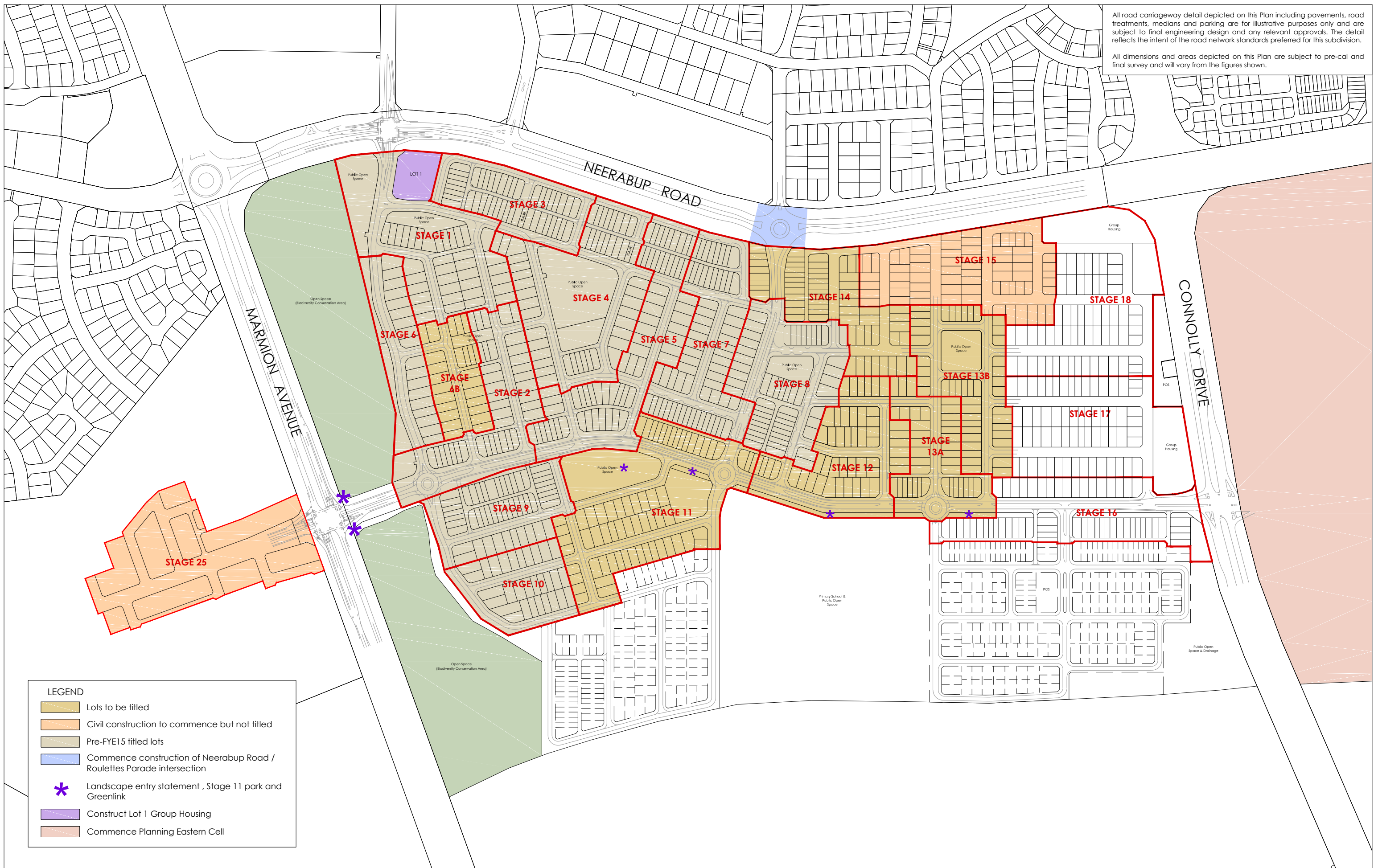


Appendix 9.1

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

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



Landscape Works	FYE 2017 Budget	Detail Design	CoW / Statutory Approvals	Construction Start	Construction End	Comments
Biodiversity Conservation Area (South) Verges	\$ 94,000.00	Complete	20/5/2015 - Revised Federal Approval 14/4/2015 Council Approval	Aug-16	Sep-16	Quotation to be sought in early August 2016 for commencement in late August 2016
Stage 9 Landscaping	\$ 95,700.00	Complete	Council Approvals are not Required for Lot Verges	Sep-16	Oct-16	Quotation to be sought late August 2016 for commencement in late September 2016
Stage 10 Landscaping (Southern BCA)	\$ 331,325.00	Complete	20/05/2015 - Revised Federal Approval 17/2/2014 - Council Approval	Aug-16	Sep-16	Quotation to be sought in early August 2016 for commencement in late August 2016
Stage 11 Landscaping	\$ 95,180.00	Complete	Council Approvals are not required for Lot Verges	Aug-16	Oct-16	Quotation to be sought late August 2016 for commencement in late September 2016
Biodiversity Conservation Area (North)	\$ 116,147.00	Complete	20/05/2015 - Federal Approvals 17/2 2014 - Council Approval	May-16	Aug-16	Paths commenced with rehabilitation works to commence in August 2016
Aviator Boulevard Entry Statement	\$ 116,667.00	Aug-16	Sep-16	Oct-16	Nov-16	Subject to detailed design.
Stage 14B Landscaping	\$ 268,000.00	Aug-16	Sep-16	Oct-16	Oct-16	Application lodged with the City of Wanneroo in June 2016. Approvals are pending resolution of Neerabup Road
Marmion Ave Eastern Verge	\$ 236,025.00	Complete	Sep-16	Oct-16	Nov-16	Lodged with the City of Wanneroo for approval on 10/6/16
Catalina Central Street Tree Improvements	\$ 500,000.00	Oct-16	Nov-16	Nov-16	Jun-17	Design requirements being finalised.
