equipment		0	55,000
Net cash provided by investing activities		4,131,557	918,998
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for principal portion of lease liabilities	24	(32,953)	(34,830)
Payments for land development		(26,311,737)	(20,839,525)
Payments for member contributions		(20,408,107)	(9,625,879)
Proceeds from member contributions		38,237,125	30,288,673
Net cash (used in) financing activities		(8,515,672)	(211,561)
Net (decrease) in cash held		(4,015,529)	(161,798)
Cash at beginning of year		16,310,346	16,472,144
Cash and cash equivalents at the end of the year	15(a)	12,294,817	16,310,346

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



TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates		0	0	0
Interest revenue		1,249,328	890,426	304,540
Other revenue		27,818	22,939	18,088
Fair value adjustments to investment property	11	915,000	0	0
		2,192,146	913,365	322,628
Expenditure from operating activities				
Employee costs		(671,118)	(737,937)	(532,794)
Materials and contracts		(263,554)	(380,310)	(255,957)
Utility charges		0	(6,829)	0
Depreciation		(45,082)	(43,510)	(44,821)
Finance costs		(3,614)	(1,423)	(1,757)
Insurance		(19,596)	(21,952)	(17,090)
Other expenditure		(166,809)	(171,255)	(157,340)
Loss on asset write off/disposals		(20,403)	0	(1,744)
		(1,190,176)	(1,363,216)	(1,011,503)
Non-cash amounts excluded from operating activities	23(a)	(843,132)	43,510	58,861
Amount attributable to operating activities		158,838	(406,341)	(630,014)
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from disposal of assets		0	0	55,000
		0	0	55,000
Outflows from investing activities				
Purchase of property, plant and equipment	9(a)	0	(5,000)	0
		0	(5,000)	0
Amount attributable to investing activities		0	(5,000)	55,000
FINANCING ACTIVITIES				
Outflows from financing activities				
Payments for principal portion of lease liabilities	24	(32,953)	(33,577)	(34,830)
Payments for land development as member contributions	5	(26,311,737)	(65,229,755)	(20,839,525)
Payments of member contributions and equity received	5	(20,408,107)	(20,485,533)	(9,213,672)
Proceeds from member contributions	5	38,048,256	60,156,539	30,288,673
Amount attributable to financing activities		(8,704,541)	(25,592,326)	200,646
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	23(b)	52,894,309	52,899,172	53,268,677
Amount attributable to operating activities		158,838	(406,341)	(630,014)
Amount attributable to investing activities		0	(5,000)	55,000
Amount attributable to financing activities		(8,704,541)	(25,592,326)	200,646
Surplus or deficit after imposition of general rates	23(b)	44,348,606	26,895,505	52,894,309

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

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
FOR THE YEAR ENDED 30 JUNE 2023
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**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

1. BASIS OF PREPARATION

The financial report of the Tamala Park Regional Council which is a Class 2 local government, comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

On 1 August 2023 Tamala Park Regional Council was renamed Catalina Regional Council. See Note 20.

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.

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

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 that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

- impairment of financial assets
- estimate of fair value of selected non-current assets and liabilities and investment property
- estimation uncertainties made in relation to lease accounting

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- AASB 2020-6 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date*
- AASB 2021-7a *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]*
- AASB 2022-3 *Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15 Revenue from Contracts with Customers*

These amendments have no material impact on the current annual financial report

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 *Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*
This standard will result in a terminology change for significant accounting policies
- AASB 2021-7c *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- AASB 2022-5 *Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*
- AASB 2022-7 *Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*
- AASB 2022-10 *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*

Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

2. REVENUE AND EXPENSES

	2023	2022
	Actual	Actual
	\$	\$
(a) Revenue		
Interest revenue		
Interest on investment account funds	1,249,328	304,540
	<u>1,249,328</u>	<u>304,540</u>
Other revenue		
Reimbursements	27,818	18,088
	<u>27,818</u>	<u>18,088</u>
<p>Tamala Park Regional Council did not have any contracts with customers during the 2023 and 2022 financial years.</p>		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	29,400	27,000
	<u>29,400</u>	<u>27,000</u>
Employee Costs		
Employee benefit costs	658,617	490,426
Other employee costs	12,501	42,368
	<u>671,118</u>	<u>532,794</u>
Finance costs		
Interest and financial charges paid/payable for lease liabilities through profit or loss	3,614	1,757
	<u>3,614</u>	<u>1,757</u>
Other expenditure		
Sundry expenses	166,809	157,340
	<u>166,809</u>	<u>157,340</u>

