

TAMALA PARK REGIONAL COUNCIL
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 31 MAY 2013

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**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 31 MAY 2013**

	NOTE	31 May 2013 Actual \$	31 May 2013 Y-T-D Budget \$	2012/2013 Amended Budget \$	Variances Budget to Actual Y-T-D %
<u>Operating</u>					
Revenues	1,2				
Interest Earnings		447,585	371,840	400,000	20.37%
Other Revenue		1,287	31,499,943	33,864,672	(100.00%)
		<u>448,872</u>	<u>31,871,783</u>	<u>34,264,672</u>	(98.59%)
Expenses	1,2				
Employee Costs		(482,088)	(529,138)	(560,951)	(8.89%)
Materials and Contracts					
- Professional Consulting Fees		(110,588)	(5,984,178)	(5,658,071)	(98.15%)
- Materials and Contracts Other		(84,166)	(356,678)	(270,018)	(76.40%)
Loss on Disposal of Assets		0	0	0	0.00%
Depreciation		(6,084)	(18,451)	(19,320)	(67.03%)
Utilities		0	(9,741)	(11,800)	(100.00%)
Insurance		(10,119)	(11,594)	(12,525)	(12.72%)
Other Expenditure		<u>(65,853)</u>	<u>(114,955)</u>	<u>(205,750)</u>	(42.71%)
		<u>(758,898)</u>	<u>(7,024,735)</u>	<u>(6,738,435)</u>	(89.20%)
<u>Adjustments for Non-Cash (Revenue) and Expenditure</u>					
Depreciation on Assets		6,084	17,710	19,320	(65.65%)
Movement in Non-current Employee Entitlements		0	0	0	0.00%
Profit(Loss) on Sale of Assets	4	0	0	0	0.00%
<u>Capital Revenue and (Expenditure)</u>					
Change in Contributed Equity	6	7,104,123	(82,500)	(90,000)	(8711.06%)
Infrastructure Assets Other	3	0	(27,517,330)	(30,018,905)	(100.00%)
Land and Buildings	3	0	0	0	
Plant and Equipment	3	(62,732)	(57,761)	(63,012)	8.61%
Furniture and Equipment	3	(1,515)	0	0	100.00%
Proceeds from Disposal of Assets	4	0	0	0	0.00%
ADD Net Current Assets July 1 B/Fwd	7	13,012,597	13,012,597	13,012,597	0.00%
Net Current Assets Year to Date	7	<u><u>19,748,531</u></u>	<u><u>10,219,764</u></u>	<u><u>10,386,237</u></u>	

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 31 MAY 2013**

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

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

(b) The Local Government Reporting Entity

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

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

The Council does not hold any monies in trust.

(c) Rounding Off Figures

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

(d) Rates, Grants, Donations and Other Contributions

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

(e) Goods and Services Tax

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

(f) Cash and Cash Equivalents

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

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 31 MAY 2013**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and Other Receivables

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

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

(h) Inventories

General

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

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

Land Held for Resale

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

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

Land held for resale is classified as current except where it is held as non-current based on Council's

(i) Fixed Assets

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

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

(j) Depreciation of Non-Current Assets

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

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

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

Item 9.2 - May 2013
TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
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1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Impairment

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

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

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

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

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2013.

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

(l) Trade and Other Payables

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

(m) Employee Benefits

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

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

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

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

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 31 MAY 2013**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Interest-bearing Loans and Borrowings

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

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

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

Borrowing Costs

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

(o) Provisions

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

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

(p) Current and Non-Current Classification

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 31 MAY 2013**

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

3. ACQUISITION OF ASSETS

The following assets are budgeted to be acquired during the year:

By Program

Other Property and Services

	31 May 2013 Actual \$	Amended 2012/13 Budget \$
Vehicle - CEO	62,732	63,012
New Land Development	0	30,018,905
Furniture and Equipment	1,515	0
	<u>64,247</u>	<u>30,081,917</u>

By Class

Plant & Equipment	62,732	63,012
Furniture and Equipment	1,515	0
Infrastructure Other	0	30,018,905
	<u>64,247</u>	<u>30,081,917</u>

4. DISPOSALS OF ASSETS

No assets have been disposed of during the period under review.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 31 MAY 2013

5. INFORMATION ON BORROWINGS

No borrowings have been made in the period under review. No borrowings are budgeted for during the 2012-13 financial year.

6. CONTRIBUTED EQUITY

	31 May 2013 Actual \$	30 June 2012 Actual \$
Town of Victoria Park	1,825,342	1,259,167
City of Perth	1,825,342	1,259,167
Town of Cambridge	1,825,342	1,259,167
City of Joondalup	3,650,684	2,518,334
City of Wanneroo	3,650,684	2,518,334
Town of Vincent	1,825,342	1,259,167
City of Stirling	7,301,370	5,036,671
TOTAL	21,904,104	15,110,007
 Movement	 6,794,097	

Movement in Contributed Equity Represented by:

	Development Expenses 31 May 2013 \$	Land Sales 31 May 2013 \$	Rates Equivalent 31 May 2013 \$
Town of Victoria Park	(1,726,214)	2,325,433	(7,209)
City of Perth	(1,726,214)	2,325,433	(7,209)
Town of Cambridge	(1,726,214)	2,325,433	(7,209)
City of Joondalup	(3,452,429)	4,650,866	(14,418)
City of Wanneroo	(3,452,429)	4,650,866	(14,418)
Town of Vincent	(1,726,214)	2,325,433	(7,209)
City of Stirling	(6,904,851)	9,301,732	(28,836)
	(20,714,565)	27,905,196	(86,508)
 Total	 7,104,123		
TPRC Nett Result	(310,026)		
	6,794,097		

TAMALA PARK REGIONAL COUNCIL
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7. NET CURRENT ASSETS

Composition of Estimated Net Current Asset Position	31 May 2013 Actual \$	Brought Forward 1-Jul \$
CURRENT ASSETS		
Cash - Unrestricted	19,618,832	13,454,179
Receivables	405,109	46,272
	<u>20,023,941</u>	<u>13,500,451</u>
 LESS: CURRENT LIABILITIES		
Payables and Provisions	<u>(275,410)</u>	<u>(487,854)</u>
 NET CURRENT ASSET POSITION	 19,748,531	 13,012,597
 NET CURRENT ASSET POSITION	 <u><u>19,748,531</u></u>	 <u><u>13,012,597</u></u>

8. RATING INFORMATION

No rates are budgeted to be raised during the year ending 30 June 2013.

9. TRUST FUNDS

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

Tamala Park Regional Council
Balance Sheet
As of May 31, 2013

	May 31, 13	Jun 30, 12	\$ Change
ASSETS			
Current Assets			
Chequing/Savings			
A01100 - Cash at Bank			
A01101 - Unrestricted Municipal Bank	203,805.47	4,399.67	199,405.80
A01102 - Unrestricted Short Term Investm	245,339.84	598.86	244,740.98
A01103 - Fixed Term Deposit _ Westpac	5,012,772.05	0.00	5,012,772.05
A01106 - Fixed Term Deposit_BankWest	5,574,034.50	4,930,049.20	643,985.30
A01107 - Fixed Term Deposit Suncorp Metw	3,982,631.88	1,500,000.00	2,482,631.88
A01108 - ANZ Bank Investment AC	0.00	2,321,371.62	-2,321,371.62
A01109 - ANZ Online Saver Account	9,570.97	9,139.12	431.85
A01112 - Westpac Settlement Proceeds Acc	4,590,647.25	4,688,590.30	-97,943.05
Total A01100 - Cash at Bank	19,618,801.96	13,454,148.77	6,164,653.19
Total Chequing/Savings	19,618,801.96	13,454,148.77	6,164,653.19
Accounts Receivable			
A01120 - ACCOUNTS RECEIVABLE			
A011201 - Accrued Interest	0.00	45,272.29	-45,272.29
A01120 - ACCOUNTS RECEIVABLE - Other	354,292.38	105,947.00	248,345.38
Total A01120 - ACCOUNTS RECEIVABLE	354,292.38	151,219.29	203,073.09
Total Accounts Receivable	354,292.38	151,219.29	203,073.09
Other Current Assets			
A01105 - Petty Cash and Cash on Hand	30.00	30.00	0.00
A01180 - Accommodation Bond - CoS	0.00	1,000.00	-1,000.00
A01181 - Accrued Interest Receivable	46,401.66	0.00	46,401.66
Total Other Current Assets	46,431.66	1,030.00	45,401.66
Total Current Assets	20,019,526.00	13,606,398.06	6,413,127.94
Fixed Assets			
A0151 - Land			
A01512 - At Cost			
E168010 - Land Acquisition 2009-10			
E168011 - Acquisition lot 807 Neerabup Rd	2,000,000.00	2,000,000.00	0.00
Total E168010 - Land Acquisition 2009-10	2,000,000.00	2,000,000.00	0.00
Total A01512 - At Cost	2,000,000.00	2,000,000.00	0.00
Total A0151 - Land	2,000,000.00	2,000,000.00	0.00
A0154 - Furniture & Equipment			
A01541 - Accumulated Depn - F&E	-32,876.96	-26,793.00	-6,083.96

Tamala Park Regional Council
Balance Sheet
As of May 31, 2013

	May 31, 13	Jun 30, 12	\$ Change
A01542 - At Cost			
E168540 - F&OEquip Additions 2011-12			
E168519 - Phones 2011/12	0.00	780.00	-780.00
E168523 - Elect_Comp Equipment 2011_12	0.00	875.41	-875.41
E168525 - Wall Mounted TV	0.00	1,433.64	-1,433.64
Total E168540 - F&OEquip Additions 2011-12	0.00	3,089.05	-3,089.05
E168550 - F&OEquip Additions 2012-13			
A01544 - Black Filing Cabinets	307.27	0.00	307.27
E168551 - Wardrobe WB office	550.00	0.00	550.00
E168552 - Office Blinds	658.00	0.00	658.00
Total E168550 - F&OEquip Additions 2012-13	1,515.27	0.00	1,515.27
A01542 - At Cost - Other	33,947.93	30,858.88	3,089.05
Total A01542 - At Cost	35,463.20	33,947.93	1,515.27
Total A0154 - Furniture & Equipment	2,586.24	7,154.93	-4,568.69
A0156 - Plant & Equipment			
A01562 - At Cost			
P121301 - CEO Vehicle	62,731.78	0.00	62,731.78
Total A01562 - At Cost	62,731.78	0.00	62,731.78
Total A0156 - Plant & Equipment	62,731.78	0.00	62,731.78
A0157 - Improvements to Leasehold Prope			
A01572 - Accum Depreciation Leasehold Im	-11,124.00	-11,124.00	0.00
A01573 - Improve, to Leasehold Prop Cost			
E168700 - 2011-12 Improvements	111,242.41	111,242.41	0.00
Total A01573 - Improve, to Leasehold Prop Cost	111,242.41	111,242.41	0.00
Total A0157 - Improvements to Leasehold Prope	100,118.41	100,118.41	0.00
Total Fixed Assets	2,165,436.43	2,107,273.34	58,163.09
TOTAL ASSETS	22,184,962.43	15,713,671.40	6,471,291.03
LIABILITIES			
Current Liabilities			
Accounts Payable			
L01215 - SUNDRY CREDITORS	176,560.25	487,411.71	-310,851.46
Total Accounts Payable	176,560.25	487,411.71	-310,851.46
Credit Cards			

Tamala Park Regional Council
Balance Sheet
As of May 31, 2013

	May 31, 13	Jun 30, 12	\$ Change
A01110 · Westpac Visa Corp Credit Card	-499.19	2,669.38	-3,168.57
Total Credit Cards	-499.19	2,669.38	-3,168.57
Other Current Liabilities			
2100 · Payroll Liabilities			
L2001 · PAYG Deductions	23,952.64	13,212.00	10,740.64
Total 2100 · Payroll Liabilities	23,952.64	13,212.00	10,740.64
2200 · Tax Payable	-3,914.65	2,178.15	-6,092.80
2202 · GST Suspense Account			
2203 · GST Receivable - Members	314,732.59	105,947.00	208,785.59
2202 · GST Suspense Account - Other	-314,732.59	-105,940.86	-208,791.73
Total 2202 · GST Suspense Account	0.00	6.14	-6.14
L0122 · Employee Entitlements			
L01225 · Annual Leave	74,898.07	74,898.07	0.00
L01227 · Accrued Wages	0.00	3,525.67	-3,525.67
Total L0122 · Employee Entitlements	74,898.07	78,423.74	-3,525.67
L01229 · Prov for Audit Fees	0.00	9,900.00	-9,900.00
Total Other Current Liabilities	94,936.06	103,720.03	-8,783.97
Total Current Liabilities	270,997.12	593,801.12	-322,804.00
Long Term Liabilities			
L01230 · Provision - Employee LSL	9,862.66	9,862.66	0.00
Total Long Term Liabilities	9,862.66	9,862.66	0.00
TOTAL LIABILITIES	280,859.78	603,663.78	-322,804.00
NET ASSETS	21,904,102.65	15,110,007.62	6,794,095.03
EQUITY			
3000 · Opening Bal Equity			
L019051 · TVP Dist Rates Equiv 07-12	-33,606.50	-33,606.50	0.00
L019052 · CP Dist Rates Equiv 07-12	-33,606.50	-33,606.50	0.00
L019053 · TC Dist Rates Equiv 07-12	-33,606.50	-33,606.50	0.00
L019054 · CJ Dist Rates Equiv 07-12	-67,212.98	-67,212.98	0.00
L019055 · CW Dist Rates Equiv 07-12	-67,212.98	-67,212.98	0.00
L019056 · TV Dist Rates Equiv 07-12	-33,606.50	-33,606.50	0.00
L019057 · CS Dist Rates Equiv 07-12	-134,425.97	-134,425.97	0.00
Total 3000 · Opening Bal Equity	-403,277.93	-403,277.93	0.00
3900 · *Retained Earnings	798,696.43	847,017.81	-48,321.38

Tamala Park Regional Council
Balance Sheet
As of May 31, 2013

	May 31, 13	Jun 30, 12	\$ Change
L019001 - Town of Victoria Park			
101.1 - ToVP revenue from Development	2,717,659.88	392,226.51	2,325,433.37
101.2 - ToVP Development Expenses	-2,251,220.72	-517,797.51	-1,733,423.21
L019101 - TVP Contributed Equity	1,354,610.60	1,354,610.60	0.00
Total L019001 - Town of Victoria Park	1,821,049.76	1,229,039.60	592,010.16
L019002 - City of Perth			
102.1 - CoP Revenue from Development	2,717,659.87	392,226.51	2,325,433.36
102.2 - CoP Development Costs	-2,251,220.72	-517,797.51	-1,733,423.21
L019102 - CP Contributed Equity	1,354,610.60	1,354,610.60	0.00
Total L019002 - City of Perth	1,821,049.75	1,229,039.60	592,010.15
L019003 - Town of Cambridge			
103.1 - ToC Revenue from Development	2,717,659.87	392,226.51	2,325,433.36
103.2 - ToC Development Costs	-2,251,220.72	-517,797.51	-1,733,423.21
L019103 - TC Contributed Equity	1,354,610.60	1,354,610.60	0.00
Total L019003 - Town of Cambridge	1,821,049.75	1,229,039.60	592,010.15
L019004 - City of Joondalup			
104.1 - CoJ Revenue from Development	5,435,319.74	784,453.02	4,650,866.72
104.2 - CoJ Development Costs	-4,502,441.46	-1,035,595.04	-3,466,846.42
L019104 - CJ Contributed Equity	2,709,219.19	2,709,219.19	0.00
Total L019004 - City of Joondalup	3,642,097.47	2,458,077.17	1,184,020.30
L019005 - City of Wanneroo			
105.1 - CoW Revenue from Development	5,435,319.74	784,453.02	4,650,866.72
105.2 - CoW Development Costs	-4,502,441.46	-1,035,595.04	-3,466,846.42
L019105 - CW Contributed Equity	2,709,219.19	2,709,219.19	0.00
Total L019005 - City of Wanneroo	3,642,097.47	2,458,077.17	1,184,020.30
L019006 - Town of Vincent			
106.1 - ToV revenue from Development	2,717,659.88	392,226.51	2,325,433.37
106.2 - ToV Development Costs	-2,251,220.72	-517,797.51	-1,733,423.21
L019106 - TV Contributed Equity	1,354,610.60	1,354,610.60	0.00
Total L019006 - Town of Vincent	1,821,049.76	1,229,039.60	592,010.16
L019007 - City of Stirling			
107.1 - CoS Revenue from Development	10,870,639.45	1,568,906.05	9,301,733.40
107.2 - CoS Development Costs	-9,004,881.84	-2,071,188.06	-6,933,693.78
L019107 - CS Contributed Equity	5,384,558.39	5,384,558.39	0.00
Total L019007 - City of Stirling	7,250,316.00	4,882,276.38	2,368,039.62
Net Income	-310,025.81	-48,321.38	-261,704.43
TOTAL EQUITY	21,904,102.65	15,110,007.62	6,794,095.03

TAMALA PARK REGIONAL COUNCIL
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 30 JUNE 2013

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**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 30 JUNE 2013**

	NOTE	30 June 2013 Actual \$	30 June 2013 Y-T-D Budget \$	2012/2013 Amended Budget \$	Variances Budget to Actual Y-T-D %
<u>Operating</u>					
Revenues	1,2				
Interest Earnings		517,279	400,000	400,000	29.32%
Other Revenue		1,287	33,864,672	33,864,672	(100.00%)
		<u>518,566</u>	<u>34,264,672</u>	<u>34,264,672</u>	(98.49%)
Expenses	1,2				
Employee Costs		(519,198)	(560,951)	(560,951)	(7.44%)
Materials and Contracts					
- Professional Consulting Fees		(92,565)	(5,658,071)	(5,658,071)	(98.36%)
- Materials and Contracts Other		(99,198)	(270,018)	(270,018)	(63.26%)
Loss on Disposal of Assets		0	0	0	0.00%
Depreciation		(6,084)	(19,320)	(19,320)	(68.51%)
Utilities		0	(11,800)	(11,800)	(100.00%)
Insurance		(10,119)	(12,525)	(12,525)	(19.21%)
Other Expenditure		<u>(111,232)</u>	<u>(205,750)</u>	<u>(205,750)</u>	(45.94%)
		<u>(838,396)</u>	<u>(6,738,435)</u>	<u>(6,738,435)</u>	(87.56%)
<u>Adjustments for Non-Cash (Revenue) and Expenditure</u>					
Depreciation on Assets		6,084	19,320	19,320	(68.51%)
Movement in Non-current Employee Entitlements		0	0	0	0.00%
Profit(Loss) on Sale of Assets	4	0	0	0	0.00%
<u>Capital Revenue and (Expenditure)</u>					
Change in Contributed Equity	6	13,483,808	(90,000)	(90,000)	(15082.01%)
Infrastructure Assets Other	3	0	(30,018,905)	(30,018,905)	(100.00%)
Land and Buildings	3	0	0	0	
Plant and Equipment	3	(62,732)	(63,012)	(63,012)	(0.44%)
Furniture and Equipment	3	(1,515)	0	0	100.00%
Proceeds from Disposal of Assets	4	0	0	0	0.00%
ADD Net Current Assets July 1 B/Fwd	7	13,012,597	13,012,597	13,012,597	0.00%
Net Current Assets Year to Date	7	<u>26,118,412</u>	<u>10,386,237</u>	<u>10,386,237</u>	

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 30 JUNE 2013**

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

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

(b) The Local Government Reporting Entity

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

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

The Council does not hold any monies in trust.

(c) Rounding Off Figures

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

(d) Rates, Grants, Donations and Other Contributions

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

(e) Goods and Services Tax

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

(f) Cash and Cash Equivalents

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

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 30 JUNE 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and Other Receivables

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

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

(h) Inventories

General

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

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

Land Held for Resale

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

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

Land held for resale is classified as current except where it is held as non-current based on Council's

(i) Fixed Assets

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

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

(j) Depreciation of Non-Current Assets

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

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

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

Item 9.2 - June 2013
TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 30 JUNE 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Impairment

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

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

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

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

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2013.

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

(l) Trade and Other Payables

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

(m) Employee Benefits

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

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

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

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

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 30 JUNE 2013**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Interest-bearing Loans and Borrowings

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

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

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

Borrowing Costs

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

(o) Provisions

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

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

(p) Current and Non-Current Classification

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 30 JUNE 2013**

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

3. ACQUISITION OF ASSETS

The following assets are budgeted to be acquired during the year:

By Program

Other Property and Services

	30 June 2013 Actual \$	Amended 2012/13 Budget \$
Vehicle - CEO	62,732	63,012
New Land Development	0	30,018,905
Furniture and Equipment	1,515	0
	<u>64,247</u>	<u>30,081,917</u>

By Class

Plant & Equipment	62,732	63,012
Furniture and Equipment	1,515	0
Infrastructure Other	0	30,018,905
	<u>64,247</u>	<u>30,081,917</u>

4. DISPOSALS OF ASSETS

No assets have been disposed of during the period under review.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 30 JUNE 2013

5. INFORMATION ON BORROWINGS

No borrowings have been made in the period under review. No borrowings are budgeted for during the 2012-13 financial year.

6. CONTRIBUTED EQUITY

		30 June 2013 Actual \$	30 June 2012 Actual \$
Town of Victoria Park	2,356,165.42	2,356,165	1,259,167
City of Perth	2,356,165.42	2,356,165	1,259,167
Town of Cambridge	2,356,165.42	2,356,165	1,259,167
City of Joondalup	4,712,330.83	4,712,330	2,518,334
City of Wanneroo	4,712,330.83	4,712,330	2,518,334
Town of Vincent	2,356,165.42	2,356,165	1,259,167
City of Stirling	9,424,661.67	9,424,664	5,036,671
TOTAL		<u>28,273,985</u>	<u>15,110,007</u>
 Movement		 <u>13,163,978</u>	

Movement in Contributed Equity Represented by:

	Development Expenses 30 June 2013 \$	Land Sales 30 June 2013 \$	Rates Equivalent 30 June 2013 \$
Town of Victoria Park	(1,988,897)	3,119,757	(7,209)
City of Perth	(1,988,897)	3,119,757	(7,209)
Town of Cambridge	(1,988,897)	3,119,757	(7,209)
City of Joondalup	(3,977,796)	6,239,513	(14,418)
City of Wanneroo	(3,977,796)	6,239,513	(14,418)
Town of Vincent	(1,988,897)	3,119,757	(7,209)
City of Stirling	(7,955,585)	12,479,027	(28,836)
	<u>(23,866,765)</u>	<u>37,437,081</u>	<u>(86,508)</u>
 Total	 <u>13,483,808</u>		
TPRC Nett Result	<u>(319,830)</u>		
	<u>13,163,978</u>		

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2012 TO 30 JUNE 2013

7. NET CURRENT ASSETS

Composition of Estimated Net Current Asset Position	30 June 2013 Actual \$	Brought Forward 1-Jul \$
CURRENT ASSETS		
Cash - Unrestricted	25,985,602	13,454,179
Receivables	516,108	46,272
	<u>26,501,710</u>	<u>13,500,451</u>
LESS: CURRENT LIABILITIES		
Payables and Provisions	<u>(383,298)</u>	<u>(487,854)</u>
NET CURRENT ASSET POSITION	26,118,412	13,012,597
NET CURRENT ASSET POSITION	<u><u>26,118,412</u></u>	<u><u>13,012,597</u></u>

8. RATING INFORMATION

No rates are budgeted to be raised during the year ending 30 June 2013.