Stage 12 Landscaping	\$ 999,950.00	Complete	13/4/2015 - Stage 12 Medians	Nov-16	Mar-17	Quotation to be sought September 2016 for commencement in November 2016
Stage 13 Landscaping	\$ 395,764.00	Complete	Apr-15	Nov-16	Mar-17	Quotation to be sought September 2016 for commencement in November 2016
Western Cell - Long Beach Promenade Entry Statem	\$ 300,000.00	Sep-16	Oct-16	Nov-16	Mar-17	Works to be undertaken as part of the first phase of Catalina Beach
Western Cell - Long Beach Promenade GreenLink	\$ 225,000.00	Sep-16	Oct-16	Nov-16	Mar-17	Works to be undertaken as part of the first phase of Catalina Beach
Marmion Ave Verge West	\$ 409,500.00	Sep-16	Oct-16	Nov-16	Mar-17	Works to be undertaken as part of the first phase of Catalina Beach
Western Cell Public Open Space	\$ 1,642,000.00	Sep-16	Oct-16	Nov-16	Mar-17	Works to be undertaken as part of the first phase of Catalina Beach
Western Cell - Long Beach Promenade Medians	\$ 37,217.00	Sep-16	Oct-16	Nov-16	Mar-17	Works to be undertaken as part of the first phase of Catalina Beach
Western Cell - Medium Density Lot Verges	\$ 4,140.00	Sep-16	Oct-16	Nov-16	Mar-17	Works to be undertaken as part of the first phase of Catalina Beach
Western Cell - Rio Marina Median and Roundabout	\$ 37,500.00	Sep-16	Oct-16	Nov-16	Mar-17	Works to be undertaken as part of the first phase of Catalina Beach
Stage 6 McAllister Boulevard Verge	\$ 148,560.00	Complete	Jan-16	May-17	Jun-17	Installation of Stairs to BCA North, interpretive signage and park furniture
Stage 15 Landscaping	\$ 315,000.00	Complete	Nov-16	Feb-17	May-17	Application lodged with the City of Wanneroo in June 2016. Approvals are pending resolution of Neerabup Road
Marmion Ave Median	\$ 103,500.00	Mar-17	Apr-17	May-17	Jun-17	Works to be undertaken after Waste Water Scoping Report and Design complete to minimise impact associated with the installation of sub-surface infrastructure.
TOTAL BUDGET	\$ 6,471,175.00					