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

3. CASH AND CASH EQUIVALENTS

Note	2023	2022
	\$	\$
Cash at bank and on hand	2,276,124	10,227,737
Term deposits	10,018,693	6,082,609
Total cash and cash equivalents	12,294,817	16,310,346
Held as		
- Unrestricted cash and cash equivalents	1,374,919	0
- Restricted cash and cash equivalents	10,919,898	16,310,346
	12,294,817	16,310,346

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments 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.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Restricted financial assets

Restricted financial asset balances are not available for general use by the Regional Council due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits
Treasury bonds

Held as

- Restricted other financial assets at amortised cost

2023	2022
\$	\$
32,014,137	36,145,694
32,014,137	36,145,694
32,014,137	33,145,694
0	3,000,000
32,014,137	36,145,694
15(a) 32,014,137	36,145,694
32,014,137	36,145,694

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

The Regional Council 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.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 19.

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

5. MEMBER CONTRIBUTIONS AND EQUITY	2023 Actual Balance	2023 Budget Balance	2022 Actual Balance
	\$	\$	\$
(a) Town of Victoria Park			
Opening balance	4,509,818	4,509,818	4,490,196
Land development expenses	(2,192,645)	(5,435,813)	(1,736,627)
Proceeds of sale of land	3,170,688	5,013,045	2,524,056
Movement of contributed equity	(34,009)	(40,461)	65,527
Return of contribution	(1,666,668)	(1,666,667)	(833,334)
	<u>3,787,184</u>	<u>2,379,922</u>	<u>4,509,818</u>
(b) City of Perth			
Opening balance	4,509,818	4,509,818	4,490,196
Land development expenses	(2,192,645)	(5,435,813)	(1,736,627)
Proceeds of sale of land	3,170,688	5,013,045	2,524,056
Movement of contributed equity	(34,009)	(40,461)	65,527
Return of contribution	(1,666,668)	(1,666,667)	(833,334)
	<u>3,787,184</u>	<u>2,379,922</u>	<u>4,509,818</u>
(c) Town of Cambridge			
Opening balance	4,509,818	4,509,818	4,490,196
Land development expenses	(2,192,645)	(5,435,813)	(1,736,627)
Proceeds of sale of land	3,170,688	5,013,045	2,524,056
Movement of contributed equity	(34,009)	(40,461)	65,527
Return of contribution	(1,666,668)	(1,666,667)	(833,334)
	<u>3,787,184</u>	<u>2,379,922</u>	<u>4,509,818</u>
(d) City of Joondalup			
Opening balance	9,019,634	9,019,634	8,980,387
Land development expenses	(4,385,289)	(10,871,626)	(3,473,254)
Proceeds of sale of land	6,341,376	10,026,090	5,048,112
Movement of contributed equity	(68,018)	(80,922)	131,055
Return of contribution	(3,333,332)	(3,333,333)	(1,666,666)
	<u>7,574,371</u>	<u>4,759,843</u>	<u>9,019,634</u>
(e) City of Wanneroo			
Opening balance	9,019,634	9,019,634	8,980,387
Land development expenses	(4,385,289)	(10,871,626)	(3,473,254)
Proceeds of sale of land	6,341,376	10,026,090	5,048,112
Movement of contributed equity	(68,018)	(80,922)	131,055
Return of contribution	(3,333,332)	(3,333,333)	(1,666,666)
	<u>7,574,371</u>	<u>4,759,843</u>	<u>9,019,634</u>
(f) City of Vincent			
Opening balance	4,509,818	4,509,818	4,490,196
Land development expenses	(2,192,645)	(5,435,813)	(1,736,627)
Proceeds of sale of land	3,170,688	5,013,045	2,524,056
Movement of contributed equity	(34,009)	(40,461)	65,527
Return of contribution	(1,666,668)	(1,666,667)	(833,334)
	<u>3,787,184</u>	<u>2,379,922</u>	<u>4,509,818</u>
(g) City of Stirling			
Opening balance	18,042,083	18,042,083	17,963,589
Land development expenses	(8,770,579)	(21,743,251)	(6,946,509)
Proceeds of sale of land	12,682,752	20,052,179	10,096,225
Movement of contributed equity	(136,035)	(161,845)	262,110
Return of contribution	(6,666,664)	(6,666,666)	(3,333,332)
	<u>15,151,557</u>	<u>9,522,500</u>	<u>18,042,083</u>
Total members contribution	<u>45,449,035</u>	<u>28,561,874</u>	<u>54,120,623</u>
Land development expenses	(26,311,737)	(65,229,755)	(20,839,525)
Proceeds of sale of land	38,048,256	60,156,539	30,288,673
Movement of contributed equity	(408,107)	(485,533)	786,328
Return of contributions	(20,000,000)	(20,000,000)	(10,000,000)
Movement in member contributions	<u>(8,671,588)</u>	<u>(25,558,749)</u>	<u>235,476</u>
Opening balance	54,120,623	54,120,623	53,885,147
Movement in member contributions	(8,671,588)	(25,558,749)	235,476
	<u>45,449,035</u>	<u>28,561,874</u>	<u>54,120,623</u>