9. TRUST FUNDS

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

Tamala Park Regional Council
Balance Sheet
As of June 30, 2013

	Jun 30, 13	Jun 30, 12	\$ Change
ASSETS			
Current Assets			
Chequing/Savings			
A01100 - Cash at Bank			
A01101 - Unrestricted Municipal Bank	267,177.89	4,399.67	262,778.22
A01102 - Unrestricted Short Term Investm	165,809.18	598.86	165,210.32
A01103 - Fixed Term Deposit _ Westpac	9,523,504.42	0.00	9,523,504.42
A01106 - Fixed Term Deposit_BankWest	8,585,772.24	4,930,049.20	3,655,723.04
A01107 - Fixed Term Deposit Suncorp Metw	5,989,084.75	1,500,000.00	4,489,084.75
A01108 - ANZ Bank Investment AC	0.00	2,321,371.62	-2,321,371.62
A01109 - ANZ Online Saver Account	9,591.30	9,139.12	452.18
A01112 - Westpac Settlement Proceeds Acc	1,444,632.29	4,688,590.30	-3,243,958.01
Total A01100 - Cash at Bank	25,985,572.07	13,454,148.77	12,531,423.30
Total Chequing/Savings	25,985,572.07	13,454,148.77	12,531,423.30
Accounts Receivable			
A01120 - ACCOUNTS RECEIVABLE			
A011201 - Accrued Interest	0.00	45,272.29	-45,272.29
A01120 - ACCOUNTS RECEIVABLE - Other	435,326.92	105,947.00	329,379.92
Total A01120 - ACCOUNTS RECEIVABLE	435,326.92	151,219.29	284,107.63
Total Accounts Receivable	435,326.92	151,219.29	284,107.63
Other Current Assets			
A01105 - Petty Cash and Cash on Hand	30.00	30.00	0.00
A01180 - Accommodation Bond - CoS	0.00	1,000.00	-1,000.00
A01181 - Accrued Interest Receivable	72,648.62	0.00	72,648.62
Total Other Current Assets	72,678.62	1,030.00	71,648.62
Total Current Assets	26,493,577.61	13,606,398.06	12,887,179.55
Fixed Assets			
A0151 - Land			
A01512 - At Cost			
E168010 - Land Acquisition 2009-10			
E168011 - Acquisition lot 807 Neerabup Rd	2,000,000.00	2,000,000.00	0.00
Total E168010 - Land Acquisition 2009-10	2,000,000.00	2,000,000.00	0.00
Total A01512 - At Cost	2,000,000.00	2,000,000.00	0.00
Total A0151 - Land	2,000,000.00	2,000,000.00	0.00
A0154 - Furniture & Equipment			
A01541 - Accumulated Depn - F&E	-32,876.96	-26,793.00	-6,083.96

Tamala Park Regional Council
Balance Sheet
As of June 30, 2013

	Jun 30, 13	Jun 30, 12	\$ Change
A01542 - At Cost			
E168540 - F&OEquip Additions 2011-12			
E168519 - Phones 2011/12	0.00	780.00	-780.00
E168523 - Elect_Comp Equipment 2011_12	0.00	875.41	-875.41
E168525 - Wall Mounted TV	0.00	1,433.64	-1,433.64
Total E168540 - F&OEquip Additions 2011-12	0.00	3,089.05	-3,089.05
E168550 - F&OEquip Additions 2012-13			
A01544 - Black Filing Cabinets	307.27	0.00	307.27
E168551 - Wardrobe WB office	550.00	0.00	550.00
E168552 - Office Blinds	658.00	0.00	658.00
Total E168550 - F&OEquip Additions 2012-13	1,515.27	0.00	1,515.27
A01542 - At Cost - Other	33,947.93	30,858.88	3,089.05
Total A01542 - At Cost	35,463.20	33,947.93	1,515.27
Total A0154 - Furniture & Equipment	2,586.24	7,154.93	-4,568.69
A0156 - Plant & Equipment			
A01562 - At Cost			
P121301 - CEO Vehicle	62,731.78	0.00	62,731.78
Total A01562 - At Cost	62,731.78	0.00	62,731.78
Total A0156 - Plant & Equipment	62,731.78	0.00	62,731.78
A0157 - Improvements to Leasehold Prope			
A01572 - Accum Depreciation Leasehold Im	-11,124.00	-11,124.00	0.00
A01573 - Improve, to Leasehold Prop Cost			
E168700 - 2011-12 Improvements	111,242.41	111,242.41	0.00
Total A01573 - Improve, to Leasehold Prop Cost	111,242.41	111,242.41	0.00
Total A0157 - Improvements to Leasehold Prope	100,118.41	100,118.41	0.00
Total Fixed Assets	2,165,436.43	2,107,273.34	58,163.09
TOTAL ASSETS	28,659,014.04	15,713,671.40	12,945,342.64
LIABILITIES			
Current Liabilities			
Accounts Payable			
L01215 - SUNDRY CREDITORS	295,142.16	487,411.71	-192,269.55
Total Accounts Payable	295,142.16	487,411.71	-192,269.55
Credit Cards			

Tamala Park Regional Council
Balance Sheet
As of June 30,2013

	Jun 30, 13	Jun 30, 12	\$ Change
A01110 · Westpac Visa Corp Credit Card	-276.15	2,669.38	-2,945.53
Total Credit Cards	-276.15	2,669.38	-2,945.53
Other Current Liabilities			
2100 · Payroll Liabilities			
L2001 · PAYG Deductions	13,258.64	13,212.00	46.64
Total 2100 · Payroll Liabilities	13,258.64	13,212.00	46.64
2200 · Tax Payable	-7,856.46	2,178.15	-10,034.61
2202 · GST Suspense Account			
2203 · GST Receivable - Members	314,732.59	105,947.00	208,785.59
2202 · GST Suspense Account - Other	-314,732.59	-105,940.86	-208,791.73
Total 2202 · GST Suspense Account	0.00	6.14	-6.14
L0122 · Employee Entitlements			
L01225 · Annual Leave	74,898.07	74,898.07	0.00
L01227 · Accrued Wages	0.00	3,525.67	-3,525.67
Total L0122 · Employee Entitlements	74,898.07	78,423.74	-3,525.67
L01229 · Prov for Audit Fees	0.00	9,900.00	-9,900.00
Total Other Current Liabilities	80,300.25	103,720.03	-23,419.78
Total Current Liabilities	375,166.26	593,801.12	-218,634.86
Long Term Liabilities			
L01230 · Provision - Employee LSL	9,862.66	9,862.66	0.00
Total Long Term Liabilities	9,862.66	9,862.66	0.00
TOTAL LIABILITIES	385,028.92	603,663.78	-218,634.86
NET ASSETS	28,273,985.12	15,110,007.62	13,163,977.50
EQUITY			
3000 · Opening Bal Equity			
L019051 · TVP Dist Rates Equiv 07-12	0.00	-33,606.50	33,606.50
L019052 · CP Dist Rates Equiv 07-12	0.00	-33,606.50	33,606.50
L019053 · TC Dist Rates Equiv 07-12	0.00	-33,606.50	33,606.50
L019054 · CJ Dist Rates Equiv 07-12	0.00	-67,212.98	67,212.98
L019055 · CW Dist Rates Equiv 07-12	0.00	-67,212.98	67,212.98
L019056 · TV Dist Rates Equiv 07-12	0.00	-33,606.50	33,606.50
L019057 · CS Dist Rates Equiv 07-12	0.00	-134,425.97	134,425.97
Total 3000 · Opening Bal Equity	0.00	-403,277.93	403,277.93
3900 · *Retained Earnings	769,875.00	847,017.81	-77,142.81

Tamala Park Regional Council
Balance Sheet
As of June 30, 2013

	Jun 30, 13	Jun 30, 12	\$ Change
L019001 - Town of Victoria Park			
101.1 - ToVP revenue from Development	3,511,983.84	392,226.51	3,119,757.33
101.2 - ToVP Development Expenses	-2,513,904.12	-517,797.51	-1,996,106.61
L019101 - TVP Contributed Equity	1,320,581.75	1,354,610.60	-34,028.85
Total L019001 - Town of Victoria Park	2,318,661.47	1,229,039.60	1,089,621.87
L019002 - City of Perth			
102.1 - CoP Revenue from Development	3,511,983.83	392,226.51	3,119,757.32
102.2 - CoP Development Costs	-2,513,904.12	-517,797.51	-1,996,106.61
L019102 - CP Contributed Equity	1,320,581.75	1,354,610.60	-34,028.85
Total L019002 - City of Perth	2,318,661.46	1,229,039.60	1,089,621.86
L019003 - Town of Cambridge			
103.1 - ToC Revenue from Development	3,511,983.83	392,226.51	3,119,757.32
103.2 - ToC Development Costs	-2,513,904.12	-517,797.51	-1,996,106.61
L019103 - TC Contributed Equity	1,320,581.75	1,354,610.60	-34,028.85
Total L019003 - Town of Cambridge	2,318,661.46	1,229,039.60	1,089,621.86
L019004 - City of Joondalup			
104.1 - CoJ Revenue from Development	7,023,967.66	784,453.02	6,239,514.64
104.2 - CoJ Development Costs	-5,027,808.27	-1,035,595.04	-3,992,213.23
L019104 - CJ Contributed Equity	2,641,163.52	2,709,219.19	-68,055.67
Total L019004 - City of Joondalup	4,637,322.91	2,458,077.17	2,179,245.74
L019005 - City of Wanneroo			
105.1 - CoW Revenue from Development	7,023,967.66	784,453.02	6,239,514.64
105.2 - CoW Development Costs	-5,027,808.27	-1,035,595.04	-3,992,213.23
L019105 - CW Contributed Equity	2,641,163.52	2,709,219.19	-68,055.67
Total L019005 - City of Wanneroo	4,637,322.91	2,458,077.17	2,179,245.74
L019006 - Town of Vincent			
106.1 - ToV revenue from Development	3,511,983.84	392,226.51	3,119,757.33
106.2 - ToV Development Costs	-2,513,904.12	-517,797.51	-1,996,106.61
L019106 - TV Contributed Equity	1,320,581.75	1,354,610.60	-34,028.85
Total L019006 - Town of Vincent	2,318,661.47	1,229,039.60	1,089,621.87
L019007 - City of Stirling			
107.1 - CoS Revenue from Development	14,047,935.26	1,568,906.05	12,479,029.21
107.2 - CoS Development Costs	-10,055,615.45	-2,071,188.06	-7,984,427.39
L019107 - CS Contributed Equity	5,282,328.63	5,384,558.39	-102,229.76
Total L019007 - City of Stirling	9,274,648.44	4,882,276.38	4,392,372.06
Net Income	-319,830.00	-48,321.38	-271,508.62
TOTAL EQUITY	28,273,985.12	15,110,007.62	13,163,977.50

Tamala Park Regional Council

Cheque Detail

June 2013

Type	Num	Date	Name	Description	Original Amount
Bill Pmt -Cheque	CH-200309	20/06/2013	City of Wanneroo - Supplier	Stage 7 Council Supervision Fee	-17,266.35
Bill		20/06/2013		Lot Production Items - Stage 7 Council Supervision Fee	15,696.68
			ATO Members	GST on Members Non-Capital Expenditure	1,569.67
TOTAL					17,266.35
Bill Pmt -Cheque	CH-200308	20/06/2013	Western Power	Lot Production Items - Stage 8 Subdivision Energisation	-72,680.00
Bill		20/06/2013		Lot Production Items - Stage 8 Subdivision Energisation	72,680.00
TOTAL					72,680.00
Bill Pmt -Cheque	CH-200310	24/06/2013	City of Wanneroo - Supplier	Consultants - LSP 79 Amendment 2	-4,959.42
Bill	Invoice TBA	24/06/2013		Consultants - LSP 79 Amendment 2	4,508.56
			ATO Members	GST on Members Non-Capital Expenditure	450.86
TOTAL					4,959.42
Bill Pmt -Cheque	CH-200311	27/06/2013	Water Corporation	Lot 9001 Stage 7 Standard infrastructure contributions	-349,713.20
Bill	146408	27/06/2013		Administration (Land Development) - Lot 9001 Stage 7 Standard infrastructure contribution:	339,129.00
				Administration (Land Development) - Lot 9001 Stage 7	9,622.00
			ATO Members	GST on Members Non-Capital Expenditure	962.20
TOTAL					349,713.20
TOTAL					444,618.97

Tamala Park Regional Council

Cheque Detail

Type	Num	Date	Name	July 2013	Description	Original Amount
Bill Pmt -Cheque	CH-200313	08/07/2013	Western Power		Stage 2A Subdivision Energisation	-50,298.00
Bill	MS014697	08/07/2013			Lot Production Items - Stage 2A Subdivision Energisation	50,298.00
TOTAL						50,298.00
Bill Pmt -Cheque	CH-200314	08/07/2013	City of Wanneroo - Supplier		Stage 5 Early Clearance Bond Proposed (Amended) WAPC 143766	-78,292.42
Bill	Invoice TBC	08/07/2013			Lot Production Items - Stage 5 Early Clearance Bond Proposed (Amended) WAPC 143766	78,292.42
TOTAL						78,292.42
Bill Pmt -Cheque	CH-200315	11/07/2013	City of Wanneroo - Supplier		Stage 7 Early Clearance Bond Proposal	-416,245.00
Bill	Invoice TBA	11/07/2013			Lot Production Items - Stage 7 Early Clearance Bond Proposal	416,245.00
TOTAL						416,245.00
Bill Pmt -Cheque	CH-200317	25/07/2013	City of Wanneroo - Supplier		Stage 5 street light tariffs	-5,633.05
Bill	Invoice TBA	25/07/2013			Lot Production Items - Stage 5 street light tariffs	5,120.95
			ATO Members		GST on Members Non-Capital Expenditure	512.10
TOTAL						5,633.05
Bill Pmt -Cheque	CH-200316	25/07/2013	City of Wanneroo - Supplier		Stage 7 street light tariff	-5,078.98
Bill	Invoice TBA	25/07/2013			Lot Production Items - Stage 7 street light tariff	4,617.25
			ATO Members		GST on Members Non-Capital Expenditure	461.73
TOTAL						5,078.98
TOTAL						555,547.45

Tamala Park Regional Council

Summary Payment List

June 2013

Type	Date	Num	Name	Description	Amount
Cheque	03/06/2013	CH-200315	Westpac Bank	Bank charges Cheque AC June 2013	-56.05
Bill Pmt -Cheque	06/06/2013	ET-1986	Jason Borgomastro	Lot 174 (HN 31) Aviator Blvd Clarkson, First lease	-3,850.00
Paycheque	13/06/2013	ET-2016	Employee Costs	Wages for period 30/5/13 to 12/6/13	-10,980.21
Liability Cheque	13/06/2013	ET-2012	WALGSP	KJ 9% superannuation for period 30/5/13 to 12/6/13	-153.27
Liability Cheque	13/06/2013	ET-2013	National Australia Bank	TA 9% superannuation for period 30/5/13 to 12/6/13	-431.25
Liability Cheque	13/06/2013	ET-2014	Amp	WB 9% superannuation for period 30/5/13 to 12/6/13	-380.78
Bill Pmt -Cheque	13/06/2013	ET-1987	Action Couriers	Invoices 135624 & 137299	-107.28
Bill Pmt -Cheque	13/06/2013	ET-1989	Cabcharge	Cabcharge Account May 2013	-6.00
Bill Pmt -Cheque	13/06/2013	ET-1988	Chappell Lambert Everett	Consultants - Disbursements February to April	-2,120.57
Bill Pmt -Cheque	13/06/2013	ET-1990	City of Stirling	Electricity costs for TPRC office for period 1/3/13 to 30/5/13	-706.59
Bill Pmt -Cheque	13/06/2013	ET-1991	Docushred	Security Bin April/May 2013	-51.70
Bill Pmt -Cheque	13/06/2013	ET-1992	Ernst & Young	Professional services for period ending 10/5/13	-10,615.00
Bill Pmt -Cheque	13/06/2013	ET-1993	Haines Norton	Invoice 2013 055295	-4,169.00
Bill Pmt -Cheque	13/06/2013	ET-1994	Joondalup Catering	Custom morning tea package 14/3/13	-785.00
Bill Pmt -Cheque	13/06/2013	ET-1995	LD Total	Invoices 54951 & 55054	-1,217.24
Bill Pmt -Cheque	13/06/2013	ET-1996	Marketforce	Invoices 7526 & 8873	-639.73
Bill Pmt -Cheque	13/06/2013	ET-1997	McLeods Barristers & Solicitors	Invoices 74314 & 74117	-1,685.16
Bill Pmt -Cheque	13/06/2013	ET-1998	McMullen Nolan Surveyors	Invoices 67515, 14, 17, 16, 34, 32 & 36	-51,672.50
Bill Pmt -Cheque	13/06/2013	ET-1999	Neverfail	Bottled water	-26.25
Bill Pmt -Cheque	13/06/2013	ET-2000	New Great Cleaning Service	Cleaning TPRC office May 2013	-143.00
Bill Pmt -Cheque	13/06/2013	ET-2001	Officeworks	Stationery - A4 reflex copying paper	-67.35
Bill Pmt -Cheque	13/06/2013	ET-2002	Optimum Media Decisions	Invoices 16030, 12679, 14961, 11019	-5,835.41
Bill Pmt -Cheque	13/06/2013	ET-2003	R J Vincent & Co	Civil Works Stage 4 Certificate number 10	-18,067.92
Bill Pmt -Cheque	13/06/2013	ET-2004	Satterley Property Group	Community development professional fees for Council	-1,430.00
Bill Pmt -Cheque	13/06/2013	ET-2005	Stantons International	Invoices 51952 & 51951	-1,519.65
Bill Pmt -Cheque	13/06/2013	ET-2006	Street Hassle Events	Equipment Hire for Open Day 14/4/13	-1,364.00
Bill Pmt -Cheque	13/06/2013	ET-2007	Synergy	165180910, 174184960	-868.65
Bill Pmt -Cheque	13/06/2013	ET-2008	Treacy Fencing	Invoices 634715 & 634716	-3,626.04
Bill Pmt -Cheque	13/06/2013	ET-2009	Wayne Burns	Reimbursements coffees and parking	-79.85
Bill Pmt -Cheque	13/06/2013	ET-2010	City of Wanneroo - Supplier	GST owing April 2013	-21,665.52
Liability Cheque	13/06/2013	ET-2015	Australian Taxation Office	IAS payment for May 2013	-23,953.02
Bill Pmt -Cheque	13/06/2013	ET-2011	Australian Taxation Office	FBT Motor Vehicle - FBT Return payment for period 1/1/13 to 30/6/13	-3,049.00
Cheque	13/06/2013	CH-200316	Westpac Bank	Payment of EA & CEO credit cards June 2013	-3.75
Bill Pmt -Cheque	20/06/2013	CH-200309	City of Wanneroo - Supplier	Stage 7 Council Supervision Fee	-17,266.35
Bill Pmt -Cheque	20/06/2013	CH-200308	Western Power	Lot Production Items - Stage 8 Subdivision Energy	-72,680.00
Bill Pmt -Cheque	24/06/2013	CH-200310	City of Wanneroo - Supplier	Consultants - LSP 79 Amendment 2	-4,959.42
Paycheque	27/06/2013	ET-2048	Employee Costs	Wages for period 13/6/13 to 26/6/13	-10,740.96
Liability Cheque	27/06/2013	ET-2045	WALGSP	KJ 9% superannuation for period 13/6/13 to 26/6/13	-153.27
Liability Cheque	27/06/2013	ET-2046	Amp	WB 9% superannuation for period 13/6/13 to 26/6/13	-380.78
Liability Cheque	27/06/2013	ET-2047	National Australia Bank	TA 9% superannuation for period 13/6/13 to 26/6/13	-431.25
Bill Pmt -Cheque	27/06/2013	ET-2019	Bee Advice	Treat bee hive in cavity walls in site office	-175.00
Bill Pmt -Cheque	27/06/2013	ET-2020	Burgess Rawson	GST valuations for April 2013	-2,255.00
Bill Pmt -Cheque	27/06/2013	ET-2021	Cedar Homes	Sales Unit 3 Lot 1 McAllister Blvd Lease July 2012	-1,100.00
Bill Pmt -Cheque	27/06/2013	ET-2022	Chappell Lambert Everett	Invoices 2228: 4726, 4694	-33,000.00
Bill Pmt -Cheque	27/06/2013	ET-2034	City of Stirling	GST owing May 2013	-21,358.82
Bill Pmt -Cheque	27/06/2013	ET-2023	Cossill & Webley	Invoices 14027, 14096, 14095, 14094, 14093, 14092	-36,245.50
Bill Pmt -Cheque	27/06/2013	ET-2035	Department of Environment & Conservation	Funds for land acquisition for conservation purposes	-490,000.00
Bill Pmt -Cheque	27/06/2013	ET-2024	Emerge Associates	Invoices 10404, 406, 407, 408, 364, 365	-21,450.00

Tamala Park Regional Council

Summary Payment List

June 2013

Bill Pmt -Cheque	27/06/2013	ET-2036	Getting Technical	CAT PA system for event 14/4/13	-132.00
Bill Pmt -Cheque	27/06/2013	ET-2025	hyd20 Hydrology	Catalina Central UWMP Progress claim 6	-532.40
Bill Pmt -Cheque	27/06/2013	ET-2037	Kingman Visual	Street sign installation	-1,017.79
Bill Pmt -Cheque	27/06/2013	ET-2026	LD Total	Invoices 55305, 55055	-3,990.80
Bill Pmt -Cheque	27/06/2013	ET-2038	Marketforce	Invoices 7362, 4539, 7692, 7693, 4544	-26,632.79
Bill Pmt -Cheque	27/06/2013	ET-2027	McMullen Nolan Surveyors	Invoices 65989, 67877, 67880, 67034, 66908	-17,127.00
Bill Pmt -Cheque	27/06/2013	ET-2039	MMJ Real Estate	Invoices 110210N, 130063B, 130063A, 130063	-4,975.00
Bill Pmt -Cheque	27/06/2013	ET-2028	Neverfail	Bottled water	-26.25
Bill Pmt -Cheque	27/06/2013	ET-2040	R J Vincent & Co	Invoices 2296,2298,2262,2264,2263,2132,2233	-1,864,526.35
Bill Pmt -Cheque	27/06/2013	ET-2029	Realestate.com.au	New land estate project profile signature	-2,798.97
Bill Pmt -Cheque	27/06/2013	ET-2041	Sally Brothers Interior Design	Land & Special Sites Development - Prestart for	-1,350.00
Bill Pmt -Cheque	27/06/2013	ET-2030	Stantons International	Invoices 51838, 51746, 51756	-25,298.35
Bill Pmt -Cheque	27/06/2013	ET-2042	Synergy	174767160, 165180910, 174184960	-820.10
Bill Pmt -Cheque	27/06/2013	ET-2031	Telstra	TA mobile phone usage charges to 13/6/13 and	-55.05
Bill Pmt -Cheque	27/06/2013	ET-2043	Titan Recruitment	Consulting services Stage 6A	-2,288.00
Bill Pmt -Cheque	27/06/2013	ET-2032	Treacy Fencing	Invoices 635074, 635134, 635050, 634819, 634	-16,263.39
Bill Pmt -Cheque	27/06/2013	ET-2044	Wayne Burns	Parking reimbursements	-16.00
Bill Pmt -Cheque	27/06/2013	ET-2033	City of Wanneroo - Supplier	Rate payments	-2,017.84
Bill Pmt -Cheque	27/06/2013	CH-200311	Water Corporation	Lot 9001 Stage 7 Standard infrastructure contrib	-349,713.20
Bill Pmt -Cheque	28/06/2013	Debit	City of Joondalup - Supplier	GST owing May 2013	-10,679.39
					-3,213,783.76