Appendix 9.2

TAMALA PARK REGIONAL COUNCIL
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

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**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016**

	NOTE	31 May 2016 Actual	31 May 2016 Y-T-D Budget	2015/16 Amended Budget	Variances Budget to Actual Y-T-D
<u>Operating</u>		\$	\$	\$	%
Revenues	1,2				
Interest Earnings		1,320,665	1,016,730	1,100,000	29.89%
Other Revenue		5,700	5,700	5,700	0.00%
		1,326,365	1,022,430	1,105,700	29.73%
Expenses	1,2				
Employee Costs		(498,579)	(669,554)	(726,650)	(25.54%)
Materials and Contracts Other		(122,296)	(410,154)	(445,634)	(70.18%)
Depreciation		0	(16,373)	(17,797)	(100.00%)
Utilities		(457)	(5,658)	(6,150)	(91.92%)
Insurance		(10,152)	(10,151)	(10,151)	0.01%
Other Expenditure		(158,524)	(133,772)	(175,971)	18.50%
		(790,008)	(1,245,662)	(1,382,353)	(36.58%)
<u>Adjustments for Non-Cash (Revenue) and Expenditure</u>					
Depreciation on Assets		0	16,373	17,797	(100.00%)
<u>Capital Revenue and (Expenditure)</u>					
Plant and Equipment	3	(1,317)	0	(25,000)	0.00%
LESS MEMBERS EQUITY					
Payment for Rates Equivalent		0	0	0	0.00%
Development of Land for Resale					
Income Sale of Lots - Subdivision		29,139,786	34,691,577	34,691,577	(16.00%)
Income Sale of Apartments		7,651,813	6,096,997	6,096,997	0.00%
Income Other Subdivisions		48,885	1,142,116	1,142,116	100.00%
Development Costs		(13,944,876)	(29,667,690)	(29,667,690)	(53.00%)
Development Costs of Apartments		(7,237,643)	(592,363)	(5,952,363)	0.00%
Contribution Refund		(25,839)	0	(350,650)	0.00%
Profit Distributions		(10,000,000)	(10,000,000)	(18,000,000)	0.00%
Contribution Returned		0	0	0	0.00%
Change in Contributed Equity	6	5,632,126	1,670,637	(12,040,013)	237.12%
ADD Net Current Assets July 1 B/Fwd	7	46,155,070	46,155,070	46,155,070	0.00%
Net Current Assets Year to Date	7	52,322,236	42,114,214	33,831,201	

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 2015 TO 31 MAY 2016**

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

This statement is a special purpose financial report, prepared in accordance with applicable Australian 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 2015 TO 31 MAY 2016

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.

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

(h) Inventories

General

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

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

Land Held for Resale

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

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

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

(i) Fixed Assets

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

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

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

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

Plant and Equipment by June 30 2013

Plant and Equipment, Land and Buildings and Infrastructure by 30 June 2014, and

All Assets by 30 June 2015.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Depreciation of Non-Current Assets

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

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

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

(k) Impairment

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

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

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

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

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

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

(l) Trade and Other Payables

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Employee Benefits

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

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

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

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

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

(n) Interest-bearing Loans and Borrowings

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

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

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

Borrowing Costs

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

(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 2015 TO 31 MAY 2016

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

3. ACQUISITION OF ASSETS

	31 May 2016	Adopted
	2016	2015/16
	Actual	Budget
	\$	\$
<hr/>		
<u>By Program</u>		
Other Property and Services		
Computer Equipment	1,317	0
Motor Vehicle	0	25,000
	1,317	25,000
<hr/>		
<u>By Class</u>		
Furniture and Equipment	1317	0
Plant and Equipment	0	25,000
	1,317	25,000
<hr/>		

4. DISPOSALS OF ASSETS

There are no assets budgeted to be disposed of during the 2015/16 year.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

5. INFORMATION ON BORROWINGS

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2015-16 financial year.