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

6. OTHER RECEIVABLES

Current

Member reimbursements receivable
GST receivable

	2023	2022
	\$	\$
	547,195	585,055
	6,365	10,340
	553,560	595,395

SIGNIFICANT ACCOUNTING POLICIES

Member reimbursement receivables

Member reimbursement receivables are amounts receivable from member local governments for the reimbursement of costs incurred on their behalf for the development and sale of their land.

Measurement

Member reimbursement receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days.

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

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value.

Impairment and risk exposure

Information about the impairment of other receivables and their exposure to credit risk and interest rate risk can be found in Note 19.

7. INVENTORIES

Non-current

Land held for resale

Note	2023	2022
	\$	\$
	0	1,600,000
	0	1,600,000
	1,600,000	1,600,000
	11	0
	(1,600,000)	0
	0	1,600,000

The following movements in inventories occurred during the year:

Balance at beginning of year

Inventories transferred to Investment property

Balance at end of year

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

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

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

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

8. OTHER ASSETS

Other assets - current

Settlement bonds

	2023	2022
	\$	\$
	10,800	27,600
	10,800	27,600

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments and settlement bonds which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Furniture and equipment	Plant and equipment	Improvements to leasehold property	Total property, plant and equipment
	\$	\$	\$	\$
Balance at 1 July 2021	0	56,744	45,866	102,610
Disposals	0	(56,744)	0	(56,744)
Depreciation	0	0	(9,555)	(9,555)
Balance at 30 June 2022	0	0	36,311	36,311
Comprises:				
Gross balance amount at 30 June 2022	6,569	0	76,442	83,011
Accumulated depreciation at 30 June 2022	(6,569)	0	(40,131)	(46,700)
Balance at 30 June 2022	0	0	36,311	36,311
Write off/Disposals	0	0	(20,403)	(20,403)
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	(6,353)	(6,353)
Depreciation	0	0	(9,555)	(9,555)
Balance at 30 June 2023	0	0	0	0
Comprises:				
Gross balance amount at 30 June 2023	0	0	0	0
Accumulated depreciation at 30 June 2023	0	0	0	0
Balance at 30 June 2023	0	0	0	0

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

The gross carrying value of the following asset classes are recognised at cost

Furniture and equipment

Plant and equipment

Improvements to leasehold property

(c) Depreciation

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Improvements to leasehold property	Based on the remaining lease term

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost, the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Regional Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Regional Council's revaluation policy are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value.

They are subject to subsequent revaluation at the next revaluation date consistent with *Financial Management Regulation 17A(4)*.

Revaluation

The fair value of land, buildings and infrastructure is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Regional Council.

At the end of each period, the carrying amount for each asset class is reviewed and, where appropriate, the fair value is updated to reflect current market conditions consistent with *Financial Management Regulation 17A(2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

Revaluation (continued)

For land, buildings and infrastructure increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property or infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

Depreciation on revaluation

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 9(a).