Tamala Park Regional Council

Summary Payment List

July 2013

Type	Date	Num	Name	Description	Amount
Cheque	01/07/2013	CH-200319	Westpac Bank	Bank charges Cheque AC July 2013	-56.85
Bill Pmt -Cheque	08/07/2013	CH-200313	Western Power	Stage 2A Subdivision Energisation	-50,298.00
Bill Pmt -Cheque	08/07/2013	CH-200314	City of Wanneroo - Supplier	Stage 5 Early Clearance Bond Proposed (Amen	-78,292.42
Bill Pmt -Cheque	10/07/2013	ET-2052	City of Wanneroo - Supplier	GST owing May 2013	-10,679.39
Paycheque	11/07/2013	ET-2072	Employee Costs	Wages for period 27/6/13 to 10/7/13	-10,965.21
Liability Cheque	11/07/2013	ET-2069	WALGSP	KJ 9% superannuation for period 27/6/13 to 10/7	-161.99
Liability Cheque	11/07/2013	ET-2070	Amp	WB 9% superannuation for period 27/6/13 to 10/7	-391.36
Liability Cheque	11/07/2013	ET-2071	National Australia Bank	TA 9% superannuation for period 27/6/13 to 10/7	-1,037.00
Bill Pmt -Cheque	11/07/2013	ET-2051	Action Couriers	Invoices 140670 & 138981	-82.62
Bill Pmt -Cheque	11/07/2013	ET-2053	Cabcharge	Cabcharge Account for period 27/5/13 to 23/6/13	-6.00
Bill Pmt -Cheque	11/07/2013	ET-2054	City of Stirling	Monthly charge for IT services April to June 2013	-1,485.00
Bill Pmt -Cheque	11/07/2013	ET-2055	Emerge Associates	Invoices 10405 & 10363	-6,050.00
Bill Pmt -Cheque	11/07/2013	ET-2056	Graffiti Busters	Remove graffiti from sign fence banner Catalina	-330.00
Bill Pmt -Cheque	11/07/2013	ET-2057	Haines Norton	2013 056130 & 056300	-5,894.90
Bill Pmt -Cheque	11/07/2013	ET-2058	Kyocera Mita	Kyocera Photocopier Model TASKalfa 3050ci	-5,467.00
Bill Pmt -Cheque	11/07/2013	ET-2059	Marketforce	Catalina photo shoot	-17,068.08
Bill Pmt -Cheque	11/07/2013	ET-2060	Neverfail	Bottled water	-13.75
Bill Pmt -Cheque	11/07/2013	ET-2061	New Great Cleaning Service	Cleaning Service TPRC office June 2013	-143.00
Bill Pmt -Cheque	11/07/2013	ET-2062	Tangibility	Wine Cooler Bags	-3,036.00
Bill Pmt -Cheque	11/07/2013	ET-2063	Treacy Fencing	Progress Claim June 2013 Lot 182 Elsbury Appr	-6,007.65
Bill Pmt -Cheque	11/07/2013	ET-2064	WALGA	Invoices I3029208; 3029207; 3029210; 3029211	-1,498.95
Bill Pmt -Cheque	11/07/2013	ET-2065	Wayne Burns	Reimbursements Half Phone Bill, Blue Tooth Ha	-280.23
Bill Pmt -Cheque	11/07/2013	CH-200315	City of Wanneroo - Supplier	Stage 7 Early Clearance Bond Proposal	-416,245.00
Bill Pmt -Cheque	15/07/2013	ET-2075	Town of Cambridge - supplier	GST Feb, Mar, Apr, May & June 2013	-24,513.14
Cheque	15/07/2013	CH-200320	Westpac Bank	Payment of EA and CEO credit cards July 2013	-412.15
Paycheque	25/07/2013	ET-2102	Employee Costs	Wages for period 11/7/13 to 24/7/13	-10,630.72
Paycheque	25/07/2013	ET-2105	Tony Arias	TA home office allowance	-1,564.00
Liability Cheque	25/07/2013	ET-2099	WALGSP	KJ 9% superannuation for period 11/7/13 to 24/7	-157.53
Liability Cheque	25/07/2013	ET-2100	Amp	WB 9% superannuation for period 11/7/13 to 24/7	-391.36
Liability Cheque	25/07/2013	ET-2101	National Australia Bank	TA 9% superannuation for period 11/7/13 to 24/7	-1,037.00
Bill Pmt -Cheque	25/07/2013	ET-2076	Town of Victoria Park - Supplier	GST payment Oct, Nov, Dec 2012 & Jan, FEB, M	-54,356.39
Bill Pmt -Cheque	25/07/2013	ET-2077	Action Couriers	Courier from TPRC office to SPG	-77.83
Bill Pmt -Cheque	25/07/2013	ET-2078	Allion Legal	Lot Production Items - Stage 5A easements	-2,118.03
Bill Pmt -Cheque	25/07/2013	ET-2079	City of Wanneroo - Supplier	Recovery of costs associated with land valuation	-2,200.00
Bill Pmt -Cheque	25/07/2013	ET-2080	Cossill & Webley	Invoices 14177, 14175, 14176, 14174, 14172, 14	-38,978.15
Bill Pmt -Cheque	25/07/2013	ET-2081	D Trewin	Solar rebate Lot 195	-2,000.00
Bill Pmt -Cheque	25/07/2013	ET-2082	Department of Transport	Registration for CEO vehicle for period August 2	-283.80
Bill Pmt -Cheque	25/07/2013	ET-2083	Emerge Associates	Invoices 10410, 10409	-7,700.00
Bill Pmt -Cheque	25/07/2013	ET-2084	LGIS Insurance Broking	Invoices 100-115422, 115175, 115179 & 062-17	-16,165.73
Bill Pmt -Cheque	25/07/2013	ET-2085	Macri Partners	Interim audit for TPRC for year endig 20/6/13	-4,950.00
Bill Pmt -Cheque	25/07/2013	ET-2086	Marketforce	Service fee on media - OMD invoice 16030	-101.52
Bill Pmt -Cheque	25/07/2013	ET-2087	Neverfail	Bottled water	-13.75
Bill Pmt -Cheque	25/07/2013	ET-2088	Quick Corporate	Assorted hospitality supplies	-456.94
Bill Pmt -Cheque	25/07/2013	ET-2089	R J Vincent & Co	Invoices 2133 & 2265	-59,726.98
Bill Pmt -Cheque	25/07/2013	ET-2090	R M Carpentry	Supply and install shelving to TPRC Office	-814.00
Bill Pmt -Cheque	25/07/2013	ET-2091	Reckon	Reckon Accounts Premier 2013 Annual Licence	-699.00
Bill Pmt -Cheque	25/07/2013	ET-2092	Robert Davis	Solar rebate Lot 138	-2,000.00
Bill Pmt -Cheque	25/07/2013	ET-2093	Satterley Property Group	Commission on lots 50,, 232, 121, 54, 237, 258,	-168,383.86

Tamala Park Regional Council

Summary Payment List

July 2013

Bill Pmt -Cheque	25/07/2013	ET-2094	Stantons International	Probity advisory services for June 2013	-339.35
Bill Pmt -Cheque	25/07/2013	ET-2095	Suhani Shah	Solar rebate lot 90	-2,000.00
Bill Pmt -Cheque	25/07/2013	ET-2096	Telstra	TA mobile equipment to 13/8/13 & charges to 13/i	-847.99
Bill Pmt -Cheque	25/07/2013	ET-2097	Urban Design Institute of Australia	WB attendance at 'Learn from the Leaders' Ever	-80.00
Bill Pmt -Cheque	25/07/2013	ET-2098	WALGA	Invoices I3029411, 3029414, 3030205, 3030204	-8,609.32
Bill Pmt -Cheque	25/07/2013	CH-200317	City of Wanneroo - Supplier	Stage 5 street light tariffs	-5,633.05
Bill Pmt -Cheque	25/07/2013	CH-200316	City of Wanneroo - Supplier	Stage 7 street light tariff	-5,078.98
Bill Pmt -Cheque	30/07/2013	Debit	City of Wanneroo - Supplier	GST owing June 2013	-29,355.93
Bill Pmt -Cheque	31/07/2013	Debit	City of Joondalup - Supplier	GST owing June 2013	-29,355.93
					-1,096,522.83

1 August 2013

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

Dear Tony

Catalina Financial Report for June 2013

Please find attached the Catalina Financial Report for June 2013. This report has been prepared on a cash basis and compares actual income and expenditure to the approved budget for the period 1 June to 30 June 2013. It also compares year to date actual income and expenditure to approved budget from 1 July 2012.

Settlement revenue for the financial year to 30 June 2013 is \$38m which is \$4.7m below the approved May 2012 Budget with 17 less residential settlements and 1 less special site settlement for the year. Project to date settlement revenue is \$43.2m, resulting in an unfavorable variance of \$1.5m as a result of 5 less residential settlements and 1 less special site settlement to 30 June 2013.

The end of June project to date revenue variance arises from 3 components:

- \$3.21 million favourable variance for revenue received ahead of budget in FY2012 with 20 settlements achieved to 30 June 2012 against a budget of 8; and
- \$3.5 million adverse variance for FY2013 revenue to budget due to the shortfall of 17 settled residential lots.
- \$1.2 million unfavourable variance for FY2013 revenue to budget due to Group Housing Site in Stage 1 yet to settle.

Selling costs for FY2013 is \$4.2m below the approved May 2012 budget with 18 less settlements. The majority of this variance is due to the application of item 4 of the GST margin scheme which has resulted in a \$3.0m favourable variance.

Sales for FY2013 is \$2.6m unfavourable to budget due to 3 less residential lots selling during the year, the lot mix of the sales, and 1 less special site.

Overall FY2013 expenditure is \$14.6m under budget per the approved May 2012 Budget, with \$22.7m spent compared to a budget of \$37.4m. The main areas of variance are summarised below:

- \$3.0m deferred landscaping from FY13 to FY14.
- \$2.1m deferred infrastructure costs from FY13 to FY14.
- \$1.6m reduction in earthworks costs for stages 1-7.
- \$1.0m reduction in lot production costs for stages 3 & 4.
- \$1.3m deferred lot production costs for stage 5 from FY13 to FY14
- \$1.0m deferred lot production costs for stage 7 from FY13 to FY14

- \$0.9m reduction in marketing expenditure.
- \$1.2m contingency not required to date.

Please refer to the attached Cashflow Analysis for a more detailed analysis of actual to budget variances.

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

Yours faithfully



Brenton Downing
Project Director

CATALINA - FINANCE REPORT

Item 9.4

1.0 Management Accounts - June 2013
1.1 KEY STATISTICS

	<u>Lots Produced (titles)</u>		<u>Sales</u>		<u>Settlements</u>		<u>Distributions</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
		May 2012		May 2012		May 2012		May 2012
Prior Years	24	35	48	58	20	8	-	-
Jul-2012	-	-	-	14	2	22	-	-
Aug-2012	-	38	30	24	-	5	-	-
Sep-2012	-	-	8	32	2	20	-	-
Sep-12 Qtr	-	38	38	70	4	47	-	-
Oct-2012	35	-	5	27	8	8	-	-
Nov-2012	14	43	26	15	19	6	-	-
Dec-2012	-	8	10	20	2	27	-	-
Dec-12 Qtr	49	51	41	62	29	41	-	-
Jan-2013	51	-	21	20	1	18	-	-
Feb-2013	-	47	1	13	31	9	-	-
Mar-2013	47	-	56	15	3	36	-	-
Mar-13 Qtr	98	47	78	48	35	63	-	-
Apr-2013	-	-	13	15	41	10	-	-
May-2013	49	65	-	15	22	1	-	-
Jun-2013	-	-	52	15	44	30	-	-
Jun-13 Qtr	49	65	65	45	107	41	-	-
Full 2012/13 Year	196	201	222	225	175	192	-	-
PTD	220	236	270	283	195	200	-	-
* The following numbers reflect the latest budget update								
2013/14		196		188		206		8,000,000
2014/15		193		222		234		14,000,000

- 44 lots settled in June 2013. The total settlements comprise of 1 lot from each of Stage 2 and 3; 3 lots from Stage 4; and 39 lots from stage 5.

1.2 Sales & Settlements

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
- Sales #	52	15	222	225	270	283
- Sales \$	10,693,500	3,233,719	46,760,000	48,234,074	58,749,000	61,442,218
- Sales \$/lot	205,644	215,581	210,631	214,374	217,589	217,110
- Settlements #	44	30	175	192	195	200
- Settlements \$	9,671,000	6,492,373	38,069,000	41,618,153	43,226,000	43,568,096
- Settlements \$/lot	219,795	216,412	217,537	216,761	221,672	217,840
- Spec. Site Sales #	-	-	-	1	-	1
- Spec. Site Sales \$	-	-	-	1,173,207	-	1,173,207
- Spec Site Sales \$/lot	-	-	-	1,173,207	-	1,173,207
- Spec. Site Stlmts #	-	-	-	1	-	1
- Spec. Site Stlmts \$	-	-	-	1,173,207	-	1,173,207
- Spec Site Stlmts \$/lot	-	-	-	1,173,207	-	1,173,207
- Unsettled sales #	75		{ Unconditional Conditional	6	{ Titled 220	
- Unsettled sales \$	15,523,000			69		
- Unsettled sales \$/lot	206,973					

CATALINA - FINANCE REPORT

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1.3 Cashflow - MTD Actuals to budget

	<u>MTD Act</u>	<u>MTD Bgt</u>	<u>Variance</u>
Revenue	9,671,000	6,492,373	3,178,627
Margin GST	(175,685)	(562,196)	386,511
Direct selling costs	(435,209)	(294,418)	(140,790)
Interest Income	4,889	-	4,889
Forfeited Deposits	9,091	-	9,091
Rebate Allowance	(18,081)	(116,591)	98,510
	<u>9,056,005</u>	<u>5,519,167</u>	<u>3,536,838</u>
<i>Development costs</i>			
Lot production	2,046,368	1,465,911	(580,457)
Landscaping	22,191	292,072	269,882
Consultants	83,180	37,027	(46,152)
Infrastructure	1,298,633	852,306	(446,327)
Sales office building	2,729	40,909	38,180
Sales & marketing	37,655	104,324	66,669
Administration	13,716	40,346	26,630
Finance	4,091	143,377	139,286
	<u>3,508,562</u>	<u>2,976,273</u>	<u>(532,289)</u>
Cashflow	<u>5,547,444</u>	<u>2,542,894</u>	<u>3,004,550</u>

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

1.4 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Variance</u>
Revenue	38,066,500	42,791,360	(4,724,860)
Margin GST	(670,787)	(3,709,861)	3,039,074
Direct selling costs	(1,457,302)	(1,938,224)	480,923
Interest Income	16,079	-	16,079
Forfeited Deposits	9,091	-	9,091
Rebate Allowance	(46,360)	(715,855)	669,495
	<u>35,917,222</u>	<u>36,427,420</u>	<u>(510,199)</u>
<i>Development costs</i>			
Lot production	17,920,112	23,833,807	5,913,695
Landscaping	1,465,294	4,511,490	3,046,197
Consultants	414,614	558,533	143,919
Infrastructure	2,006,247	4,104,947	2,098,700
Sales office building	41,169	708,153	666,984
Sales & marketing	309,527	1,251,819	942,292
Administration	303,207	571,709	268,503
Finance	270,064	1,839,300	1,569,236
	<u>22,730,233</u>	<u>37,379,758</u>	<u>14,649,525</u>
Cashflow	<u>13,186,989</u>	<u>(952,338)</u>	<u>14,139,326</u>

The YTD revenue variance comprises:

- \$4.7m unfavourable to budget on 17 less residential settlements and 1 less special site settlement than Full Year budget for FY 2013
- \$1.5m overall settlement shortfall on 5 less residential settlements and 1 less special site settlement project to date.

1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	-	585,613	589,904
	<u>-</u>	<u>585,613</u>	<u>589,904</u>

Bonds relate to Stage 3 & 5 early clearances

2.0 PROFIT & LOSS

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
- Revenue \$ (Stlmts)	9,671,000	6,492,373	3,178,627	38,069,000	41,618,153	(3,549,153)	43,226,000	43,568,096
- Revenue \$/lot	219,795	216,412		217,537	216,761		221,672	217,840
- Selling & GST \$	940,893	872,978	(67,916)	3,696,929	5,873,309	2,176,380	4,618,140	6,087,254
- Selling & GST \$/lot	21,384	29,099		21,125	30,590		23,683	30,436
- Cost of sales \$	4,743,363	3,667,372	(1,075,991)	19,883,605	22,784,779	2,901,174	22,784,346	23,976,458
- Cost of sales \$/lot	107,804	122,246		113,621	118,671		116,843	119,882
- Gross profit \$	3,986,744	1,952,023	2,034,721	14,488,467	12,960,065	1,528,402	15,823,514	13,504,384
- Gross profit \$/lot	90,608	65,067		82,791	67,500		81,146	67,522
- Gross profit Mgn %	41.22%	30.07%		38.06%	31.14%		36.61%	31.00%
- Special Sites \$	-	-	-	-	928,790	(928,790)	-	928,790
- Other income \$	13,980	-	13,980	25,170	-	25,170	25,170	-
- Sales & Marketing	20,636	104,329	83,693	285,116	1,251,877	966,761	517,558	1,669,528
- Administration \$	34,694	20,451	(14,243)	398,152	383,017	(15,135)	518,387	579,403
- Finance \$	-	-	-	-	-	-	-	-
- Contingency \$	4,091	143,377	139,286	4,091	1,789,295	1,785,204	4,091	1,789,295
- Net profit \$	3,941,303	1,683,866	2,257,437	13,826,277	10,464,666	3,361,611	14,808,647	10,394,948
- Net profit \$/lot	89,575	56,129		79,007	54,503		75,942	51,975

FY13 net profit has exceeded budget by \$3.4m.

Gross profit is \$1.5m favourable to budget. FY13 settlements were 17 lots below budget resulting in gross residential revenues being \$3.5m unfavourable. Utilisation of item 4 of the margin scheme has largely offset this with a \$2.9m favourable variance.

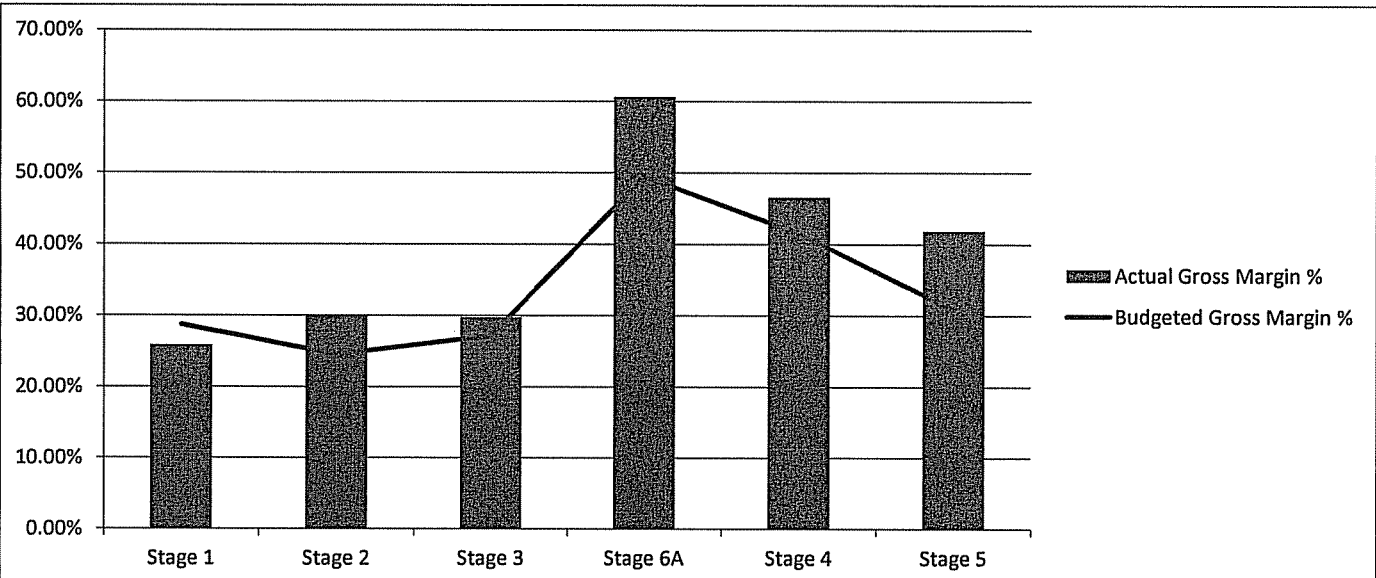
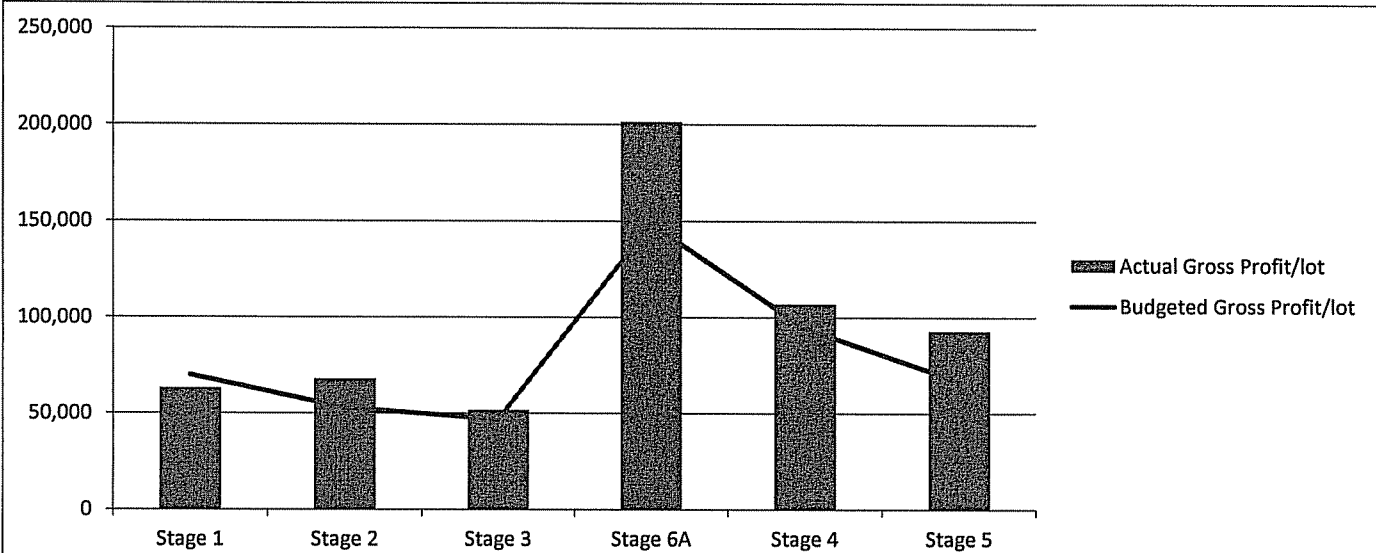
2.1 GROSS PROFIT ANALYSIS