6. CONTRIBUTED EQUITY

	31 May 2016 Actual \$	30 June 2015 Actual \$
Town of Victoria Park	4,521,895	4,007,855
City of Perth	4,521,895	4,007,855
Town of Cambridge	4,521,895	4,007,855
City of Joondalup	9,043,792	8,015,711
City of Wanneroo	9,043,792	8,015,711
Town of Vincent	4,521,895	4,007,855
City of Stirling	18,087,583	16,031,422
TOTAL	54,262,747	48,094,264
Total Movement in equity	6,168,483	

Movement in Contributed Equity Represented by:

	Development Expenses 31 May 2016 \$	Land Sales 31 May 2016 \$	Return of Contribution 31 May 2016 \$	Rates Equivalent 31 May 2016 \$
Town of Victoria Park	(1,765,209)	3,070,040	(833,333)	0
City of Perth	(1,765,209)	3,070,040	(833,333)	(25,839)
Town of Cambridge	(1,765,209)	3,070,040	(833,333)	0
City of Joondalup	(3,530,421)	6,140,081	(1,666,667)	0
City of Wanneroo	(3,530,421)	6,140,081	(1,666,667)	0
Town of Vincent	(1,765,209)	3,070,040	(833,333)	0
City of Stirling	(7,060,841)	12,280,162	(3,333,334)	0
	(21,182,519)	36,840,484	(10,000,000)	(25,839)
Members Contributed Equity Movements	5,632,126			
TPRC Net Result	536,357			
Total Movement in equity	6,168,483			

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

7. NET CURRENT ASSETS

Composition of Estimated Net Current Asset Position	31 May 2016 Actual \$	Brought Forward 1-Jul \$
CURRENT ASSETS		
Cash - Unrestricted	52,069,672	46,060,590
Receivables	437,728	359,724
Settlement Bonds	10,468	29,400
	52,517,868	46,449,714
LESS: CURRENT LIABILITIES		
Payables and Provisions	(195,632)	(294,644)
 NET CURRENT ASSET POSITION	 52,322,236	 46,155,070
NET CURRENT ASSET POSITION	52,322,236	46,155,070

8. RATING INFORMATION

The Regional Council does not levy rates on property.

9. TRUST FUNDS

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

TAMALA PARK REGIONAL COUNCIL
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016

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**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016**