Impairment

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

Gains or losses on disposal

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

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10. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

	Note	Right-of-use assets - land and buildings	Right-of-use assets Total
		\$	\$
Balance at 1 July 2021		20,114	20,114
Additions		164,868	164,868
Depreciation		(35,266)	(35,266)
Balance at 30 June 2022		149,716	149,716
Gross balance amount at 30 June 2022		149,716	149,716
Balance at 30 June 2022		149,716	149,716
Additions		10,968	10,968
Depreciation		(35,527)	(35,527)
Balance at 30 June 2023		125,157	125,157
Gross balance amount at 30 June 2023		175,836	175,836
Accumulated depreciation at 30 June 2023		(50,679)	(50,679)
Balance at 30 June 2023		125,157	125,157

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the Regional Council is the lessee:

	2023 Actual	2022 Actual
	\$	\$
Depreciation on right-of-use assets	(35,527)	(35,266)
Finance charge on lease liabilities	(3,614)	(1,757)
Total amount recognised in the statement of comprehensive income	(39,141)	(37,023)
Total cash outflow from leases	(36,567)	(36,587)
(b) Lease Liabilities		
Current	35,214	31,760
Non-current	93,832	119,156
	24	129,046
		150,916

Secured liabilities and assets pledged as security

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Regional Council assess 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 the interest rate implicit in the lease. If that rate cannot be readily determined, the Regional Council uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a 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.

Details of individual lease liabilities required by regulations are provided at Note 24.

Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 9 under revaluation for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Regional Council anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

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11. INVESTMENT PROPERTY

Non-current assets - at fair value

Classified as held for sale or disposal - transferred from inventory

Net gain/(loss) from fair value adjustment

Closing balance at 30 June

Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
7	1,600,000	0	0
	915,000	0	0
	2,515,000	0	0

Investment property is land held with the intention to develop and sell in future years. The land is currently vacant and is not subject to any lease arrangements.

SIGNIFICANT ACCOUNTING POLICIES

Investment property

Investment property is principally land, held for capital appreciation and is not occupied by the Regional Council. Investment property is carried at fair value in accordance with the significant accounting policies disclosed at note 9.

Fair value of investment property

A management valuation was performed to determine the fair value of investment property. The main Level 3 inputs used in the valuation are the recent selling prices of comparable lots in the same location.

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12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Accrued payroll liabilities
ATO liabilities
Bonds and deposits held
Accrued expenses

	2023	2022
	\$	\$
	298,741	109,872
	6,922	1,644
	21,624	14,130
	120,000	0
	49,889	37,292
	497,176	162,938

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Regional Council becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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

Trade and other payables

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

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13. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2023	2022
Current provisions	\$	\$
Employee benefit provisions		
Annual leave	27,532	21,788
Total current employee related provisions	27,532	21,788
Non-current provisions		
Employee benefit provisions		
Long service leave	19,795	13,527
Total non-current employee related provisions	19,795	13,527
Total employee related provisions	47,327	35,315

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Amounts are expected to be settled on the following basis:	Note	2023	2022
Less than 12 months after the reporting date		\$ 0	19,101
More than 12 months from reporting date		47,327	16,214
		47,327	35,315

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

The Regional Council's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

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

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

Other long-term employee benefits

Long-term employee benefits provisions 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.

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14. REVALUATION SURPLUS

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	2022 Closing Balance
Revaluation surplus - Improvements to leasehold property	\$ 6,353	\$ (6,353)	\$ 0	\$ 6,353	\$ 6,353
	6,353	(6,353)	0	6,353	6,353

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15. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	Note	2023 Actual \$	2022 Actual \$
Cash and cash equivalents	3	12,294,817	16,310,346

Restrictions

The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

- Cash and cash equivalents	3	10,919,898	16,310,346
- Financial assets at amortised cost	4	32,014,137	36,145,694
- Inventory	7	0	1,600,000
- Trade and other receivables		0	64,583
- Investment property	11	2,515,000	0
		45,449,035	54,120,623

The restricted assets are a result of the following specific purposes to which the assets may be used:

Restricted member contributions and equity	5	45,449,035	54,120,623
Total restricted financial assets		45,449,035	54,120,623

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

Net result		1,001,970	(688,875)
Non-cash items:			
Adjustments to fair value of investment property		(2,515,000)	0
Depreciation		45,082	44,821
(Profit)/loss on sale of asset		20,403	1,744
CPI adjustment to lease repayments		115	0
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		41,835	(848)
(Increase)/decrease in other assets		16,800	(23,604)
(Increase)/decrease in inventories		1,600,000	0
Increase/(decrease) in trade and other payables		145,369	46,657
Increase/(decrease) in employee related provisions		12,012	(249,130)
Net cash provided by/(used in) operating activities		368,586	(869,235)