Actual

Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (Incl. GST)		Actual Gross Profit		Actual Gross Profit/lot		Actual Gross Margin %
					Direct Costs/lot					
Stage 1	17-Oct-12	8,558,000	244,514	6,347,237	181,350	2,210,763		63,165		25.83%
Stage 2	7-Nov-12	7,241,500	226,297	5,066,373	158,324	2,175,127		67,973		30.04%
Stage 3	14-Jan-13	7,465,000	173,605	5,240,653	121,876	2,224,347		51,729		29.80%
Stage 6A	18-Jan-13	2,325,000	332,143	915,043	130,720	1,409,957		201,422		60.64%
Stage 4	20-Mar-13	8,968,000	229,949	4,792,399	122,882	4,175,601		107,067		46.56%
Stage 5	20-May-13	8,668,500	222,269	5,040,780	129,251	3,627,720		93,018		41.85%
		<u>43,226,000</u>		<u>27,402,486</u>		<u>15,823,514</u>				

Budget

Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (Incl. GST)		Budgeted Gross Profit		Budgeted Gross Profit/lot		Budgeted Gross Margin %
					Direct Costs/lot					
Stage 1		8,531,000	243,743	6,078,886	173,682	2,452,114		70,060		28.74%
Stage 2		8,223,999	216,421	6,207,822	163,364	2,016,177		53,057		24.52%
Stage 3		7,417,500	172,500	5,401,771	125,623	2,015,729		46,877		27.18%
Stage 6A		2,405,291	300,661	1,215,699	151,962	1,189,592		148,699		49.46%
Stage 4		10,714,354	227,965	6,272,125	133,449	4,442,229		94,516		41.46%
Stage 5		14,066,809	216,412	9,729,954	149,692	4,336,855		66,721		30.83%
		<u>51,358,953</u>		<u>34,906,257</u>		<u>16,452,696</u>				



Catalina Actual vs Budget Analysis

Tamala Park feasibility cashflow FY 2013					
Job Description	Account Description	Actual MTD Vs Budget Jun 2013			Year to date Vs Budget to Jun 2013
		Actual 1 month to Jun 2013	Budget 1 month to Jun 2013	Variance	
REVENUE	Settlement revenue	9,671,000	6,492,373	3,178,627	
Margin GST		(175,685)	(562,196)	(386,511)	
Direct Selling Costs		(435,209)	(294,418)	140,790	
Interest Income		4,889	0	4,889	
Forfeited Deposits		9,091	0	9,091	
Rebate Allowance		(18,081)	(116,591)	(98,510)	
		9,056,005	5,519,167	2,848,376	
CONSTRUCTION					
Earthworks	Siteworks / Earthworks	684,454	0	(684,454)	
	Authorities Fees	0	0	0	
	Direct Consultants	36,819	88,189	51,370	
Total Earthworks		721,273	88,189	(633,084)	
Stage 1	Siteworks / Earthworks	629,166	0	(629,166)	
	Authorities Fees	0	0	0	
	Direct Consultants	0	0	0	
Total Stage 1		629,166	0	(629,166)	
Stage 2	Siteworks / Earthworks	0	0	0	
	Authorities Fees	0	0	0	
	Direct Consultants	0	0	0	
Total Stage 2		0	0	0	
Stage 3	Siteworks / Earthworks	331	0	(331)	
	Authorities Fees	0	0	0	
	Direct Consultants	0	0	0	
	Clearance Bond	(266,283)	0	266,283	
Total Stage 3		(265,952)	0	265,952	
Stage 4	Siteworks / Earthworks	16,425	0	(16,425)	
	Authorities Fees	0	0	0	
	Direct Consultants	35,377	0	(35,377)	
	Clearance Bond	(404,267)	0	404,267	
Total Stage 4		(352,465)	0	352,465	
Stage 5	Siteworks / Earthworks	495,861	674,313	178,451	
	Authorities Fees	0	49,018	49,018	
	Direct Consultants	27,109	0	(27,109)	
	Clearance Bond	0	0	0	
Total Stage 5		522,970	723,331	200,361	
Stage 6	Siteworks / Earthworks	2,080	0	(2,080)	
	Authorities Fees	0	0	0	
	Direct Consultants	(26,656)	0	26,656	
Total Stage 6		(24,576)	0	24,576	
Stage 7	Siteworks / Earthworks	355,187	528,445	173,258	
	Authorities Fees	364,448	42,136	(322,311)	
	Direct Consultants	18,406	0	(18,406)	
Total Stage 7		738,041	570,581	(167,459)	
Stage 8	Siteworks / Earthworks	72,680	0	(72,680)	
	Authorities Fees	0	0	0	
	Direct Consultants	2,337	42,417	40,080	
Total Stage 8		75,017	42,417	(32,600)	
Stage 9	Siteworks / Earthworks	0	0	0	
	Authorities Fees	0	0	0	
	Direct Consultants	0	41,393	41,393	
Total Stage 9		0	41,393	41,393	

YTD to Jun 2013	YTD budget	Variance	Comments regarding variance
38,066,500	42,791,360	(4,724,860)	175 settlements YTD ex GST Margin scheme.
(670,787)	(3,709,861)	(3,039,074)	GST Margin as detailed in valuations from Burgess Rawson
(1,457,302)	(1,938,224)	(480,923)	Includes Commission and Management Fees
16,079	0	16,079	Penalty interest income on settlements
9,091	0	9,091	
(46,360)	(715,855)	(669,495)	Construction Recycling Rebate & Fencing Rebate
35,917,222	36,427,420	(8,899,182)	
3,583,426	4,828,483	1,245,058	
0	0	0	
162,590	575,282	412,692	
3,746,015	5,403,765	1,657,750	
1,650,391	718,239	(932,152)	Timing variance, within total budget
0	10,953	10,953	
45,938	46,010	72	
1,696,329	775,202	(921,127)	
1,991,466	1,923,557	(67,909)	
232,107	354,493	122,386	
48,951	104,370	55,419	
2,272,524	2,382,420	109,896	
1,982,340	2,692,352	710,012	
253,929	409,733	155,804	
82,349	77,876	(4,473)	
25,091	0	(25,091)	
2,343,709	3,179,961	836,252	
2,086,827	2,870,872	784,045	
283,426	450,428	167,002	
159,576	181,217	21,641	
(0)	0	0	
2,529,829	3,502,517	972,688	
2,111,505	4,020,736	1,909,231	
386,961	641,401	254,440	
346,311	413,304	66,993	
564,813	0	(564,813)	
3,409,590	5,075,441	1,665,851	
297,371	520,116	222,745	
49,757	84,323	34,566	
25,020	16,993	(8,027)	
372,148	621,432	249,284	
654,137	2,105,887	1,451,749	
364,448	167,916	(196,532)	
274,999	367,549	92,550	
1,293,584	2,641,352	1,347,768	
72,680	0	(72,680)	
0	0	0	
146,081	169,034	22,953	
218,761	169,034	(49,727)	
0	0	0	
0	0	0	
0	82,684	82,684	
0	82,684	82,684	

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Catalina Actual vs Budget Analysis

Tamala Park feasibility cashflow FY 2013		Actual MTD Vs Budget Jun 2013			Year to date Vs Budget to Jun 2013			Comments regarding variance
Job Description	Account Description	Actual 1 month to Jun 2013	Budget 1 month to Jun 2013	Variance	YTD to Jun 2013	YTD budget	Variance	
Stage 11	Siteworks / Earthworks	0	0	0	0	0	0	
Stage 11	Authorities Fees	0	0	0	0	0	0	
Stage 11	Direct Consultants	2,894	0	(2,894)	37,623	0	(37,623)	
Total Stage 11		2,894	0	(2,894)	37,623	0	(37,623)	
Total Land Production		2,046,368	1,465,911	(580,457)	17,920,112	23,833,807	5,913,695	Within budget
Stage 7 Landscaping	Landscape Construction	0	0	0	0	0	0	
Stage 7 Landscaping Consultancy	Landscape Consulting	0	0	0	0	42,741	42,741	
Stage 8 Landscaping	Landscape Consulting	0	0	0	0	0	0	
Stage 8 Landscaping Consultancy	Landscape Consulting	3,000	0	(3,000)	3,000	41,112	38,112	
Stage 10 POS (10.1)	Landscape Consulting	3,000	0	(3,000)	3,000	0	(3,000)	Within total Landscaping budget
Preliminary Landscaping Consultancy	Landscape Consulting	0	0	0	0	0	0	
Preliminary Landscaping Consultancy	Landscape Consulting	0	0	0	30,950	48,017	17,067	
Northern Biodiversity Conservation Area	Landscape Construction	0	0	0	49,695	522,279	472,584	
	Landscape Consulting	0	0	0	24,343	24,343	0	
Neerabup Road Verge Treatment - West	Landscape Construction	666	0	(666)	726,575	870,377	143,802	
	Landscape Consulting	0	0	0	3,042	20,783	17,741	
Streescapes Stg 2 Consultancy	Landscape Consulting	0	0	0	0	386,004	386,004	
	Landscape Consulting	0	0	0	0	0	0	
Neerabup Road Verge Treatment - East	Landscape Construction	0	0	0	0	321,194	321,194	
	Landscape Consulting	0	0	0	13,355	22,372	9,017	
Neerabup Entry Statement	Landscape Construction	0	0	0	85,532	256,556	171,024	
	Landscape Consulting	0	0	0	0	17,981	17,981	
Public Open Space 1	Landscape Construction	0	0	0	369,509	377,566	8,057	
	Landscape Consulting	0	0	0	43,715	0	(43,715)	Within total Landscaping budget
Public Open Space 2	Landscape Construction	0	0	0	0	186,411	186,411	
	Landscape Consulting	0	0	0	1,700	13,000	13,000	
Sales Centre Landscaping	Landscape Construction	0	0	0	0	2,127	2,127	
	Landscape Consulting	0	0	0	0	18,944	18,944	Within total Landscaping budget
Streetscape To Stage 1	Landscape Construction	0	1,598	1,598	0	0	0	
	Landscape Consulting	0	0	0	0	0	0	
Tamala Park Greenway Part 1	Landscape Construction	0	186,222	186,222	44,715	742,107	697,392	
	Landscape Consulting	10,000	0	(10,000)	55,300	76,858	21,558	
Irrigation System	Landscape Construction	2,025	0	(2,025)	10,800	94,938	84,138	
	Landscape Consulting	500	0	(500)	4,050	0	(4,050)	Within total Landscaping budget
Public Art	Landscape Construction	0	0	0	0	50,250	50,250	
	Landscape Consulting	0	0	0	0	3,759	3,759	
Streetscape To Stage 3	Landscape Consulting	0	0	0	0	5,487	5,487	
	Landscape Consulting	0	0	0	0	78,784	78,784	
Streetscape To Stage 4	Landscape Construction	0	0	0	0	54,308	54,308	
	Landscape Consulting	0	0	0	0	3,759	3,759	
Aviator Blvd Greenlink (5.2)	Landscape Consulting	0	6,240	6,240	0	6,240	0	
Neerabup Road Verge Treatment Stg4	Landscape Consulting	1,000	0	(1,000)	7,500	10,717	3,217	
Neerabup Road Verge Treatment Stg5	Landscape Consulting	2,000	0	(2,000)	10,000	0	(10,000)	Within total Landscaping budget
Public Open Space Stage 6	Landscape Consulting	0	59,659	59,659	0	59,659	0	
	Landscape Consulting	0	0	0	2,855	33,639	30,784	
Sales Centre Landscaping Stg 2	Landscape Consulting	0	38,352	38,352	0	114,771	114,771	
	Landscape Consulting	0	0	0	0	4,408	4,408	
Total Landscaping		22,191	292,072	269,882	1,465,294	4,511,490	3,046,197	Within budget
CONSTRUCTION continued								
Planning - indirect	Planning Architect	81,426	18,090	(63,336)	363,933	350,999	(12,934)	Within Total Indirect Consultants Budget
		0	0	0	0	0	0	

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Catalina Actual vs Budget Analysis

Tamaala Park feasibility cashflow FY 2013								
Job Description Page 9 of 12	Account Description	Actual MTD Vs Budget Jun 2013			Year to date Vs Budget to Jun 2013		Comments regarding variance	
		Actual 1 month to Jun 2013	Budget 1 month to Jun 2013	Variance	YTD to Jun 2013	YTD budget		Variance
	Environmental	0	12,953	12,953	28,539	105,196	76,658	
	Geotechnical	0	2,878	2,878	0	16,377	16,377	
	Title - Survey & Legal fees	1,270	1,667	397	4,965	20,000	15,035	
	Engineering fees	0	0	0	0	0	0	
	Traffic planning	0	1,439	1,439	705	15,688	14,983	
	Planning - Hydrology	484	0	(484)	16,472	25,031	8,559	
	Planning - Sustainability	0	0	0	0	25,242	25,242	
	Total Indirect Consultants	83,180	37,027	(46,152)	414,614	558,533	143,919	Within budget
	Cell C4 West Pedestrian Underpasses	0	0	0	0	376,173	376,173	
	Marmion Avenue Green Link Intersection	0	0	0	1,450	0	(1,450)	Timing variance, within total budget
	Marmion Avenue Green Link Intersection Engineering	0	0	0	0	0	0	
	Marmion Avenue South Drive Intersection	0	0	0	0	0	0	
	Marmion Avenue South Drive Intersection Engineering	0	0	0	55,355	930,902	875,547	
	Neerabup Road Key Largo Intersection	676,575	0	(676,575)	832,020	22,732	(809,288)	
	Neerabup Road Key Largo Intersection Engineering	0	0	0	0	0	0	
	EPBC Offset - foraging	490,000	0	(490,000)	0	510,090	20,090	
	EPBC Offset - foraging	0	0	0	0	0	0	
	Gravity Sewer	0	306,819	306,819	19,490	612,874	593,384	
	Gravity Sewer Engineering	0	19,943	19,943	79,574	79,475	(99)	
	Marmion relocation services	132,058	493,468	361,410	528,358	1,476,715	948,357	
	Marmion relocation services	0	32,075	32,075	0	95,986	95,986	
	Total Infrastructure	1,298,633	852,306	(446,327)	2,006,247	4,104,947	2,098,700	Within budget
	Sales Office Building	1,227	40,909	39,682	35,855	464,833	428,978	
	GHS R60 Stage 7	1,502	0	(1,502)	1,502	243,320	241,818	
	GHS R60 Stage 4	0	0	0	3,812	0	(3,812)	Timing variance, within total budget
	Total Fixed Assets	2,729	40,909	38,180	41,169	708,153	666,984	Within budget
	Total Construction	3,453,100	2,688,226	(764,874)	21,847,436	33,716,930	11,869,495	Within budget
	PROFIT & LOSS EXPENDITURE							
	Sales & Marketing							
	Brand Development	(232)	4,500	4,732	43,106	54,000	10,894	
	Sales Office & Builder Rel.	0	13,333	13,333	76,888	160,000	83,113	
	Brochures	22,955	5,583	(17,371)	41,340	67,000	25,661	
	Advertising	11,559	19,658	8,099	98,096	235,900	137,804	
	Signage	0	33,333	33,333	31,963	400,000	368,037	
	Website	0	5,000	5,000	1,800	60,000	58,200	
	Promotions	0	12,500	12,500	12,500	150,000	137,500	
	Public Relations	0	3,333	3,333	0	40,000	40,000	
	Comm Dev - Resident Dev	3,374	7,082	3,709	3,835	84,917	81,083	
	Total Sales and Marketing	37,655	104,324	66,669	309,527	1,251,819	942,292	Within budget
	Administration							
	Audit and Tax	0	0	0	91,756	0	(91,756)	Within total Administration budget
	Cleaning	0	511	511	0	6,062	6,062	
	Computer Costs	0	511	511	0	6,062	6,062	
	Couriers	0	511	511	889	6,062	5,173	
	Electricity & Gas	1,535	511	(1,024)	2,687	6,062	3,374	
	Insurance	0	511	511	0	6,062	6,062	
	Legal fees	1,414	852	(562)	40,387	30,100	(10,287)	Within total Administration budget
	Licenses & Fees	0	511	511	100	6,062	5,962	
	Postage, Print & Stationery	98	511	414	790	6,062	5,272	
	Rent - Temp Sales Office	1,000	1,534	534	9,000	18,186	9,186	
	Rent - Carpark lots	0	19,892	19,892	15,794	168,700	152,906	
	Sundry Office Expenses	0	2,045	2,045	0	24,249	24,249	
	Telephone	0	511	511	0	6,062	6,062	
	Travel & Accommodation	0	0	0	0	0	0	
	Valuations	2,482	0	(2,482)	13,364	20,075	6,711	

Catalina Actual vs Budget Analysis

Tamala Park feasibility cashflow FY 2013		Actual MTD Vs Budget Jun 2013			Year to date Vs Budget to Jun 2013			Comments regarding variance
Job Description	Account Description	Actual 1 month to Jun 2013	Budget 1 month to Jun 2013	Variance	YTD to Jun 2013	YTD budget	Variance	
Page 10 Total Administration	Rates & Taxes	2,018	0	(2,018)	103,384	120,451	17,067	
	Maintenance	5,169	6,818	1,649	9,136	80,830	71,694	
	Security	0	5,114	5,114	15,920	60,623	44,703	
		13,716	40,346	26,630	303,207	571,709	268,503	Within budget
Finance	Interest - Comm Bills	0	0	0	0	50,000	50,000	
	Creditors	0	0	0	265,973	622,541	356,568	
	Contingency	4,091	143,377	139,286	4,091	1,166,759	1,162,668	
Total Finance		4,091	143,377	139,286	270,064	1,839,300	1,569,236	
Total P&E Expenditure		55,462	288,047	232,585	882,797	3,662,828	2,780,030	Within budget
Grand Expense Total		3,508,562	2,976,273	(532,289)	22,730,233	37,379,758	14,649,525	Within budget

Item 9.4

Catalina

Finished Lots & Cost of Lots Sold calculations to 30 June 13

Title date:	17-Oct-12	7-Nov-12	14-Jan-13	18-Jan-13	20-Mar-13	20-May-13	TOTAL
	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Stage 6A</u>	<u>Stage 4</u>	<u>Stage 5</u>	
<u>Direct costs</u>							
Civil Contruction	3,360,854	3,402,538	2,762,121	402,383	2,729,832	2,699,838	
Sewer headwks	201,112	215,092	228,091	47,151	258,492	262,738	
Local authority fees	46,680	165,796	65,034	20,047	72,017	88,595	
Local authority scheme costs	94,499	102,782	116,608	22,771	127,854	138,734	
Survey & legal fees	57,728	38,096	44,076	8,039	67,161	48,036	
Engineering fees	214,866	211,164	161,999	66,069	165,461	258,846	
	3,975,739	4,135,468	3,377,929	566,460	3,420,817	3,496,787	
Exws Stg 1-4,6 (12,091/lot)	423,192	459,466	519,922	96,730	568,287		
Exws Stg 5 & 7 (20,887/lot)						1,023,440	
<u>Indirect Costs</u>							
Land	-	-	-	-	-	-	
Infrastructure	282,435	272,271	245,570	79,632	354,719	312,542	
Landscape	355,008	342,232	308,671	100,093	445,866	440,400	
TOTAL COST	5,036,374	5,209,437	4,452,092	842,915	4,789,689	5,273,168	
Lots	35	38	43	8	47	49	
COST PER LOT	143,896	137,090	103,537	105,364	101,908	107,616	
Lots settled	35	32	43	7	39	39	195
COST OF LOTS SETTLED	5,036,374	4,386,894	4,452,092	737,551	3,974,423	4,197,012	22,784,346
<u>Other cash expenditure</u>							
Direct Selling & Proj Mgt Costs							4,618,140
Marketing costs							517,558
Administration							518,387
Finance							0
TOTAL COSTS							28,438,432
PERIODIC ANALYSIS	Month	YTD	PTD	PriorYr Jun-12			
Lots settled	44	175	195	20			
Cost of lots settled	4,743,363	19,883,605	22,784,346	2,900,742			
Direct selling costs	940,893	3,696,929	4,618,140	921,211			
Marketing costs	20,636	285,116	517,558	232,442			
Administration	34,694	398,152	518,387	120,235			
Finance	0	0	-				
Contingency	4,091	4,091	4,091				
TOTAL COSTS	5,739,586	24,263,802	28,438,432	4,174,630			