	NOTE	30 June 2016 Actual \$	30 June 2016 Y-T-D Budget \$	2015/16 Amended Budget \$	Variances Budget to Actual Y-T-D %
Operating					
Revenues	1,2				
Interest Earnings		1,435,796	1,100,000	1,100,000	30.53%
Other Revenue		5,700	5,700	5,700	0.00%
		1,441,496	1,105,700	1,105,700	30.37%
Expenses	1,2				
Employee Costs		(538,897)	(726,650)	(726,650)	(25.84%)
Materials and Contracts Other		(133,326)	(445,634)	(445,634)	(70.08%)
Depreciation		0	(17,797)	(17,797)	(100.00%)
Utilities		(457)	(6,150)	(6,150)	(92.57%)
Insurance		(10,152)	(10,151)	(10,151)	0.01%
Other Expenditure		(158,533)	(175,971)	(175,971)	(9.91%)
		(841,365)	(1,382,353)	(1,382,353)	(39.14%)
Adjustments for Non-Cash (Revenue) and Expenditure					
Depreciation on Assets		0	17,797	17,797	(100.00%)
Capital Revenue and (Expenditure)					
Plant and Equipment	3	(1,317)	(25,000)	(25,000)	0.00%
LESS MEMBERS EQUITY					
Payment for Rates Equivalent		0	0	0	0.00%
Development of Land for Resale					
Income Sale of Lots - Subdivision		30,837,832	34,691,577	34,691,577	(11.11%)
Income Sale of Apartments		7,651,813	6,096,997	6,096,997	0.00%
Income Other Subdivisions		50,703	1,142,116	1,142,116	100.00%
Development Costs		(15,096,063)	(29,667,690)	(29,667,690)	(49.12%)
Development Costs of Apartments		(7,506,788)	(5,952,363)	(5,952,363)	0.00%
Contribution Refund		(310,057)	(350,650)	(350,650)	0.00%
Profit Distributions		(15,000,000)	(18,000,000)	(18,000,000)	(16.67%)
Contribution Returned		0	0	0	0.00%
Change in Contributed Equity	6	627,440	(12,040,013)	(12,040,013)	(105.21%)
ADD Net Current Assets July 1 B/Fwd	7	46,155,070	46,155,070	46,155,070	0.00%
Net Current Assets Year to Date	7	47,381,324	33,686,567	33,831,201	

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 2015 TO 30 JUNE 2016

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

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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.

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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 2015 TO 30 JUNE 2016

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.

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

(h) Inventories

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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.

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Plant and Equipment by June 30 2013

Plant and Equipment, Land and Buildings and Infrastructure by 30 June 2014, and

All Assets by 30 June 2015.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Depreciation of Non-Current Assets

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

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

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

(k) Impairment

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

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

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

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

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

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

(l) Trade and Other Payables

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Employee Benefits

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

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

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

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

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

(n) Interest-bearing Loans and Borrowings

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

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

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

Borrowing Costs

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016

(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 2015 TO 30 JUNE 2016

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

3. ACQUISITION OF ASSETS

	30 June 2016 Actual \$	Adopted 2015/16 Budget \$
The following assets are budgeted to be acquired during the year:		
<u>By Program</u>		
Other Property and Services		
Computer Equipment	1,317	0
Motor Vehicle	0	25,000
	1,317	25,000
<u>By Class</u>		
Furniture and Equipment	1317	0
Plant and Equipment	0	25,000
	1,317	25,000

4. DISPOSALS OF ASSETS

There are no assets budgeted to be disposed of during the 2015/16 year.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016

5. INFORMATION ON BORROWINGS

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2015-16 financial year.

6. CONTRIBUTED EQUITY

	30 June 2016 Actual \$	30 June 2015 Actual \$
Town of Victoria Park	4,110,153	4,007,855
City of Perth	4,110,153	4,007,855
Town of Cambridge	4,110,153	4,007,855
City of Joondalup	8,220,306	8,015,711
City of Wanneroo	8,220,306	8,015,711
Town of Vincent	4,110,153	4,007,855
City of Stirling	16,440,612	16,031,422
TOTAL	49,321,835	48,094,264
Total Movement in equity	1,227,571	

Movement in Contributed Equity Represented by:

	Development Expenses 30 June 2016 \$	Land Sales 30 June 2016 \$	Return of Contribution 30 June 2016 \$	Rates Equivalent 30 June 2016 \$
Town of Victoria Park	(1,883,571)	3,211,695	(1,249,999)	(25,838)
City of Perth	(1,883,571)	3,211,695	(1,249,999)	(25,838)
Town of Cambridge	(1,883,571)	3,211,695	(1,249,999)	(25,838)
City of Joondalup	(3,767,142)	6,423,392	(2,500,001)	(51,676)
City of Wanneroo	(3,767,142)	6,423,392	(2,500,001)	(51,676)
Town of Vincent	(1,883,571)	3,211,695	(1,249,999)	(25,838)
City of Stirling	(7,534,283)	12,846,784	(5,000,002)	(103,353)
	(22,602,851)	38,540,348	(15,000,000)	(310,057)
Members Contributed Equity Movements	627,440			
TPRC Net Result	600,131		(7,534,283)	
Total Movement in equity	1,227,571			