**(c) Undrawn Borrowing Facilities
Credit Standby Arrangements**

Bank overdraft limit		Not Applicable	Not Applicable
Bank overdraft at balance date		Not Applicable	Not Applicable
Credit card limit		10,000	10,000
Credit card balance at balance date		(5,081)	(1,823)
Total amount of credit unused		4,919	8,177

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16. CONTINGENT LIABILITIES

There were no contingent liabilities at the end of the reporting period (2022 : Nil).

17. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	16,079,434	17,720,975
	<u>16,079,434</u>	<u>17,720,975</u>

The Regional Council has entered into capital commitments as agent for it's members of \$16,079,434 at 30 June 2023 relating to land development.

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18. RELATED PARTY TRANSACTIONS

(a) Council Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.

	2023 Actual	2023 Budget	2022 Actual
Fees, expenses and allowances to be paid or reimbursed to elected council members.	\$	\$	\$
Chairman's annual allowance	20,565	20,565	20,189
Chairman's meeting attendance fees	16,235	16,235	21,218
	<u>36,800</u>	<u>36,800</u>	<u>41,407</u>
Deputy Chairman's annual allowance	5,141	5,141	5,047
Deputy Chairman's meeting attendance fees	10,824	10,824	19,839
	<u>15,965</u>	<u>15,965</u>	<u>24,886</u>
All other council member's meeting attendance fees	108,240	108,240	91,767
	<u>108,240</u>	<u>108,240</u>	<u>91,767</u>
18(b)	<u>161,005</u>	<u>161,005</u>	<u>158,060</u>

(b) Key Management Personnel (KMP) Compensation

The total of compensation paid to KMP of the Regional Council during the year are as follows:

	2023 Actual	2022 Actual
The total of compensation paid to KMP of the Regional Council during the year are as follows:	\$	\$
Short-term employee benefits	429,496	580,341
Post-employment benefits	43,777	35,790
Council member costs	161,005	158,060
18(a)	<u>634,278</u>	<u>774,191</u>

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of the Regional Council's superannuation contributions made during the year.

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

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18. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

Transactions between related parties and the Regional Council are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2023 Actual	2022 Actual
	\$	\$
Transactions with members		
Lease payments	36,452	41,465
Land development expenses	(26,311,737)	(20,839,525)
Proceeds from sale of land	38,048,256	30,288,673
Return of contribution	(20,000,000)	(10,000,000)
Amounts outstanding from related parties:		
Trade and other receivables	547,195	585,055
Amounts payable to related parties:		
Trade and other payables	293,673	108,062

Related Parties

The Regional Council's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 18(a) and 18(b)

ii. Entities subject to significant influence by the Regional Council

There were no such entities requiring disclosure during the current or previous year.

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19. FINANCIAL RISK MANAGEMENT

This note explains the Regional Council's exposure to financial risks and how these risks could affect the Regional Council future financial performance.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, other receivables and financial assets	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

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

Financial risk management is carried out by the finance department under policies approved by the council. The finance department identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

The Regional Council's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Regional Council to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Regional Council to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2023					
Cash and cash equivalents	4.64%	12,294,817	10,018,693	2,160,259	115,865
Financial assets at amortised cost - term deposits	4.97%	32,014,137	32,014,137	0	0
2022					
Cash and cash equivalents	1.31%	16,310,346	6,082,609	9,425,093	802,644
Financial assets at amortised cost - term deposits	1.27%	33,145,694	33,145,694	0	0
Financial assets at amortised cost - Treasury bonds	0.70%	3,000,000	3,000,000	0	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2023	2022
	\$	\$
Impact of a 1% movement in interest rates on profit or loss and equity*	21,603	94,251

* Holding all other variables constant

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19. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Other Receivables

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

The Regional Council applies the AASB 9 *Financial Instruments* simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, receivables from contributions and reimbursements are separated from other receivables due to the difference in payment terms and security.

The expected loss rates are based on the payment profiles of other receivables over a period of 36 months before 1 July 2022 or 1 July 2023 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of users to settle the receivables.