Catalina COGS Calc

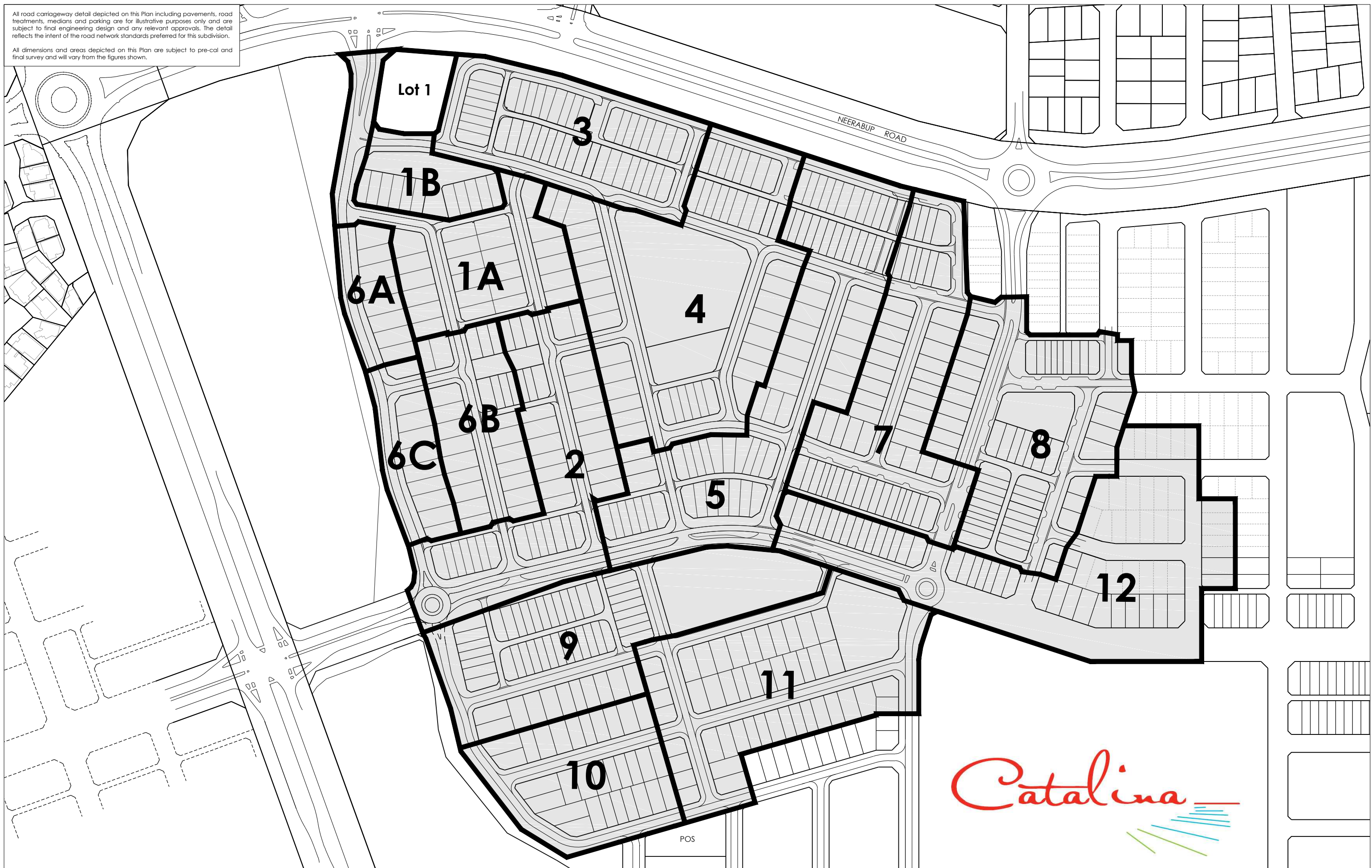
30-Jun-13

Page

Job	Titled Date	Direct Cost	Indirect Cost	COGS Total	Lot #	Titled	Untitled	COGS/Lot	Settled Lots	PTD COGS	Finished Goods	FG/Lot
140-01-001	17/10/2012	4,398,931.85	637,442.76	5,036,374.61	35	35	-	143,896	35	5,036,374.61	-	-
140-01-002	7/11/2012	4,594,933.80	614,503.50	5,209,437.30	38	38	-	137,090	32	4,386,894.57	822,542.73	137,090
140-01-003	14/01/2013	3,897,851.21	554,241.20	4,452,092.41	43	43	-	103,537	43	4,452,092.41	-	-
140-01-004	20/03/2013	3,989,104.11	800,584.62	4,789,688.73	47	47	-	101,908	39	3,974,422.56	815,266.17	101,908
140-01-005	20/05/2013	4,520,226.85	752,941.52	5,273,168.37	63	49	14	107,616	39	4,197,011.56	1,076,156.81	107,616
140-01-06A	18/01/2013	663,189.91	179,725.17	842,915.08	8	8	-	105,364	7	737,550.70	105,364.39	105,364
		22,064,237.73	3,539,438.77	25,603,676.50	234	220	14.00	699,412	195	22,784,346.40	2,819,330.09	451,979

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

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



31 July 2013

Mr Tony Arias
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6018

Dear Tony

CATALINA - REVIEW OF PURCHASER TERMS AND CONDITIONS

SPG have reviewed the terms and conditions currently being implemented for the sale of lots at Catalina.

The Council of the TPRC adopted the recommended terms and conditions prepared by SPG in May 2011. Since this time a total of 290 lots have been sold across stages 1, 1B, 2, 3, 4, 5, 6A and 7.

DEPOSIT, FINANCE APPROVALS AND SETTLEMENT

The terms and conditions for lots sold via public release and through builder release are:

- Deposit - \$5,000
- Period for finance approval - 28 days
- Period for finance extensions - 28 days
- Number of finance extensions - 2, with the second considered on merit
- Settlement - within 28 days of issue of titles

The current terms and conditions have operated well. The \$5,000 deposit has resulted in a higher level of commitment from purchasers compared to the standard \$2,000 deposit. Given the high level of demand for lots at Catalina the higher deposit has not hindered strong sales.

The 28 day finance approval period has proven tight for many purchasers, as house plans are required prior to finance being approved. It is noted however that the tight time period does generally provide a quicker finance approval and purchasers have the option to apply for finance extensions where required.

The 28 day settlement period is achievable and is considered more than sufficient time for purchasers to settle. We have discussed the settlement period with TPRC's settlement agent, Supreme Settlements, who have advised that 21 days is sufficient time for both the Vendor and the Purchaser to settle on the sale. The main benefit of reducing the settlement period by seven days is to assist TPRC's cashflow, which also results in additional interest in the order of \$29,000 per annum based on a 4% return per annum and projected Gross Income of \$38,000,000 for FYE2014.

Based on the above SPG recommend that the current terms and conditions for lots sold by public release are continued with the exception that the settlement date should be amended to 21 days from finance approval or issue of titles, whichever is the later.

SALES INCENTIVES

Public Releases

The following sales incentives are available to purchasers of lots sold directly by the TPRC who build a single storey house within 18 months or a double storey house within 24 months:

- Colourbond side (behind the front building line) and rear fencing to all lots, with brushwood fencing to the side boundary of lots abutting a road;
- Water wise landscaping to front garden and verge areas, including the side boundary of lots abutting a road;
- \$2,000 rebate to all purchasers who install a 1.5 kw solar PV system.

The sales incentives have been well received by purchasers, encourage the early construction of homes, encourage sustainability and ensure a high quality of streetscape through landscaping and fencing. SPG recommend that the above mentioned incentives remain unchanged.

Public Release – Shared Bore Rebate Trial

At the June 2012 Council meeting the Tamala Park Regional Council agreed to undertake a trial project for the installation of shared bores within the stage 4 public release of the Catalina estate. The shared bores were to be included as part of the front landscaping package for lots in these stages. The Council has since extended the shared bore trial to include public release stages 5, 7, 8 and 9.

To date public release stages 4, 5 and 7 have been sold to purchasers with the shared bore scheme in place. Arrangements are now being made to construct the bores in stages 4 and 5 in September 2013.

In the strong residential market experienced over the past 6 months buyers have had little regard to or concern for the shared bore arrangements. Recently however we have received many queries and concerns from purchasers, particularly in regard to their ability to recover costs from their neighbours for the operation and the ongoing maintenance of the bore. There are also a number of installation issues which we will need to manage closely with purchasers while they are building their homes.

While the above issues can be managed there may be other issues which arise during the installation and initial use of the bores. SPG believe it is prudent for the Council to review the operation of the shared bore trial following installation and a 6 month operations period, prior to deciding whether to

proceed with the shared bore scheme within future stages. On this basis SPG recommend that the shared bore trial is not continued in stages 8 and 9. It is expected the trial operations period would commence in July 2014 and conclude in December 2014. At the commencement of this 6 month period we expect there will be approximately 10 homes completed and connected to shared bores, which will provide a sufficient number of homes to assess the results of the trial.

Due to the lead time to evaluate the shared bore trial, SPG recommend the Council await the results of the shared bore trial in stage 4 before deciding whether to implement the shared bore scheme in ongoing stages.

Builder Releases

A high proportion of lots to be released in FYE2014 are medium density rear loaded lots, and are intended to be sold via builders under put options as house and land packages. The incentives offered to purchasers of these lots are:

- \$2,000 rebate to all purchasers who install a 1.5kw PV system;
- Landscaping to the verge outside the property boundary where an unpaved area exists.

SPG recommend that TPRC continue with the above incentives.

Additionally SPG notes that while most house and land packages sold by builders include landscaping, there is a risk some builders may not provide landscaping, leaving a lower quality streetscape compared to our public releases.

SPG recommend that a \$2,000 rebate per lot is provided to builders where a lot is sold via a put option or where a builder settles on a lot which has not been on-sold via put option. The purpose of this rebate is to incentivise a high quality landscaped streetscape. It is considered that the incentive be provided directly to building companies on completion of the fencing and landscaping of the relevant houses. The recommendation remains within the overall project budget.

Should you wish to discuss further please contact the undersigned.

Yours sincerely



BRENTON DOWNING
PROJECT DIRECTOR



ANNUAL BUDGET

2013-14

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Chairman's Introduction

It gives me great pleasure to present the 2013-14 TPRC Annual Budget, which will see the consolidation of works for the subdivision and sale of lots of the Tamala Park project, which is being marketed as 'Catalina'.

Highlights of the Works program include:

- Commencement of Civil construction stages 6C, 8, 9, 10 & 11 (178 lots);
- Commencement of Bulk Earthworks for Stages 9, 10, 11, 12 & 13;
- Marmion Avenue/Aviator Boulevard intersection;
- Stage 5 sewer extension;
- Stage 4 open space area;
- Aviator Boulevard (Greenlink) entry statement;
- Neerabup Road verge;
- Completion of builders display village and land sales office;
- Continuation of Catalina branding;
- 188 sales; and
- 206 settlements.

It is anticipated that the Local Government Participants will receive a return of capital in 2013-14 amounting to \$10,400,000.

The 2013-14 Budget compiled by the Tamala Park Regional Council progresses the development, subdivision and sales of land for the Catalina project which is expected to be completed in 2026.

This significant works program will ensure that each member council will continue to receive a return of capital into the future.

**Cr Giovanni Italiano JP
Chairman**

Chief Executive Officer's Summary

The TPRC Budget 2013-14 sets out the programs, projects and allocation of resources required to perform the Municipal obligations and functions required by the Local Government Act and associated legislation.

The TPRC Budget 2013-14 continues the civil works and marketing undertaken to date in order to consolidate the Catalina project. The TPRC 2013-14 includes a comprehensive marketing program to achieve 188 sales and 206 settlements. The proposed expenditure is detailed in the Budget and accompanying notes.

The major development costs are shown below;

- Land & Special Sites Development	992,353
- Consultants	804,192
- Landscape	4,660,312
- Infrastructure	4,975,251
- Lot Production	22,272,452
- Administration	869,035
- Marketing	536,379
- Community Development	140,000
- Contingency	1,672,926
- Finance	716,206
	<u>37,639,106</u>

The TPRC Budget 2013-14 reflects a conservative approach to sale rates and development costs and is within industry practice. It predicts that the TPRC can meet all cashflow obligations from investment income and existing cash funds.

The TPRC Budget 2013-14 has been developed so that it is financially responsible and reflects current economic conditions.

Tony Arias
Chief Executive Officer

Budget Processes

This section lists the budget processes undertaken in order to adopt the Annual Budget in accordance with the Local Government Act 1995 and its Regulations.

The preparation of the budget begins with the Chief Executive Officer preparing the operating and capital components of the annual budget . A draft consolidated budget is then prepared and various iterations are considered by Council. An annual budget is prepared in accordance with the Act and submitted to Council for approval.

The budget is required to be adopted by 31 August in each year. The key dates for the budget process are summarised below:

Budget process

Timing

- | | |
|--|--------|
| 1. Officers prepare operating and capital estimates for inclusion in the budget. | Jun-13 |
| 2. Audit Committee considers draft budget | Aug-13 |
| 3. Proposed budget to Council for approval | Aug-13 |
| 4. Copy of adopted budget submitted to the Department | Aug-13 |

1. Budget Influences

This section sets out the key budget influences arising from the internal and external environment within which the Council operates.

1.1 External influences

In preparing the 2013/14 Annual Budget, a number of external influences have been taken into consideration, because they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- Consumer Price Index (CPI) increases on goods and services of 3.25% per annum .
- Prevailing economic conditions .
- Demand for residential lots .

1.2 Internal influences

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2013/14 Annual Budget. These matters have arisen from events occurring in the 2012/13 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2013/14 year. These matters and their financial impact are set out below:

- Budget surplus for the 2012/13 financial year ended 30 June 2013
- Internal financing of land subdivision and development.

1.3 Budget principles

In response to these influences, budget principles were developed upon which the officers were to prepare their budgets. The principles included:

- CPI or market levels
- New revenue sources resulting from the sale of lots
- Salaries and wages to be increased in line with Average Weekly Earnings

1.4 Legislative requirements

Under the Local Government Act 1995 ("the Act"), Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include a range of information required by the Local Government (Financial Management) Regulations 1996 ("the Regulations") which support the Act.

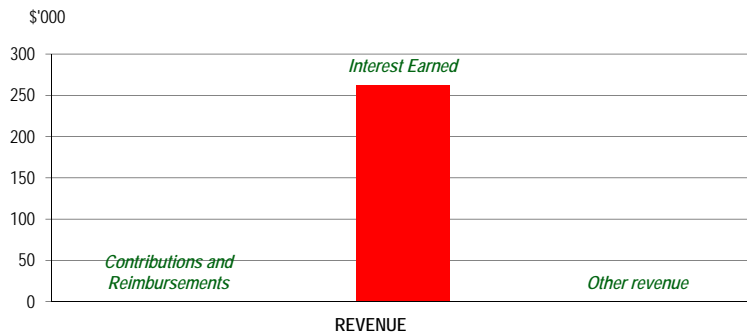
The 2013/14 Annual Budget, which is included in this report, is for the year 1 July 2013 to 30 June 2014 and is prepared in accordance with the Act and Regulations. The budget includes statutory statements being a budget comprehensive income, budget statement of financial activity, budget statement of cash flows, budget rate setting statement and notes forming part of the annual budget. These statements have been prepared for the year ended 30 June 2014 in accordance with Accounting Standards and other mandatory professional reporting requirements and in accordance with the Act and Regulations. It also includes detailed information about the capital works program to be undertaken and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

2. Analysis of Operating Budget

This section analyses the expected revenues and expenses of the Council for the 2013/14 year.

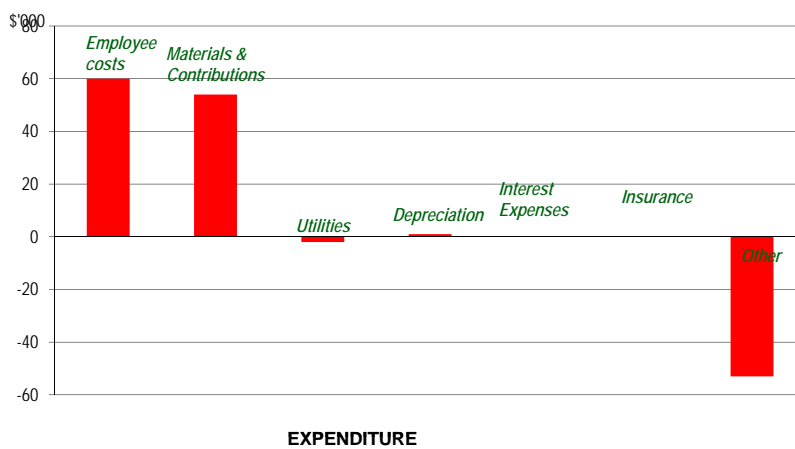
2.1 Operating revenue

Revenue Types	Budget 2012/13 \$'000	Budget 2013/14 \$'000	Variance \$'000
Contributions and Reimbursements	2	2	0
Interest Earned	449	711	262
Other revenue	0	0	0
Total operating revenue	451	713	262
Net gain on sale of assets	0	0	0



2.2 Operating expenditure

Expenditure Types	Budget 2012/13 \$'000	Budget 2013/14 \$'000	Variance \$'000
Employee Costs	620	680	60
Materials and Contracts	294	348	54
Utilities	12	10	-2
Depreciation	19	20	1
Interest Expenses	0	0	0
Insurance	12	12	0
Other expenses	214	161	-53
Total operating expenditure	1,171	1,231	60



3. Analysis of Budgeted Cash Position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2012/13 year. Budgeting cash flows for Council is a key factor in providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment
- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

3.1 Budgeted cash flow statement

	Budget 2012/13 \$'000	Budget 2013/14 \$'000	Variance \$'000
Cash flows from operating activities			
<i>Receipts</i>			
Contributions and Reimbursements	2	2	0
Interest Earned	469	711	242
Goods and Services Tax	4,290	50	-4,240
Other revenue	42,788	108	-42,680
	47,549	871	-46,678
<i>Payments</i>			
Employee Costs	-621	-640	-19
Materials and Contracts	-7,740	-463	7,277
Utilities	-12	-10	2
Insurance	-11	-12	-1
Goods and Services Tax	-4,290	-50	4,240
Other expenses	-214	-161	53
	-12,888	-1,336	11,552
Net cash provided by operating activities	34,661	-465	-35,126
Cash flows from investing activities			
Receipts from sale of land		46,274	46,274
Payments for development of land, plant and equipment	-36,796	-45,806	-9,010
Net cash provided by investing activities	-36,796	468	37,264
Cash flows from financing activities			
Contributions to be returned	-90	-10,400	-10,310
Net cash used in financing activities	-90	-10,400	-10,310
Net decrease in cash and cash equivalents	-2,225	-10,397	-8,172
Cash and cash equivalents at the beg of the year	13,712	25,986	12,274
Cash and cash equivalents at end of the year	11,487	15,589	4,102

Statutory Annual Budget

The information in regard to the Annual Budget Statements include:

- Budget Comprehensive Income Statement
- Budget Statement of Financial Activity
- Budget Rate Setting Statement
- Budget Statement of Cashflow
- Notes to and Forming Part of the Annual Budget
- Detailed Schedules

TAMALA PARK REGIONAL COUNCIL
BUDGET COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

2012/13			2012/13	2013/14
ADOPTED BUDGET		NOTES	ACTUAL	DRAFT BUDGET
\$	EXPENDITURE	1,2,3,4,12,13	\$	\$
(126,000)	Governance		(110,540)	(160,750)
(8,306,943)	Other Property and Services		(785,356)	(1,071,114)
(8,432,943)			(895,895)	(1,231,864)
	REVENUE	1,2,3,4,11,13		
449,000	General Purpose Funding		517,077	711,090
42,793,252	Other Property & Services		1,287	1,890
43,242,252			518,364	712,980
34,809,309	<i><u>Increase(Decrease)</u></i>		(377,531)	(518,884)
	DISPOSAL OF ASSETS	2,6		
0	Land		0	0
0	Plant and Equipment		0	0
0	Furniture and Equipment		0	0
0	<i>Gain (Loss) on Disposal</i>		0	0
34,809,309	NET RESULT		(377,531)	(518,884)
0	OTHER COMPREHENSIVE INCOME		0	0
\$34,809,309	TOTAL COMPREHENSIVE INCOME		(\$377,531)	(\$518,884)

TAMALA REGIONAL COUNCIL
Item 9.7
BUDGET FINANCIAL ACTIVITY STATEMENT FOR THE YEAR ENDING 30 JUNE 2014

2012/13 ADOPTED BUDGET		2012/13 ACTUAL	2013/14 DRAFT BUDGET	2013/14 JULY	2013/14 AUGUST	2013/14 SEPTEMBER	2013/14 OCTOBER	2013/14 NOVEMBER	2013/14 DECEMBER	2013/14 JANUARY	2013/14 FEBRUARY	2013/14 MARCH	2013/14 APRIL	2013/14 MAY	2013/14 JUNE
\$ 449,000 42,793,252	OPERATING REVENUE General Purpose Funding Other Property and Services	\$ 517,077 1,287	\$ 711,090 1,890	\$ 28,444 0	\$ 142,218 0	\$ 177,773 0	\$ 255,992 0	\$ 362,656 0	\$ 398,210 0	\$ 426,654 0	\$ 455,098 0	\$ 483,541 0	\$ 575,983 0	\$ 668,425 0	\$ 711,090 1,890
\$43,242,252	LESS OPERATING EXPENDITURE	\$518,364	\$712,980	\$28,444	\$142,218	\$177,773	\$255,992	\$362,656	\$398,210	\$426,654	\$455,098	\$483,541	\$575,983	\$668,425	\$712,981
(126,000) (8,306,943)	Governance Other Property & Services	(110,540) (785,356)	(160,750) (1,071,114)	(700) (73,181)	(1,500) (156,816)	(39,988) (265,926)	(40,988) (370,470)	(41,888) (464,559)	(80,275) (537,740)	(81,075) (621,375)	(81,875) (705,010)	(120,263) (778,191)	(121,463) (903,644)	(122,263) (987,279)	(160,750) (1,071,114)
(8,432,943)		(895,895)	(1,231,864)	(73,881)	(158,316)	(305,913)	(411,457)	(506,447)	(618,015)	(702,450)	(786,885)	(898,454)	(1,025,106)	(1,109,541)	(1,231,864)
\$34,809,309	<i>Increase(Decrease)</i>	(\$377,531)	(\$518,884)	(\$45,437)	(\$16,098)	(\$128,141)	(\$155,465)	(\$143,791)	(\$219,805)	(\$275,796)	(\$331,788)	(\$414,912)	(\$449,123)	(\$441,117)	(\$518,884)
	ADD														
0	Provision for Employee Entitlements	8796	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Profit/Loss on the Disposal of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19,320	Depreciation Written Back	6084	20,489	1,707	3413	5,120	6,827	8,534	10,240	11,947	13,654	15,361	17,067	18,774	20,489
0	Book Value of Assets Sold Written Back	0	0	0	0	0	0	0	0	0	0	0	0	0	0
\$19,320		\$14,880	\$20,489	\$1,707	\$3,413	\$5,120	\$6,827	\$8,534	\$10,240	\$11,947	\$13,654	\$15,361	\$17,067	\$18,774	\$20,489
\$34,828,629	<i>Sub Total</i>	(\$362,651)	(\$498,395)	(\$43,730)	(\$12,684)	(\$123,021)	(\$148,638)	(\$135,257)	(\$209,564)	(\$263,849)	(\$318,134)	(\$399,552)	(\$432,056)	(\$422,343)	(\$498,395)
	LESS CAPITAL PROGRAMME														
(80,000)	Purchase Plant and Equipment	(62,732)	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Purchase Furniture and Equipment	(1,515)	(6,000)	0	0	0	0	0	0	0	0	0	0	0	(6,000)
(\$80,000)		(\$64,247)	(\$6,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$6,000)
	LESS MEMBERS EQUITY														
	Development of Land for Resale														
0	Income Sale of Lots -Subdivision	0	45,640,484	6,650,404	9,339,129	10,194,988	11,472,046	22,798,664	23,851,380	24,270,586	24,689,792	29,091,074	33,736,829	36,953,689	45,640,484
0	Income Other -Subdivision	0	634,349	0	0	0	0	0	0	0	40,000	40,000	40,000	634,349	634,349
(36,716,427)	Development Costs	0	(45,800,319)	(5,018,134)	(9,014,059)	(12,333,729)	(15,764,278)	(19,934,490)	(24,640,407)	(28,286,697)	(31,453,471)	(34,377,769)	(38,638,571)	(41,723,345)	(45,800,319)
0	Change in Contributed Equity	13,483,808	0	0	0	0	0	0	0	0	0	0	0	0	0
(90,000)	Contribution Refund	0	(400,000)	0	0	0	0	0	0	0	0	0	0	0	(400,000)
0	Contribution Returned	0	(10,000,000)	0	0	0	-	-	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(8,000,000)	(8,000,000)	(10,000,000)
(\$36,806,427)		\$13,483,808	(\$9,925,486)	\$1,632,271	\$325,070	(\$2,138,741)	(\$4,292,232)	\$2,864,175	(\$4,789,027)	(\$8,016,111)	(\$10,723,679)	(\$9,246,695)	(\$12,861,742)	(\$12,135,307)	(\$9,925,486)
	Plus Rounding	1	0	0	0	0	0	0	0	0	0	0	0	0	0
(\$36,886,427)		\$13,419,561	(\$9,931,486)	\$1,632,271	\$325,070	(\$2,138,741)	(\$4,292,232)	\$2,864,175	(\$4,789,027)	(\$8,016,111)	(\$10,723,679)	(\$9,246,695)	(\$12,861,742)	(\$12,135,307)	(\$9,931,486)
(\$2,057,798)	<i>Sub Total</i>	\$13,056,910	(\$10,429,881)	\$1,588,540	\$312,386	(\$2,261,761)	(\$4,440,870)	\$2,728,917	(\$4,998,591)	(\$8,279,960)	(\$11,041,813)	(\$9,646,246)	(\$13,293,798)	(\$12,557,649)	(\$10,429,881)
	LESS FUNDING FROM														
13,465,258	Opening Funds	13,012,597	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508
(11,407,460)	Closing Funds	0	(15,639,627)	0	0	0	0	0	0	0	0	0	0	0	(15,639,627)
\$2,057,798		\$13,012,597	\$10,429,881	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	26,069,508	10,429,881
\$0	NET (SURPLUS)DEFICIT	\$26,069,507	\$0	\$27,658,048	\$26,381,894	\$23,807,747	\$21,628,638	\$28,798,425	\$21,070,917	\$17,789,548	\$15,027,695	\$16,423,262	\$12,775,710	\$13,511,859	(\$0)

TAMALA PARK REGIONAL COUNCIL
BUDGET RATE SETTING STATEMENT FOR THE YEAR ENDING 30 JUNE 2014

Item 9.7

2012/13 ADOPTED BUDGET		NOTES	2012/13 ACTUAL	2013/14 DRAFT BUDGET
\$	REVENUE	1,2,3,4,11,13	\$	\$
449,000	General Purpose Funding		517,077	711,090
42,793,252	Other Property and Services		1,287	1,890
\$43,242,252			\$518,364	\$712,980
	LESS EXPENDITURE	1,2,3,4,12,13		
(126,000)	Governance		(110,540)	(160,750)
(8,306,943)	Other Property & Services		(785,356)	(1,071,114)
(\$8,432,943)			(\$895,895)	(\$1,231,864)
\$34,809,309	<i>Increase(Decrease)</i>		(\$377,531)	(\$518,884)
	ADD			
0	Book Value of Assets Sold Written Back		0	0
0	Profit/Loss on the Disposal of Assets		0	0
0	Provision for Employee Entitlements		8,796	0
19,320	Depreciation Written Back		6,084	20,489
0	Provision for Audit Fees		-	0
\$19,320			\$14,880	\$20,489
\$34,828,629	<i>Sub Total</i>		(\$362,651)	(\$498,395)
	LESS CAPITAL PROGRAMME	1,14		
0	Purchase Land & Buildings		0	0
(80,000)	Purchase Plant and Equipment		(62,732)	0
0	Purchase Furniture and Equipment		(1,515)	(6,000)
(\$80,000)			(\$64,247)	(\$6,000)
	LESS MEMBERS EQUITY			
	Development of Land for Resale			
0	Income Sale of Lots -Subdivision		0	45,640,484
0	Income Other -Subdivision		0	634,349
(36,716,427)	Development Costs		0	(45,800,319)
0	Change in Contributed Equity		13,483,808	0
(90,000)	Contribution Refund		0	(400,000)
0	Contribution Returned	27	0	(10,000,000)
(\$36,806,427)			\$13,483,808	(\$9,925,486)
0	Rounding		1	0
\$0			\$1	\$0
(\$2,057,798)	<i>Sub Total</i>		\$13,056,911	(\$10,429,881)
	LESS FUNDING FROM			
13,465,258	Opening Funds	26	13,012,597	26,069,508
(11,407,460)	Closing Funds	26	(26,069,508)	(15,639,627)
\$2,057,798			(\$13,056,911)	\$10,429,881
\$0	TO BE MADE UP FROM RATES		\$0	\$0

TAMALA PARK REGIONAL COUNCIL
BUDGET STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE 2014

2012/13 ADOPTED BUDGET		NOTES	2012/13 ACTUAL	2013/14 DRAFT BUDGET
\$	Cash Flows from operating activities		\$	\$
	PAYMENTS			
(620,651)	Employee Costs		(521,484)	(639,975)
(7,262,419)	Materials & Contracts		0	0
(476,935)	- Professional Consulting Fees		(298,306)	(462,900)
(11,800)	- Other		(5,246)	(10,000)
(11,300)	Utilities		(9,304)	(11,900)
(4,290,000)	Insurance		(49,442)	(50,000)
(213,750)	Goods and Services Tax		(110,662)	(161,050)
	Other			
(\$12,886,855)			(\$994,443)	(\$1,335,825)
	RECEIPTS			
1,890	Contributions and Donations Reimbursements		1,287	1,890
469,000	Interest Received		517,077	711,090
4,290,000	Goods and Services Tax		49,442	50,000
42,787,634	Other		(461,502)	107,774
\$47,548,524			\$106,304	\$870,754
\$34,661,669	Net Cash flows from Operating Activities	9	(\$888,139)	(\$465,071)
	Cash flows from investing activities			
	Payments			
(80,000)	Purchase Plant and Equipment		(62,732)	0
0	Purchase Furniture and Equipment		(1,515)	(6,000)
	Members Equity			
(36,716,427)	- Development of Land for Resale		0	(45,800,319)
(90,000)	-Contribution to be Returned		0	(400,000)
0	-Change in Contributed Equity		13,483,808	0
0	-Capital Returned		0	(10,000,000)
(\$36,886,427)			\$13,419,561	(\$56,206,319)
	Receipts			
	Members Equity			
0	-Income Sale of Lots -Subdivision			45,640,484
0	-Income Other -Subdivision			634,349
\$0			\$0	\$46,274,833
(\$36,886,427)	Net cash flows from investing activities		\$13,419,561	(\$9,931,486)
	Cash flows from financing activities			
\$0	Net cash flows from financing activities		\$0	\$0
(\$2,224,758)	Net (decrease)/increase in cash held		\$12,531,422	(\$10,396,557)
13,712,218	Cash at the Beginning of Reporting Period		13,454,179	25,985,602
	Rounding		1	
\$11,487,460	Cash at the End of Reporting Period	5	\$25,985,602	\$15,589,045

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2014**

1 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this annual budget are:

(a) Basis of Preparation

The annual budget has been prepared in accordance with the applicable Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations. The annual budget has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non - current assets, financial assets and liabilities.

The accounting policies have been consistently applied ,unless otherwise stated.

(b) The Local Government Reporting Entity

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

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

All monies held in the Trust Fund are excluded from the annual budget, but a separate budget of those appears at Note 10.

(c) Goods and Services Tax

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

(d) Cash and Cash Equivalents

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

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

(e) Trade and Other Receivables

Trade and other receivables include amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non current assets.

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Inventories

General

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

Land Held for Resale

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

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

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

(g) Fixed Assets

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

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

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

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

Council has commenced the process of adopting fair value in accordance with the Regulations.

Land Under Control

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

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They are then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note. Whilst they were initially recorded at cost, fair value at the date of acquisition is deemed cost as per AASB 116.

Consequently, these assets were initially recognised at cost but revalued along with other items of Land and Buildings at 30 June 2013.

Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed includes the cost of all materials, direct labour and variable and fixed overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of comprehensive income in which they are incurred.

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revaluation

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

Revalued assets are carried at their fair value being the price that would be received to sell the asset, in an orderly transaction between market participants at the measurement date (Level 1 inputs in the fair value hierarchy).

For land and buildings, fair value will be determined based on the nature of the asset class. For land and non-specialised buildings, fair value is determined on the basis of observable open market values of similar assets, adjusted for conditions and comparability at their highest and best use (Level 2 inputs in the fair value hierarchy).

With regards to specialised buildings, fair value is determined having regard for current replacement cost and both observable and unobservable costs. They include construction costs based on recent contract prices, current condition (observable Level 2 inputs in the fair value hierarchy), residual values and remaining useful life assessments (unobservable Level 3 inputs in the fair value hierarchy).

For infrastructure and other asset classes, fair value is determined to be the current replacement cost of an asset (Level 2 inputs in the fair value hierarchy) less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset (Level 3 inputs in the fair value hierarchy).

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

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

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

In addition, the amendments to the Financial Management Regulations mandating the use of Fair Value imposes a further minimum 3 year revaluation requirement. As a minimum, all assets carried at a revalued amount, will be revalued at least every 3 years.

Transitional Arrangements

During the time it takes to transition the carrying value of non-current assets from the cost approach to the fair value approach, the Council may still be utilising both methods across differing asset classes.

Those assets carried at cost will be carried in accordance with the policy detailed in the Initial Recognition section as detailed above.

Those assets carried at fair value will be carried in accordance with the Revaluation Methodology section as detailed above.

Early Adoption of AASB 13 - Fair Value Measurement

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

As a consequence, the principles embodied in AASB 13 - Fair Value Measurement were applied to the previous reporting period being the year ended 30 June 2013 (2012/13 Actual in this budget document).

Land under Roads

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

Effective as at 1 July 2008, Council as not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16 (a)(i) prohibits local governments from recognising such land as an asset.

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

(h) Depreciation of Non-Current Assets

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

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

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

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

(i) Financial Instruments

Initial Recognition and Measurement

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

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

Classification and Subsequent Measurement

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

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

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principle repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (d) less any reduction for impairment.

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets. They are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

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

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in the profit or loss. Held-to-maturity investments are included in current assets, where they are expected to be sold within 12 months from the reporting date. All other available for sale financial assets are classified as non-current.

(iv) Available-for-sale financial assets

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

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

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

(v) Financial liabilities

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

Impairment

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

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial instruments, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value is reclassified to profit or loss at this point.

Derecognition

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

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 the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Impairment

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

Where such an indication exists, an 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 revalue amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

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

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

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on this budget document.

(k) Trade and Other Payables

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

(l) Employee Benefits

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

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

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

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

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

(m) Interest-bearing Loans and Borrowings

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

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

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

Borrowing Costs

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Provisions

Provisions are recognised when the Council has a legal or construction 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.

(o) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the company, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

(p) Joint Venture

The Council's interest in a joint venture has been recognised in the annual budget by including its share of any assets, liabilities, revenues and expenses of the joint venture. Information about the joint venture is set out in Note 22.

(q) Grants, Donations and Other Contributions

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

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

(r) Superannuation

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

(s) Rounding Off Figures

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

(t) Comparative Figures

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

(u) Current and Non-Current Classification

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

2 OPERATING, REVENUES AND EXPENSES

The Operating Revenue and Expenses as reported in the Annual Budget includes:

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
	Charging as Expenses		
19,320	Depreciation on Non-Current Assets	6,084	20,489
	Crediting as Income		
0	Profit/(Loss) on Sale of Non-Current Assets	-	0
449,000	Investments	517,077	711,090
449,000		517,077	711,090

3 DESCRIPTION OF FUNCTIONS/ACTIVITIES

The principal activities of the Council covers the provisions of general purpose funding, governance and other property services as permitted under the Local Government Act or other written law.

Description of Programs

General Purpose Funding

Interest Received on Investments.

Governance

Member of Council Allowances and Reimbursements, and Administration Expenses.

Other Property and Services

Other Unclassified Activities.

Statement of Objective

The Regional Council has a specific regional purpose which is:

a) To undertake, in accordance with the objectives, the rezoning, subdivision, development, marketing and sale of the land, comprising the developable portion of lot 118 Mindarie (now Lot 9504); and

b) To carry out and do all other acts and things which are reasonably necessary for bringing into effect of the matters referred to in paragraph (a)

The objectives of the Regional council are:

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

4 OPERATING REVENUES AND EXPENSES

Operating expenses and revenues classified according to nature and type.

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
	Operating Expenses		
(620,651)	Employee Costs	(564,800)	(679,975)
	Materials and Contracts		
(7,262,419)	Professional Consulting fees	-	-
(293,703)	Other	(199,800)	(348,450)
(11,800)	Utility Charges (Gas, Electricity, Water, etc)	(5,246)	(10,000)
(19,320)	Depreciation on Non-Current Assets	(6,084)	(20,489)
0	Loss on Asset Disposals	-	
0	Interest Expenses		
(11,300)	Insurance Expenses	(9,304)	(11,900)
(213,750)	Other Expenses	(110,661)	(161,050)
(8,432,943)	Agrees with Statement of Comprehensive Income	(895,895)	(1,231,864)
	Operating Revenues		
449,000	Interest Earnings	517,077	711,090
1,890	Contributions and Donations Reimbursements	1,287	1,890
42,791,362	Other	0	0
43,242,252	Agrees with Statement of Comprehensive Income	518,364	712,980
\$34,809,309	Total Statement of Comprehensive Income	(\$377,531)	(\$518,884)

5 CASH

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
30	Cash on Hand	30	30
11,487,430	Cash at Bank	267,178	15,589,015
0	Investments	25,718,394	0
11,487,460	Represented by:-	25,985,602	15,589,045
0	Restricted	0	0
11,487,460	Unrestricted	25,985,602	15,589,045
11,487,460		25,985,602	15,589,045

6 DISPOSAL OF ASSETS**(A) DISPOSAL OF ASSETS BY CLASS**

No assets are anticipated to be disposed off during the year:

(B) DISPOSAL OF ASSETS BY PROGRAM

No assets are anticipated to be disposed off during the year:

(C) BORROWING COSTS INCURRED AND CAPITALISED AS PART OF A QUALIFYING ASSET

No Borrowing Costs were incorporated in the Annual Budget as Assets purchased are to be funded from General Purpose Funding.

7 BORROWINGS INFORMATION**(a) Loans Raised in Financial Year**

No Loans are anticipated to be raised during the year:

(b) Loan Repayments

No Loans Repayments anticipated to be raised during the year:

(a) Overdraft

The Regional Council has no overdraft facility and it is not anticipated such a facility will be required during the year ended 30 June 2014

8 RESERVES

The Regional Council has no Reserve Accounts set aside for specific purposes and does not intend to set aside any cash during the year ended 30 June 2014

9 CASH FLOW INFORMATION

Reconciliation of cash flows with change in net result from operations.

For the purpose of the Cash Flow Statement, cash includes cash on hand and in or at call deposits with Banks or Financial Institutions.

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
	Change in net result from operations		
34,809,309	Net Result	(377,531)	(518,884)
19,320	Depreciation	6,084	20,489
0	(Profit) loss on sale of Fixed Assets		
	Change in Assets and Liabilities		
0	(Increase)/Decrease in Inventory	0	0
0	Increase/(Decrease) in Provisions - Employee Entitlements	43,316	40,000
16,272	(Increase)/Decrease in Debtors	(461,502)	107,774
(183,232)	Increase/(Decrease) in Creditors	(98,506)	(114,450)
0	Rounding	0	0
34,661,669	Cash flows from Operations	(888,139)	(465,071)
7,000	Credit Card Facility	7,000	7,000
0	Amount Utilised	0	0
7,000	Unused Facility available	7,000	7,000

10 TRUST FUND INFORMATION

The Regional Council has no funds held in Trust on behalf of third parties.

11 INVESTMENTS

Earnings from Investments is summarised as follows:

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
449,000	General Account	517,077	711,090
449,000	TOTAL	517,077	711,090

12 COUNCIL MEMBERS - FEES, EXPENSES AND ALLOWANCES

The 2013/2014 Budget provides for the following:

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
	- Annual Attendance Fee		
91,000	- Elected Members Remuneration	91,000	125,000
0	- Alternate Elected Members Remuneration	0	2000
	- Telecommunication, Travel, and Information Technology Allowance		
0	- Telecommunication	0	0
0	- Information Technology	0	0
0	- Travel Expenses	0	0
	- Annual Local Government Allowance		
12,000	- Chairman	12,000	19,000
3,000	- Deputy Chairman	3,000	4,750

13 DEPRECIATION ON NON-CURRENT ASSETS

The Depreciation charge included in the Annual Budget is summarised as follows:

BY PROGRAM

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
19,320	Other Property and Services	6,084	20,489
19,320	TOTAL	6,084	20,489

BY CLASS

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
10,320	Furniture and Equipment	6,084	10,452
9,000	Plant and Equipment	0	10,037
19,320	TOTAL	6,084	20,489

14 ACQUISITION OF ASSETS

The following assets are anticipated to be acquired during the year:

BY PROGRAM

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
	Other Property and Service		
0	General Office Fit out	1,515	0
0	Office Equipment	0	6,000
0	Furniture	0	0
80,000	Motor Vehicle - CEO	62,732	0
36,716,427	Subdivision Development Costs	0	0
36,796,427		64,247	6,000

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
36,716,427	Subdivision Development	0	0
0	Land and Buildings	0	0
80,000	Plant and Equipment	62,732	0
0	Furniture and Equipment	1,515	6,000
36,796,427		64,247	6,000

15 FEES AND CHARGES INFORMATION

In accordance with Financial Management Regulation 25, the estimates of total revenue from Fees and Charges for each program is summarised as follows:

No fees and charges are to be raised during the year ended 30 June 2014

16 RATING INFORMATION

A Regional Council does not impose rates

17 SPECIFIED AREA RATE

No specified area rates will be levied during the year 2013/14

18 SERVICE CHARGES

No specified area rates will be imposed during the year 2013/14

19 INFORMATION ABOUT DISCOUNTS, INCENTIVES, CONCESSIONS AND WRITE OFFS

The Regional Council does not anticipate to offer discounts, incentives, concessions or write-offs

20 INTEREST CHARGES FOR THE LATE PAYMENT OF RATES CHARGES

Pursuant to Section 6.51 of the Local Government Act and Financial Management Regulation 27(a) the Regional Council will not impose an interest charge .

21 MAJOR LAND TRANSACTIONS

The project is undertaken on behalf of the TPRC's seven participating councils. The Establishment Agreement details the following:

- (a) The participants are the owners of the land ,in shares as set out below:
- | | |
|-----------------------|-------------|
| Town of Cambridge | One Twelfth |
| City of Joondalup | One Sixth |
| City of Perth | One Twelfth |
| City of Stirling | One Third |
| Town of Victoria Park | One Twelfth |
| Town of Vincent | One Twelfth |
| City of Wanneroo | One Sixth |
- (b) The land owned from time to time by the participants jointly or by the TPRC:
- Land being part of Lot 118 Mindarie
Land between Lot 118 and the Mitchell Freeway Reserve
Any land that may be acquired by the TPRC

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
Revenue			
2,360,692	Participants Equity	(13,483,808)	(474,514)
41,618,154	Sale of Lots	37,437,222	46,274,833
43,978,846		23,953,414	45,800,319
Expenditure			
36,461,427	Land Development Costs	21,494,059	36,298,535
220,000	Consultancy Fees	305,467	804,192
1,166,900	Sales and Marketing	308,957	536,379
6,095,519	Selling Expenses	1,666,457	7,976,213
35,000	Other	178,474	185,000
43,978,846		23,953,414	45,800,319

22 JOINT VENTURE

The Regional Council does not anticipate any joint venture

23 TRADING UNDERTAKINGS

The Regional Council does not anticipate any trading undertakings.

24 CAPITAL AND LEASING COMMITMENTS

Council does not have any Capital and Leasing Commitments.

25 FINANCIAL INSTRUMENTS

- (a) Interest Rate Risk

The following table details the Regional Council exposure to interest rate risks projected to 30th June 2014.

	Average Interest %	Variable Interest Rate	Fixed Interest Rate Less than 1 year	Maturity 1 to 5 years	Non Interest Bearing	Total
		\$	\$	\$	\$	\$
Financial Assets						
Cash on Hand					30	30
Cash	3.50	15,589,015				15,589,015
Bank Bills/Term Deposits						0
Trade Receivables					400,000	400,000
		15,589,015	0	0	400,030	15,989,045
Financial Liabilities						
Creditors and Provisions					349,418	349,418
		0	0	0	349,418	349,418

- (b) Regional Council does not have any material credit risk exposure to any single debtor under any financial instruments entered into.
- (c) The aggregate net fair values and carry amounts of financial assets and financial liabilities are disclosed in the notes to and forming part of the Annual Budget.