The loss allowance as at 30 June 2023 and 30 June 2022 was determined as follows for member reimbursement receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2023					
Other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	455,526	83,772	7,897	0	547,195
Loss allowance	0	0	0	0	0
30 June 2022					
Other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	572,709	12,346	0	0	585,055
Loss allowance	0	0	0	0	0

There were no loss allowances provided for trade and other receivables as at 30 June.

Other receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Regional Council, and a failure to make contractual payments for a period of greater than 120 days past due.

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19. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables

Payables are subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Regional Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 15(c).

The contractual undiscounted cash flows of the Regional Council's Payables are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<u>2023</u>					
Trade and other payables	475,552	0	0	475,552	475,552
Lease liabilities	37,905	96,800	0	134,705	129,046
	<u>513,457</u>	<u>96,800</u>	<u>0</u>	<u>610,257</u>	<u>604,598</u>
<u>2022</u>					
Trade and other payables	148,808	0	0	148,808	148,808
Lease liabilities	33,577	53,506	0	87,083	150,916
	<u>182,385</u>	<u>53,506</u>	<u>0</u>	<u>235,891</u>	<u>299,724</u>

20. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

On 1 August 2023, Tamala Park Regional Council's name was changed to Catalina Regional Council pursuant to section 3.65(1) of the Local Government Act 1995 whereby the establishment agreement was amended with the approval of the Minister for Local Government. (2022 : Nil).

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21. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

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

j) Impairment of assets

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

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

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

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22. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

Regional Council operations as disclosed in this financial report encompass the following service orientated functions and activities.

Objective	Description
General purpose funding To collect interest on investments.	Interest revenue.
Other property and services To monitor and control overheads on operating accounts.	Other unclassified activities.

(b) Income and expenses

	2023 Actual	2022 Actual
	\$	\$
Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions		
General purpose funding	1,249,328	319,010
Other property and services	942,818	3,618
Total Income	2,192,146	322,628
Expenses		
Governance	(166,496)	(158,486)
Other property and services	(1,023,680)	(853,017)
Total expenses	(1,190,176)	(1,011,503)
Net result for the period	1,001,970	(688,875)
(c) Total Assets		
General purpose funding	44,873,314	54,828,751
Other property and services	2,640,157	36,311
	47,513,471	54,865,062

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23. DETERMINATION OF SURPLUS OR DEFICIT

	2022/23 (30 June 2023 Carried Forward)	2022/23 Budget (30 June 2023 Carried Forward)	2021/22 (30 June 2022 Carried Forward)
Note	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Add: Loss on write off/disposal of assets	20,403	0	1,744
Add: CPI increase on right of use lease agreement	115		
Add: Depreciation	45,082	43,510	44,821
Non-cash movements in non-current assets and liabilities:			
Financial assets at amortised cost	0	0	0
Investment property	(2,515,000)	0	0
Assets held for sale	0	0	0
Employee benefit provisions	6,268	0	12,296
Inventory	1,600,000	0	0
Non-cash amounts excluded from operating activities	(843,132)	43,510	58,861
(b) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> 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 end of year			
- Current portion of lease liabilities	35,214	33,577	31,760
Total adjustments to net current assets	35,214	33,577	31,760
Net current assets used in the Statement of Financial Activity			
Total current assets	44,873,314	27,008,937	53,079,035
Less: Total current liabilities	(559,922)	(147,009)	(216,486)
Less: Total adjustments to net current assets	35,214	33,577	31,760
Surplus or deficit after imposition of general rates	44,348,606	26,895,505	52,894,309

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24. BORROWING AND LEASE LIABILITIES

Lease Liabilities

Purpose	Note	Actual						Budget				
		Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023
		Unit 2, 369 Scarborough Beach Road, Innaloo		20,878	164,868	(34,830)	150,916	11,083	(32,953)	129,046	87,082	0
Total Lease Liabilities	10(b)	20,878	164,868	(34,830)	150,916	11,083	(32,953)	129,046	87,082	0	(33,577)	53,505

Lease Finance Cost Payments

Purpose	Note	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022	Lease Term
Unit 2, 369 Scarborough Beach Road, Innaloo						\$	\$	\$	
		STIRLI/210937	City of Stirling	2.50%	NA	(3,614)	(1,423)	(1,757)	36
Total Finance Cost Payments	10(a)					(3,614)	(1,423)	(1,757)	