26 POSITION AT COMMENCEMENT OF FINANCIAL YEAR

Determination of opening funds:

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
	Current Assets		
30	Cash On Hand	30	30
11,487,430	Cash at Bank	25,985,572	15,589,015
30,000	Receivables	507,774	400,000
11,517,460		26,493,376	15,989,045
	LESS CURRENT LIABILITIES		
110,000	Payables	314,450	200,000
0	Provisions - Employees Entitlements	109,418	149,418
110,000		423,868	349,418
	Rounding		
11,407,460	SURPLUS OF CURRENT ASSETS OVER CURRENT LIABILITIES	26,069,508	15,639,627

27 MEMBER COUNCILS' EQUITY IN THE TAMALA PARK REGIONAL COUNCIL

Adopted Budget 2012/2013		Actual 2012/2013	Adopted Budget 2013/2014
\$		\$	\$
	Members Equity		
21,094,361	Accumulated surplus	15,110,007	28,216,284
34,809,309	Total Comprehensive Income	(377,531)	(518,884)
0	Change in Contributed Equity	13,483,808	474,514
(90,000)	Contribution Returned	0	(10,400,000)
55,813,670	Total Equity	28,216,284	17,771,914
	Share		
4,651,139	Town of Cambridge	2,351,357	1,480,993
9,302,278	City of Joondalup	4,702,714	2,961,986
4,651,139	City of Perth	2,351,357	1,480,993
18,604,557	City of Stirling	9,405,428	5,923,971
4,651,139	Town of Victoria Park	2,351,357	1,480,993
4,651,139	Town of Vincent	2,351,357	1,480,993
9,302,278	City of Wanneroo	4,702,714	2,961,986
55,813,670		28,216,284	17,771,914

Tamala Park Regional Council

Details By function Under The Following Programme Titles
And Type Of Activities Within The Programme

	Item 9.7						
	Actual		ADOPTED BUDGET		ADOPTED BUDGET		
	2012-13		2012-2013		2013-2014		
	Income	Expenditure	Income	Expenditure		Income	Expenditure
Proceeds Sale of Assets							
00000 Proceeds Sale of Assets - Conference Table	\$0	\$0	\$0	\$0	\$0	\$0	\$0
00000 Proceeds Sale of Assets - Motor Vehicle			\$0	\$0	\$0	\$0	\$0
00000 Contra	\$0	\$0	\$0	\$0	\$0	\$0	\$0
E145320 - (Profit)Loss Asset Sale/Disp	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Written Down Value							
00000 Written Down Value - Motor Vehicle	\$0	\$0	\$0	\$0	\$0	\$0	\$0
00000 Written Down Value - Conference Table	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sub Total - GAIN/LOSS ON DISPOSAL OF ASSET	\$0	\$0	\$0	\$0		\$0	\$0
Total - GAIN/LOSS ON DISPOSAL OF ASSET	\$0	\$0	\$0	\$0		\$0	\$0
ABNORMAL ITEMS							
	\$0	\$0	\$0	\$0		\$0	\$0
Sub Total - ABNORMAL ITEMS	\$0	\$0	\$0	\$0		\$0	\$0
Total - ABNORMAL ITEMS	\$0	\$0	\$0	\$0		\$0	\$0
Total - OPERATING STATEMENT	\$0	\$0	\$0	\$0		\$0	\$0
OTHER GENERAL PURPOSE FUNDING							
OPERATING EXPENDITURE							
Sub Total - OTHER GENERAL PURPOSE FUNDING OP/EXP	\$0	\$0	\$0	\$0		\$0	\$0
OPERATING INCOME							
I032030 - Interest on Investment	(\$517,077)	\$0	(\$449,000)	\$0	(\$711,090)	(\$711,090)	\$0
I032020 - Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sub Total - OTHER GENERAL PURPOSE FUNDING OP/INC	(\$517,077)	\$0	(\$449,000)	\$0		(\$711,090)	\$0
Total - OTHER GENERAL PURPOSE FUNDING	(\$517,077)	\$0	(\$449,000)	\$0		(\$711,090)	\$0
Total - GENERAL PURPOSE FUNDING	(\$517,077)	\$0	(\$449,000)	\$0		(\$711,090)	\$0
GOVERNANCE							
MEMBERS OF COUNCIL							
OPERATING EXPENDITURE							
E041005 - Chairman Allowance	\$0	\$19,000	\$0	\$12,000	\$19,000	\$0	\$19,000
E041010 - Deputy Chair Allowance	\$0	\$3,000	\$0	\$3,000	\$4,750	\$0	\$4,750
E041018 - Composite Allowance	\$0	\$84,000	\$0	\$91,000	\$125,000	\$0	\$125,000
E041019 - Alternate Member Meeting Fee	\$0	\$0	\$0	\$0	\$2,000	\$0	\$2,000

Tamala Park Regional Council

Details By function Under The Following Programme Titles
And Type Of Activities Within The Programme

	Item 9.7					
	Actual		ADOPTED BUDGET		ADOPTED BUDGET	
	2012-13		2012-2013		2013-2014	
	Income	Expenditure	Income	Expenditure		Income Expenditure
E041020 · Conference Expenses	\$0	\$4,540	\$0	\$10,000	\$0	\$0 \$0
E041025 · Training	\$0	\$0	\$0	\$0	\$0	\$0 \$0
E041030 · Other Costs	\$0	\$0	\$0	\$10,000	\$10,000	\$0 \$10,000
Sub Total - MEMBERS OF COUNCIL OP/EXP	\$0	\$110,540	\$0	\$126,000		\$0 \$160,750
OPERATING INCOME	\$0	\$0	\$0	\$0		\$0 \$0
Sub Total - MEMBERS OF COUNCIL OP/INC	\$0	\$0	\$0	\$0		\$0 \$0
Total - GOVERNANCE	\$0	\$110,540	\$0	\$126,000		\$0 \$160,750
Total - GOVERNANCE	\$0	\$110,540	\$0	\$126,000		\$0 \$160,750
OTHER PROPERTY AND SERVICES						
SALARIES AND WAGES						
OPERATING EXPENDITURE						
New · Gross Total Salaries and Wages	\$0	\$499,328	\$0	\$500,000	\$570,000	\$0 \$570,000
New · Gross Total Salaries and Wages Allocated	\$0	(\$499,328)	\$0	(\$500,000)	(\$570,000)	\$0 (\$570,000)
Sub Total - SALARIES AND WAGES OP/EXP	\$0	\$0	\$0	\$0		\$0 \$0
Total - SALARIES AND WAGES	\$0	\$0	\$0	\$0		\$0 \$0
UNCLASSIFIED						
OPERATING EXPENDITURE						
Administration						
E145005 · Salaries - Basic Costs	\$0	\$499,329	\$0	\$500,000	\$570,000	\$0 \$570,000
E145007 · Salaries Occ. Superannuation	\$0	\$38,006	\$0	\$43,200	\$40,500	\$0 \$40,500
E145009 · Salaries WALGS Superannuation	\$0	\$0	\$0	\$3,144	\$5,000	\$0 \$5,000
E145011 · Advertising Staff Vacancies	\$0	\$0	\$0	\$10,000	\$5,000	\$0 \$5,000
E145015 · Insurance W/comp.	\$0	\$10,515	\$0	\$13,325	\$13,575	\$0 \$13,575
E145017 · Medical Exam. Costs	\$0	\$0	\$0	\$200	\$200	\$0 \$200
E145019 · Staff Training & Dev.	\$0	\$359	\$0	\$5,000	\$5,000	\$0 \$5,000
E145020 · Conference Expenses	\$0	\$7,402	\$0	\$12,000	\$10,000	\$0 \$10,000
E145021 · Telephone - Staff Reimbursement	\$0	\$556	\$0	\$500	\$700	\$0 \$700
E145024 · Travel Expenses CEO	\$0	\$2,940	\$0	\$5,000	\$5,000	\$0 \$5,000
E145025 · Other Accom & Property Costs	\$0	\$30,792	\$0	\$25,000	\$25,000	\$0 \$25,000
E145027 · Advertising General	\$0	\$0	\$0	\$10,000	\$10,000	\$0 \$10,000
E145029 · Advertising Public/Statutory	\$0	\$380	\$0	\$10,000	\$15,000	\$0 \$15,000
E145031 · Graphics Consumables	\$0	\$0	\$0	\$5,000	\$5,000	\$0 \$5,000
E145033 · Photocopying	\$0	\$1,730	\$0	\$2,000	\$2,500	\$0 \$2,500
E145037 · Postage, Courier & Freight	\$0	\$548	\$0	\$1,000	\$1,200	\$0 \$1,200
E145039 · Printing	\$0	\$42	\$0	\$5,000	\$5,000	\$0 \$5,000

Tamala Park Regional Council

Details By function Under The Following Programme Titles
And Type Of Activities Within The Programme

	Item 9.7					
	Actual		ADOPTED BUDGET		ADOPTED BUDGET	
	2012-13		2012-2013		2013-2014	
	Income	Expenditure	Income	Expenditure		Income Expenditure
E145043 · Stationery	\$0	\$1,178	\$0	\$2,000	\$2,000	\$0 \$2,000
E145045 · Other Admin Expenses	\$0	\$7,539	\$0	\$10,000	\$10,000	\$0 \$10,000
E145047 · Office Telephones & Faxes	\$0	\$717	\$0	\$3,000	\$3,000	\$0 \$3,000
E145049 · Mobil Phones, Pages, Radios	\$0	\$0	\$0	\$2,000	\$2,000	\$0 \$2,000
E145053 · Bank Charges	\$0	\$1,456	\$0	\$1,000	\$1,500	\$0 \$1,500
E145055 · Credit Charges	\$0	\$8	\$0	\$200	\$200	\$0 \$200
E145057 · Audit Fees	\$0	\$9,550	\$0	\$15,000	\$15,000	\$0 \$15,000
E145059 · Membership Fees	\$0	\$5,755	\$0	\$7,550	\$7,550	\$0 \$7,550
E145061 · Legal Expenses (General)	\$0	\$0	\$0	\$50,000	\$30,000	\$0 \$30,000
E145069 · Valuation Fees	\$0	\$0	\$0	\$50,000	\$30,000	\$0 \$30,000
E145075 · Promotions	\$0	\$0	\$0	\$10,000	\$15,000	\$0 \$15,000
E145077 · Business Hospitality Expenses	\$0	\$532	\$0	\$10,000	\$2,000	\$0 \$2,000
E145079 · Consultancy	\$0	\$8,000	\$0	\$0	\$0	\$0 \$0
E145082 · Lawyers	\$0	\$5,286	\$0	\$30,000	\$30,000	\$0 \$30,000
E145083 · Research	\$0	\$0	\$0	\$30,000	\$30,000	\$0 \$30,000
E145100 · Safety Clothes and Equipment	\$0	\$0	\$0	\$1,000	\$1,000	\$0 \$1,000
E145086 · Probity Auditor	\$0	\$25,279	\$0	\$20,000	\$20,000	\$0 \$20,000
E145087 · Computer Software Mtce	\$0	\$769	\$0	\$5,000	\$3,000	\$0 \$3,000
E145088 · Accounting Management	\$0	\$42,876	\$0	\$40,000	\$50,000	\$0 \$50,000
E145089 · Computer Software Purchase	\$0	\$3	\$0	\$10,000	\$5,000	\$0 \$5,000
E145091 · Computer Sundries	\$0	\$110	\$0	\$5,000	\$5,000	\$0 \$5,000
E145092 · Data Communication Links	\$0	\$2,700	\$0	\$5,000	\$5,000	\$0 \$5,000
E145093 · Internet Provider Costs	\$0	\$5,450	\$0	\$5,000	\$6,000	\$0 \$6,000
E145094 · Plant & Equipment Purchase Non-Capital	\$0	\$0	\$0	\$1,000	\$1,000	\$0 \$1,000
E145095 · Furniture & Equipment Purchase	\$0	\$0	\$0	\$5,000	\$3,000	\$0 \$3,000
E145097 · Hire of Equipment	\$0	\$0	\$0	\$2,000	\$0	\$0 \$0
E145099 · Vehicle Operating Expense	\$0	\$2,645	\$0	\$15,000	\$15,000	\$0 \$15,000
E145099 ·Fringe Benefit Tax -Motor Vehicle	\$0	\$3,049	\$0	\$13,282	\$10,000	\$0 \$10,000
E145101 · Consumable Stores	\$0	\$671	\$0	\$501	\$1,000	\$0 \$1,000
E145103 · Newspapers & Periodicals	\$0	\$0	\$0	\$200	\$0	\$0 \$0
E145105 · Publications & Brochures	\$0	\$0	\$0	\$500	\$0	\$0 \$0
E145107 · Subscriptions	\$0	\$0	\$0	\$500	\$0	\$0 \$0
E145109 · Parking Expenses	\$0	\$122	\$0	\$501	\$300	\$0 \$300
E145111 · Plans	\$0	\$0	\$0	\$1,501	\$1,500	\$0 \$1,500
E145113 · Emergency Services	\$0	\$0	\$0	\$10,000	\$10,000	\$0 \$10,000
E145100 · Safety Clothes and Equipment	\$0	\$376	\$0	\$0	\$0	\$0 \$0
E145117 · Electricity	\$0	\$4,529	\$0	\$1,800	\$5,000	\$0 \$5,000
E145119 · Professional Indemnity	\$0	\$0	\$0	\$2,000	\$0	\$0 \$0
E145121 · Insurance - Public Liability	\$0	\$3,725	\$0	\$2,500	\$5,000	\$0 \$5,000
E145123 · Insurance - Property (ISR)	\$0	\$1,618	\$0	\$1,800	\$1,900	\$0 \$1,900
E145126 · Insurance - Personal Accident	\$0	\$3,960	\$0	\$5,000	\$5,000	\$0 \$5,000
E145127 · Insurance - Other	\$0	\$0	\$0	\$0	\$0	\$0 \$0
E145222 · Depreciation Furniture_office E	\$0	\$6,084	\$0	\$19,320	\$20,489	\$0 \$20,489
E145405 · TPG Syrinx Component	\$0	\$0	\$0	\$0	\$0	\$0 \$0
E145451 · GST management	\$0	\$27,120	\$0	\$0	\$0	\$0 \$0
E145453 · GST Margin Scheme Consultancy	\$0	\$19,650	\$0	\$0	\$0	\$0 \$0
E145452 · Recruitment_Human Resources	\$0	\$2,000	\$0	\$0	\$0	\$0 \$0
-Sales Expenditure						
E145216 · Direct Selling Expenses	\$0	\$0	\$0	\$6,095,519	\$0	\$0 \$0
E145218 · Sales and Marketing	\$0	\$0	\$0	\$1,166,900	\$0	\$0 \$0
		\$0				

Tamala Park Regional Council

Details By function Under The Following Programme Titles
And Type Of Activities Within The Programme

	Item 9.7		ADOPTED BUDGET		ADOPTED BUDGET	
	Actual		2012-2013		2013-2014	
	Income	Expenditure	Income	Expenditure	Income	Expenditure
Sub Total - UNCLASSIFIED OP/EXP	\$0	\$785,356	\$0	\$8,306,943		\$0 \$1,071,114
OPERATING INCOME						
I145010 · Reimbursements	(\$1,287)	\$0	(\$1,890)	\$0	(\$1,890)	(\$1,890) \$0
I145011 · Income Sale on Lots	\$0	\$0	(\$41,618,154)	\$0	\$0	\$0 \$0
I145012 · Income Other	\$0	\$0	(\$1,173,208)	\$0	\$0	\$0 \$0
Sub Total - UNCLASSIFIED OP/INC	(\$1,287)	\$0	(\$42,793,252)	\$0		(\$1,890) \$0
Total - UNCLASSIFIED	(\$1,287)	\$785,356	(\$42,793,252)	\$8,306,943		(\$1,890) \$1,071,114
Total - OTHER PROPERTY AND SERVICES	(\$1,287)	\$785,356	(\$42,793,252)	\$8,306,943	\$518,884	(\$1,890) \$1,071,114
FUND TRANSFERS						
EXPENDITURE						
Contribution Refund	\$0	\$0	\$0	\$90,000	\$400,000	\$0 \$400,000
Capital Returns	\$0	\$0	\$0	\$0	\$10,000,000	\$0 \$10,000,000
Profit Distributions	\$0	\$0	\$0	\$0	\$0	\$0 \$0
Sub Total - TRANSFERS	\$0	\$0	\$0	\$90,000		\$0 \$10,400,000
INCOME						
I145011 · Income Sale on Lots			\$0	\$0	(\$45,640,484)	(\$45,640,484) \$0
I145012 · Income Other			\$0	\$0	(\$634,349)	(\$634,349) \$0
Sub Total - TRANSFERS	\$0	\$0	\$0	\$0		(\$46,274,833) \$0
Total - TRANSFERS	\$0	\$0	\$0	\$0		(\$46,274,833) \$10,400,000
Total - FUND TRANSFER	\$0	\$0	\$0	\$90,000		(\$46,274,833) \$10,400,000
SURPLUS						
New (Surplus) / Deficit - Brought Forward	(\$13,012,597)	\$0	(\$13,465,258)	\$0	(\$26,069,508)	(\$26,069,508) \$0
New (Surplus) / Deficit - Carried Forward	\$0	\$0	\$0	\$11,407,460	\$15,639,627	\$0 \$15,639,627
Sub Total - SURPLUS C/FWD	(\$13,012,597)	\$0	(\$13,465,258)	\$11,407,460		(\$26,069,508) \$15,639,627
Total - SURPLUS	(\$13,012,597)	\$0	(\$13,465,258)	\$11,407,460		(\$26,069,508) \$15,639,627

Tamala Park Regional Council

Details By function Under The Following Programme Titles
And Type Of Activities Within The Programme

	Item 9.7					
	Actual		ADOPTED BUDGET		ADOPTED BUDGET	
	2012-13		2012-2013		2013-2014	
	Income	Expenditure	Income	Expenditure		Income Expenditure
DEPRECIATION						
New - Depreciation Written Back	\$0	(\$6,084)	\$0	(\$19,320)	(\$20,489)	\$0 (\$20,489)
New - Employee Provisions	(\$8,796)	\$0	\$0	\$0	\$0	\$0 \$0
New - Prov for Audit Fees	\$0	\$0	\$0	\$0	\$0	\$0 \$0
New - Movement in Members Equity	(\$13,483,808)	\$0	\$0	\$0	\$0	\$0 \$0
New - Book Value of Assets Written Back	\$0	\$0	\$0	\$0	\$0	\$0 \$0
Sub Total - DEPRECIATION WRITTEN BACK	(\$13,492,604)	(\$6,084)	\$0	(\$19,320)		\$0 (\$20,489)
Total - DEPRECIATION	(\$13,492,604)	(\$6,084)	\$0	(\$19,320)		\$0 (\$20,489)
FURNITURE AND EQUIPMENT						
OTHER PROPERTY AND SERVICES						
EXPENDITURE						
E168513 - General Office Fitout	\$0	\$1,515	\$0	\$0	\$6,000	\$0 \$6,000
E168516 - Office Furniture CEO	\$0	\$0	\$0	\$0	\$0	\$0 \$0
E168517 - Computer Equipment	\$0	\$0	\$0	\$0	\$0	\$0 \$0
E168518 - Microwave Oven	\$0	\$0	\$0	\$0	\$0	\$0 \$0
E168524 - Sony Bravia Conference Room TV	\$0	\$0	\$0	\$0	\$0	\$0 \$0
Sub Total - CAPITAL WORKS	\$0	\$1,515	\$0	\$0	\$0	\$0 \$6,000
Total- OTHER PROPERTY AND SERVICES	\$0	\$1,515	\$0	\$0		\$0 \$6,000
Total - FURNITURE AND EQUIPMENT	\$0	\$1,515	\$0	\$0		\$0 \$6,000
LAND AND BUILDINGS						
OTHER PROPERTY AND SERVICES						
EXPENDITURE						
E168521 - Refurbishment works new office	\$0	\$0	\$0	\$0	\$0	\$0 \$0
E168519 - Phones	\$0	\$0	\$0	\$0	\$0	\$0 \$0
E168523 - Elect_Comp Equipmen	\$0	\$0	\$0	\$0	\$0	\$0 \$0
Sub Total - CAPITAL WORKS	\$0	\$0	\$0	\$0		\$0 \$0
Total - OTHER PROPERTY AND SERVICES	\$0	\$0	\$0	\$0		\$0 \$0
Total - LAND AND BUILDINGS	\$0	\$0	\$0	\$0		\$0 \$0
PLANT AND EQUIPMENT						

Tamala Park Regional Council

Details By function Under The Following Programme Titles
And Type Of Activities Within The Programme

	Item 9.7		ADOPTED BUDGET		ADOPTED BUDGET	
	Actual		2012-2013		2013-2014	
	Income	Expenditure	Income	Expenditure	Income	Expenditure
OTHER PROPERTY AND SERVICES						
EXPENDITURE						
0000000 Motor Vehicle - CEO	\$0	\$62,732	\$0	\$80,000	\$0	\$0
Sub Total - CAPITAL WORKS	\$0	\$62,732	\$0	\$80,000	\$0	\$0
Total - OTHER PROPERTY AND SERVICES	\$0	\$62,732	\$0	\$80,000	\$0	\$0
Total - PLANT AND EQUIPMENT	\$0	\$62,732	\$0	\$80,000	\$0	\$0
INFRASTRUCTURE ASSETS - OTHER						
Land Development Costs						
New-Land & Special Sites Development	\$0	\$0	\$0	\$708,152	\$992,353	\$0
99.4 · Land Develop - Consultants	\$0	\$0	\$0	\$558,535	\$804,192	\$0
99.5 · Land Develop - Landscape	\$0	\$0	\$0	\$4,511,491	\$4,660,312	\$0
99.1 · Land Develop - Infrastructure	\$0	\$0	\$0	\$4,101,561	\$4,975,251	\$0
99.9 · Land Develop - Precinct 1 Bulk	\$0	\$0	\$0	\$5,403,765	\$0	\$0
99.2 · Land Develop - Lot Production	\$0	\$0	\$0	\$18,701,849	\$22,272,452	\$0
99.6 · Land Develop - Admin Land Dev	\$0	\$0	\$0	\$551,713	\$869,035	\$0
New-Community Development	\$0	\$0	\$0	\$84,917	\$140,000	\$0
New-Contingency	\$0	\$0	\$0	\$1,789,444	\$1,672,926	\$0
New-finance			\$0	\$50,000	\$716,206	\$0
Consultancy						
-Structure Planning						
E145401 · Direct Component	\$0	\$0	\$0	\$0	\$0	\$0
E145402 · Variation SP Options	\$0	\$0	\$0	\$0	\$0	\$0
E145403 · Aerial perspective Diagrams	\$0	\$0	\$0	\$0	\$0	\$0
E145405 · TPG Syrinx Component	\$0	\$0	\$0	\$0	\$0	\$0
E145406 · TPG Creating Communit Component	\$0	\$0	\$0	\$0	\$0	\$0
E145409 · Traffic consultant	\$0	\$0	\$0	\$0	\$0	\$0
E145413 · Structure Plan Modification	\$0	\$0	\$0	\$10,000	\$0	\$0
E145410 · Economic Component	\$0	\$0	\$0	\$0	\$0	\$0
-Other Structure PI Consultancies						
E145433 · Syrinx Env Mgt Rep-SP-992/33	\$0	\$0	\$0	\$0	\$0	\$0
E145435 · Local Water Mgmnt Strategy	\$0	\$0	\$0	\$0	\$0	\$0
E145437 · Landscaping & Env Detail Plan	\$0	\$0	\$0	\$0	\$0	\$0
-Env Innovation Consultancies						
E145441 · Sustainability Assessment System	\$0	\$0	\$0	\$20,000	\$20,000	\$0
E145444 · Energy Generation - Application	\$0	\$0	\$0	\$20,000	\$0	\$0
E145447 · Graceful Sun Moth Survey	\$0	\$0	\$0	\$10,000	\$0	\$0
E145448 · EPBC Act Management	\$0	\$0	\$0	\$20,000	\$15,000	\$0
-Admin-Operational Consultancies						
E145451 · GST management	\$0	\$0	\$0	\$20,000	\$20,000	\$0
E145453 · GST Margin Scheme Consultancy	\$0	\$0	\$0	\$100,000	\$40,000	\$0
E145452 · Recruitment_Human Resources	\$0	\$0	\$0	\$5,000	\$5,000	\$0
Property Development Services						
-Property Admin and Approvals						
E145041 Page 33 of 34	\$0	\$0	\$0	\$5,000	\$5,000	\$0

Details By function Under The Following Programme Titles
And Type Of Activities Within The Programme

Page 34 of 34

8 August 2013

Mr Tony Arias
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6018

Dear Tony

Stage 8 Builders Allocation Tender Report

In accordance with the approval of the TPRC, 29 medium density lots within stage 8 of Catalina were advertised via public tender from 12 July 2013 to 26 July 2013. The 29 lots were tendered as four allocations with six of the 29 lots being corner lots that could be included at the option of the builders. A copy of the Stage 8 allocation plan is attached as Annexure 1.

A total of 17 tender documents were distributed over the tender period with four tenders being received prior to the close of tenders, these being from Homebuyers Centre, Affordable Living Homes, Content Living and Platinum Homes.

The tenders were assessed against a pre-set selection criteria. The criteria and related weighting is summarised below, with a more detailed summary of each criteria attached in Annexure 2:

- | | |
|---|-----|
| 1. Experience in medium density design and construction | 25% |
| 2. Capacity to meet Market Demand | 20% |
| 3. Building Design | 20% |
| 4. Sustainability Credentials | 15% |
| 5. Innovation | 10% |
| 6. Financial Capacity | 10% |

The table below shows the final assessment of the tenders against the selection criteria.

	1		2		3		4		5		6		Total
	Ranking (0-10)	Weighting (25%)	Ranking (0-10)	Weighting (20%)	Ranking (0-10)	Weighting (20%)	Ranking (0-10)	Weighting (15%)	Ranking (0-10)	Weighting (10%)	Ranking (0-10)	Weighting (10%)	
Homebuyers Centre	9	22.5		20	8	16	8	12	7	7	9	9	86.5
Affordable Living Homes	7	17.5		19	7	14	6	9	7	7	8	8	74.5
Content Living	6	15		18	7	14	6	9	6	6	8	8	70
Platinum Homes	7	17.5		17	7	14	7	10.5	7	7	8	8	74

The table attached as Annexure 3 provides comments on each selection criteria which resulted in the final score. Criteria 2 is assessed against the Cordell construction approvals data for Western Australia, with the highest ranking being applied to the building company with the highest Moving Average Total (MAT), and the second highest ranking being applied to the tenderer with the second highest MAT. A score of 20 is given to the highest ranked tenderer, 19 to the 2nd highest ranked tenderer and so on.

The tender document requires tenderers to address all selection criteria with allocations to be completed on the following basis:

- firstly, meeting the minimum 65% score for the selection criteria;
- secondly, builder's participation on a cottage lot within the Catalina Display Village;
- thirdly, builder's participation on a traditional lot within the Catalina Display Village;
- fourthly; the inclusion of optional corner lots within Packages A, C & D;
- fifthly the highest percentage score achieved for the selection criteria.

The table below shows how each builder has performed for the above allocation process;

Builder	Meets 65% Criteria	Cottage Home in Display Village	Trad. Home in Display Village	Include Corner Lots	% Score achieved
Homebuyers	Yes	Yes	Yes	No	86.5
Affordable	Yes	Yes	Yes	Yes	74.5
Content	Yes	No	Yes	Yes	70
Platinum	Yes	No	No	Yes	74

Based on the above the order of ranking for tenderers is

1. Affordable Living Homes
2. Homebuyers Centre
3. Content Living
4. Platinum Homes

Tenders were received for the following packages in order of preference:

Affordable Living C*, D*, A, B
 Homebuyers Centre A, B
 Content Living C*, D*, A, B
 Platinum Homes D*, C*, A*, B
 *inclusion of corner lots

Platinum Homes was the only builder who nominated the two corner lots marked 'AO' on the plan in Annexure 1 in their preferred allocations. While Platinum Homes have not been allocated the adjoining Package A lots they have advised that they would be willing to proceed with entering into Put Options for these two lots.

Tender Recommendation

In accordance with the requirements of the Tender Procedure – Medium Density Lots, approved by the TPRC Council in September 2011, SPG recommends the following parcel allocations for the stage 8 medium density tender:

Parcel A (exc. AO)	Homebuyers Centre	6 lots, \$1,140,000
Parcel B	Platinum Homes	3 lots, \$588,000
Parcel C (inc. CO)	Affordable Living	9 lots, \$1,735,000 (includes corner lots)
Parcel D (inc. DO)	Content Living	9 lots, \$1,735,000 (includes corner lots)
Parcel AO	Platinum Homes	2 lots, \$436,000

In accordance with the tender documents SPG recommend that TPRC enters into Put Option Deeds with builders in accordance with the above recommended allocations.

If you have any queries please contact the undersigned.

Yours sincerely,

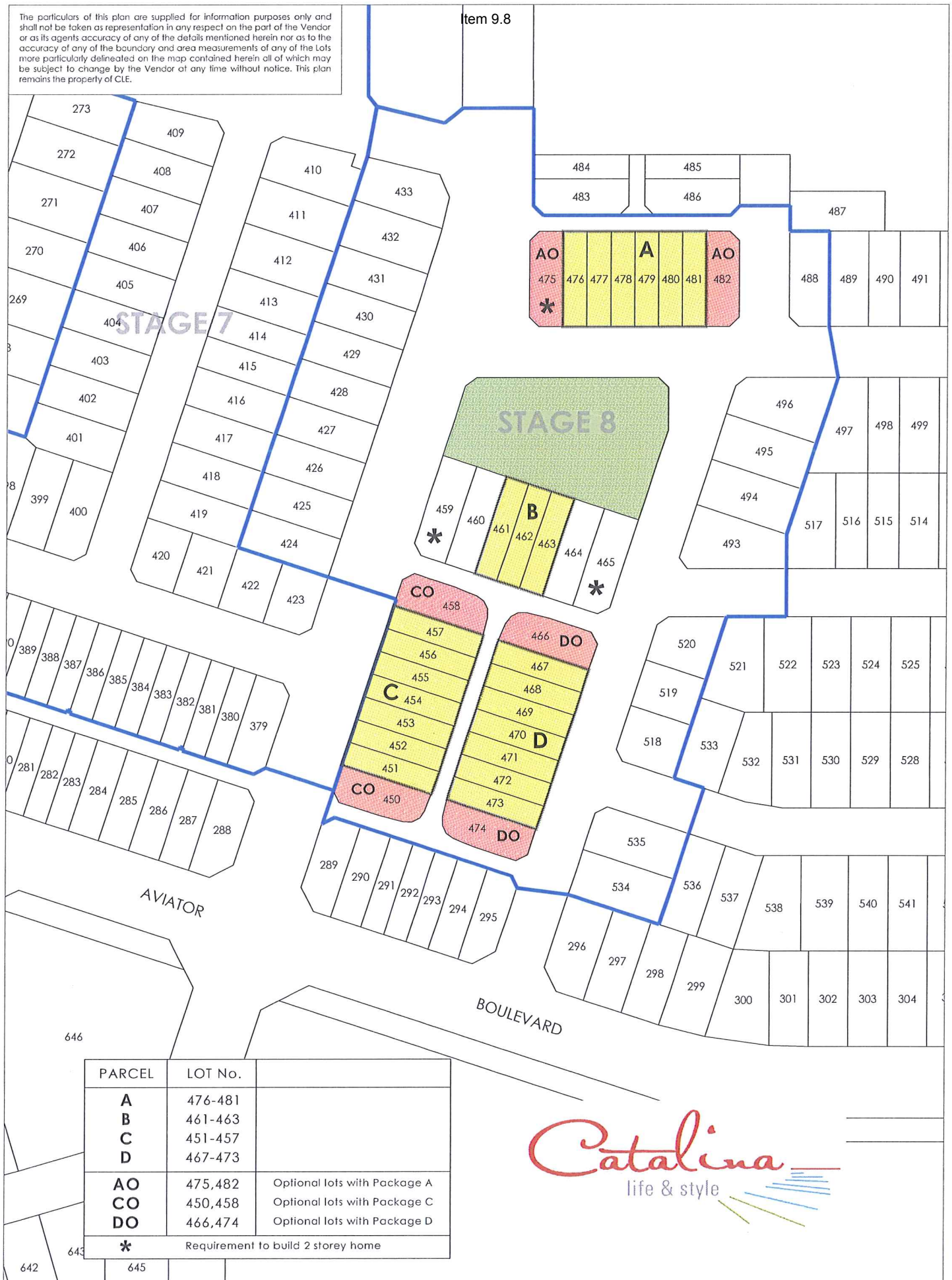


Brenton Downing
PROJECT DIRECTOR

ANNEXURE 1

The particulars of this plan are supplied for information purposes only and shall not be taken as representation in any respect on the part of the Vendor or as its agents accuracy of any of the details mentioned herein nor as to the accuracy of any of the boundary and area measurements of any of the Lots more particularly delineated on the map contained herein all of which may be subject to change by the Vendor at any time without notice. This plan remains the property of CLE.

Item 9.8



PARCEL	LOT No.	
A	476-481	
B	461-463	
C	451-457	
D	467-473	
AO	475,482	Optional lots with Package A
CO	450,458	Optional lots with Package C
DO	466,474	Optional lots with Package D
*	Requirement to build 2 storey home	

Catalina
life & style



ANNEXURE 2

Selection Criteria for Medium Density Lot Allocation

- **Experience in Medium Density Design and Construction** **Weighting** 25%

Tenderer to specifically address and demonstrate experience in medium density design and construction.

The Tenderer should demonstrate how they will address and implement the following key streetscape elements.

- The architectural elements of the front façade including materials and colour selection
- Proposed landscape treatment to the front garden and street verge
- Proposed front fence, wall or steps if any.

- **Capacity to meet Market Demand (Established by Building Group)** **Weighting** 20%

This will be established by checking ranking based on Reed Construction data for the Perth metropolitan area. This will highlight builders that have proven performance in the Market and the use of the Reed Construction data ensure that there is no favoritism given to a builder.

- **Building Design (Established by Building Group)** **Weighting** 20%

Tenderer must demonstrate how they achieve best practice in building design and to provide one example of a design they consider suitable for Catalina and what building materials they propose.

- **Sustainability Credentials (Established by Building Brand)** **Weighting** 15%

Tenderer must provide examples of where they have achieved accreditation or recognition of adopting sustainable practices within their company and how these can be applied to Catalina.

Innovations that are considered relevant to the Catalina project include Energy Efficiency, Water Efficiency, Waste Management and use of Innovative Cost Efficient Building Materials.

- **Innovation (Established by Building Brand)** **Weighting** 10%

Tenderer must provide examples of past innovations they have introduced and where they are to be applied to Catalina and or proposals they wish to explore with TPRC to adopt when building at Catalina.

- **Financial Capacity (Established by Building Brand)** **Weighting** 10%

The Tenderer must demonstrate that they have the financial capacity to complete development of the selected lots in accordance with the contract terms.

Each Tender will be evaluated against the above criteria and given a ranking to enable them to participate in the allocation process for the ten medium density lot parcels.

Annexure 3

	1 Experience	3 Design	4 Sustainability	5 Innovation	6 Financial Capacity
Homebuyers Centre	All criteria addressed to high standard. Provided good photo evidence of streetscapes Homebuyers have completed. Extensive experience building on 7.5m front lots since 2006.	Very good demonstration of design process. Provision of Flute product as proposed dwelling, which Homebuyers Centre have built extensively in previous stages of Catalina and presents well.	Examples of commitment to recycling programs provided, along with a list of sustainable initiatives to be implemented within Catalina designs. Homebuyers is actively participating in the Catalina Waste Management Program.	Innovative approach to delivery of affordable housing demonstrated through Flute product and ongoing review of product type.	Extensive track record and financial capacity demonstrated. ABN are in the top 50 largest private Australian organisations. No accounts provided but available upon request.
Affordable Living Homes	9/10 Good experience demonstrated on 5m – 7.5m wide product. Street elevations provided and landscape design to be completed by landscape architect.	8/10 Good demonstration of ability to produce design to meet market requirements. Floor plans provided for 7.5 metre product.	8/10 Design solutions to sustainability presented along with initiatives to be implemented.	7/10 A number of innovation examples provided including window thickness, steel roof trusses and 5 metre frontage design options.	9/10 Evidence of long track record in home delivery along with extensive turnover of sales volumes in the order of \$15m per month.
Content Living	7/10 Sound experience demonstrated, with examples of elevations and landscaping treatment. 150 homes on 7.5m product built in last 2 years.	7/10 Good demonstration of design process to achieve purchaser needs. Floor plan for 3 bedroom 2 bathroom homes that Content are building in current Catalina stages.	6/10 Design solutions to sustainability provided along with technical advice on initiatives. Content Living is expected to soon trial the Catalina Waste Management Program.	7/10 Innovation in passive solar principles and plot ratio ideas demonstrated.	8/10 Strong track record of project delivery and long term operations provided.
Platinum Homes	6/10 Good experience building medium density housing and apartments including on green titled lots. Full landscaping proposed and elevations architecturally designed.	7/10 Achieve best practice through versatility in research town planning, architecture. Proposed product similar to 7.5m design used in Canning Vale. Floor plans included option of studio apartment above garage. Subject to market conditions will consider studios at Catalina.	6/10 Provided examples of previous projects where they have used solar passive design and light weight materials for 2 storey homes. Have considered how solar design could apply to Lot Allocation A in stage 8.	6/10 Good examples of innovation including open rear garage to increase yard space and studio product above garage in Canning Vale release. Subject to market will consider studio option at Catalina.	8/10 Platinum have provided a balance sheet showing a profit for FY13 to May and a balance sheet showing current assets are greater than current liabilities. Sound track record and turnover.

Item 9.8

TPRC INVESTMENTS INTERNAL CONTROL PROCEDURES

1. PURPOSE

To outline the internal control procedures for the management of direct investments by the TPRC.

2. DETERMINATION OF INVESTMENT FUNDS

Prior to the determining of the amount of funds available for investment an analysis should be undertaken taking into account:

- The expected cash outflow,
- Maturing Term Deposits,
- Returns from the Sale of Lots,
- Returns from investments,
- The amount to be invested and the term of the investment.

Based on these considerations the CEO determines the following:

- The amount that is to be invested,
- The term of the investment.

As a general rule a balance of \$1.5 - \$2M is maintained in the operational bank account.

3. INVESTMENT PROCEDURE

Quotations

Not less than three (3) quotations shall be obtained from authorised institutions for their rate of the day when an investment is proposed. The best quotation will be accepted after allowing for banking, administrative and transactional costs as well as limits and requirements in the Investment Policy.

Investment Term

The term to maturity of any investment may range from 'at call' to 365 days or 12 months, taking into consideration the interest rate offered and economic factors affecting future interest rates.

The investments will generally be varied in time to ensure the Council obtains the maximum benefit of longer term investments.

Confirmation of Investment

Once approval is confirmed by the CEO this should then be communicated by email to the financial institution who will organize for the funds to be invested.

The financial institution is to provide written confirmation of the investment to the TPRC. The transaction is entered into the TPRC Investment register for subsequent reconciliation with Bank statements.

4. REMITTANCE OF FUNDS

The remittance of the investment to the financial institution is made by Electronic Funds Transfer (EFT).

TPRC INVESTMENTS INTERNAL CONTROL PROCEDURES

5. MATURITY OF INVESTMENTS

When an investment matures the CEO will determine based on the considerations in (2) whether to redeem the funds or invest the funds in accordance the internal control procedures.

If the funds are required by the TPRC the financial institution will be advised to redeem the funds, including any interest, to the TPRC nominated account.

The financial institution is to provide written confirmation of the redemption of the funds, including any interest, to the TPRC nominated account. The transaction is entered into the TPRC Investment register for subsequent reconciliation with Bank statements.

6. TPRC INVESTMENT POLICY

All investments must be made in accordance with the TPRC Investment Policy.

7. REPORTING

Council Reporting

A report must be provided to Council at its meeting detailing the investment portfolio in terms of performance of each investment, percentage exposure of total portfolio, maturity date of each investment and in the case of managed investments, the changes in market value.

The report will also detail investment income earned against budget year to date.

Certificates of Investments

Certificates of all investments must be provided from financial institutions and fund managers confirming the amount of the investment held on Council's behalf at 30 June each year.

This Investment Control Procedure is authorised by the Chief Executive Officer on 22 August 2013.

Signature

Name

Date

12 August 2013

Mr Tony Arias
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6018

Dear Tony

Re: CATALINA: STAGES 9 - 11 – Bulk Earthworks Recommendation

We are pleased to provide the following recommendation in relation to the appointment of a bulk earthworks contractor for stages 9 – 11 within the Catalina estate. Stages 9 – 11 will prepare 127 residential lots and one local centre site south of Aviator Boulevard for civil construction with a future primary school abutting this precinct.

Background

In April 2013 RJ Vincent were awarded a 2 year earthworks and civil works fixed rate contract for Catalina subject to approval of lump sum contracts, in accordance with tendered rates, being approved by the Council and the ongoing satisfactory performance of the contractor. RJ Vincent has completed stages 1 - 5, 6A, 7 and 8 earthworks and to date their performance on site has met expectations in terms of timeliness, resources and quality.

On this basis Cossill and Webley as project engineers have sought a price from RJ Vincent to undertake stage 9 - 11 bulk earthworks within the Catalina estate. (Attached)

Amendment to Catalina Bulk Earthworks Strategy

Investigations were completed by the project team to consider the option of amending the conservation areas in the north-east of the central cell and in the eastern cell to facilitate a more efficient lot layout design and consolidate the biodiversity conservation areas. One impact of consolidating the conservation areas is an amendment to our bulk earthworks strategy. Initially 50,000m³ of fill from stages 9-11 was to be placed within the eastern cell, however with the revised conservation areas this results in 240,000m³ of fill being relocated to the eastern cell. Whilst upfront costs are associated with this revised strategy we note that the strategy results in:

- the overall profitability of the project increasing in the order of \$1 million;

- better environmental outcome through the retention of higher quality vegetation in a regular shape and consolidated location;
- the lot yield increasing by approximately 21 residential lots across the project;
- an improved and more efficient urban design;
- future earthworks in the eastern cell being brought forward from FYE2016 to FYE2014.

Plans have been lodged with the Department of Sustainability, Environment, Water, Population and Commerce (SEWPaC) and approval is expected by approximately October / November 2013, however there is no set date requirement for SEWPaC to make their decision by.

Traffic Management

In order to cross Connolly Drive to place fill in the eastern cell, the stage 9-11 earthworks will involve a temporary signalised intersection on Connolly Drive to allow earth moving machinery to haul material from the central cell to the eastern cell. During this time traffic management will also be in place on Marmion Avenue for the installation of the permanent signalised intersection on Marmion Avenue and Aviator Boulevard from August 2013 to December 2013. Under the traffic management plan for the Marmion Avenue intersection works only one lane will be closed in each direction with traffic conditions will be closely monitored. Every effort will be made to minimise the disturbance to motorists during the period, with signage in place to advise local residents and businesses of the modified traffic movements.

Pricing & Budget

RJ Vincent has submitted a price of \$4,038,034.48 (excluding GST) for stages 9 - 11 bulk earthworks.

The price includes a maximum guaranteed amount for excavation in rock, assuming 100% of rock will be encountered during excavation. If the extent of rock is less than 100%, savings will be made against the contract sum. A contingency item of \$30,000 is required to cover the removal of car bodies and debris currently scattered in scrub bush within the stage 9 -11 earthworks area. As RJ Vincent's price did not make an allowance to remove rubbish from site this will increase the contract price to \$4,068,034.48 (excluding GST) which compares to a FYE2014 budget of \$3,079,700 (including 5% project contingency). Therefore the RJ Vincent price is \$988,334 over budget which is due to the modified bulk earthworks strategy referred to above.

Whilst pricing for the stage 9-11 bulk earthworks exceeds its budget allowance, due to a number of construction stages currently forecast to be under budget, total forecast construction costs including stage 9-11 earthworks are forecast to be more than \$1,000,000 below budget. The reconciliation below provides a breakdown of current construction works against the FYE2014 project budget.

Scope of Works	FY14 Budget	Forecast	Variance
Stage 5 Civil / Sewer Ext (including 5% contingency)	\$5,485,205	\$4,456,904	\$1,028,301
Stage 7 Civil (including 5% contingency)	\$2,879,121	\$2,472,700	\$406,421
Stage 8 Civil (including 5% contingency)	\$2,903,077	\$2,474,456	\$428,621
Stage 8 Earthworks (including 5% contingency)	\$1,522,732	\$1,344,267	\$178,465
Stages 9-11 Earthworks (including 5% contingency)	\$3,079,700	\$4,068,034	(\$988,334)
TOTAL	\$15,869,835	\$14,816,361	\$1,053,474

As outlined above the forecast FYE2014 expenditure for earthworks and civil works is within the approved FYE2014 budget with current forecasts indicating construction costs are \$1,053,474 under budget, inclusive of the proposed stage 9 -11 earthworks. These revised forecasts will be captured in the mid year budget review.

The bulk earthworks contract period for stages 9 – 11 has been set for 21 weeks. Based on an award date of 2 September 2013 and timely approvals from statutory authorities, the works would be completed by February 2014.

Risks

The approval of the revised conservation areas has not yet been approved by SEWPaC. If SEWPaC was to reject the revised conservation areas following completion of stage 9-11 earthworks then approximately 100,000 to 150,000 m3 of fill would need to be transferred from the eastern cell back to the central cell, resulting in double handling costs to TPRC.

We have obtained advice from Cossill and Webley that up to 150,000 m3 of earthworks in stage 11 can be deferred without affecting our ability to complete civil works in stages 9 and 10. This option will be considered during construction, pending the status of environmental approvals at that time. This strategy will mitigate the risk of additional costs for double handling fill material.

It should also be noted that a subdivision approval has not yet been obtained for the stage 9-11 area. A subdivision application has been lodged with the Western Australian Planning Commission, however has not received support from the City of Wanneroo at this time as the Local Centre site is being moved approximately 150 metres further east, with this amendment being subject to a Local Structure Plan Amendment. SPG expect a subdivision approval will be obtained in August / September 2013 and do not believe this is a significant risk to TPRC. A Planning Application for earthworks has been lodged with the City of Wanneroo which, upon approval, will allow earthworks to proceed.

Recommendation

To date stages 1 - 7 have sold out. The stage 8 builder's tender closed on the 26 July 2013 with tenders received accounting for all 29 lots tendered. The stage 8 public release is scheduled for 31 August 2013. It is recommended that approval be granted to award the stages 9-11 earthworks contract, to provide lots to be released to the market for sale in November 2013 to achieve the FYE2014 budget.

While the contract sum for stages 9-11 is over budget we note that:

- the additional costs will provide a favourable outcome to the project in regard to environmental outcome, urban design, lot yield and projected profit;
- the works include bringing forward earthworks in the eastern cell from FYE2016 to FYE2014;
- the total projected earthworks and civil works for FYE2014 construction is within the FYE2014 budget.

RJ Vincent has performed well in terms of timeliness, resources and quality and it is recommended to award them the Catalina stages 9 – 11 earthworks contract for the value of \$4,068,334.48 (exc GST) including a \$30,000 contingency for removing car bodies and debris.

Should you require any further clarification please contact the undersigned.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'B. Downing', with a stylized flourish at the end.

Brenton Downing
Project Director