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016

7. NET CURRENT ASSETS

Composition of Estimated Net Current Asset Position	30 June 2016 Actual \$	Brought Forward 1-Jul \$
CURRENT ASSETS		
Cash - Unrestricted	47,135,952	46,060,590
Receivables	392,957	359,724
Settlement Bonds	11,368	29,400
	47,540,277	46,449,714
LESS: CURRENT LIABILITIES		
Payables and Provisions	(158,953)	(294,644)
NET CURRENT ASSET POSITION	47,381,324	46,155,070
NET CURRENT ASSET POSITION	47,381,324	46,155,070

8. RATING INFORMATION

The Regional Council does not levy rates on property.

9. TRUST FUNDS

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

Appendix 9.3

Tamala Park Regional Council
Summary Payment List
May 2016

Date	Num	Name	Description	Amount
03/05/2016	CON-54	City of Wanneroo - Supplier	GST owing March 2016	-7,641.75
03/05/2016	ET-4102	B Bhabra Investment Trust	Lot 173 (13th instalment over a 5 year period)	-2,887.50
03/05/2016	ET-4103	Paxman, James & Melissa	Lot 168 (13th instalment over a 5 year period)	-3,281.25
03/05/2016	ET-4104	Steel Test Pty Ltd	Lot 169 (13th instalment over a 5 year period)	-2,887.50
05/05/2016	CON-55	City of Perth - Supplier	GST Jan - Mar 2016	-18,759.94
12/05/2016		Employee Costs	Wages for period 28/04/16 - 11/05/16	-10,703.81
12/05/2016		Action Couriers	Courier charges for period 28/04/16 - 01/05/16	-33.40
12/05/2016		Chappell Lambert Everett	Planning fee (March 2016)	-19,250.00
12/05/2016		Emerge Associates	Inv 14546 & 14692	-20,790.00
12/05/2016		Kyocera Mita	Printing costs for period 31/03/16 - 07/04/16	-57.12
12/05/2016		LD Total	Inv 68832, 73078 & 73077	-135,319.26
12/05/2016		Marketforce	Inv 6444 - 6447	-946.10
12/05/2016		McLeods Barristers & Solicitors	Legal services (April 2016)	-964.55
12/05/2016		R J Vincent & Co	Inv 5343 & 5352	-12,230.08
12/05/2016		Rare Pty Ltd	Inv 28553 & 28711	-18,280.06
12/05/2016	ET-4105	Synergy	Stage 8 POS electricity charges for period 29/01/16 - 01/04/16	-801.20
12/05/2016	ET-4106	National Australia Bank	Superannuation for period 28/04/16 - 11/05/16	-1,552.04
12/05/2016	ET-4107	Australian Taxation Office	IAS (April 2016)	-13,716.00
12/05/2016	ET-4108	Westpac Bank	Payment of credit card charges (CEO & EA) - April 2015	-1,861.55
12/05/2016	ET-4111	Rincon, Julio	Solar Panel Rebate (Lot 708) - repayment to correct account	-2,000.00
12/05/2016	ET-4117	Synergy	Electricity charges for period 26/11/15 - 28/01/16	-749.35
13/05/2016	CON-56	City of Joondalup - Supplier	GST March 2016	-7,641.80
26/05/2016		Employee Costs	Wages for period 12/05/16 - 25/05/16	-10,703.81
26/05/2016	ET-4109	Australian Super	Superannuation (May 2016)	-1,169.32
26/05/2016	ET-4110	National Australia Bank	Superannuation for period 12/05/16 - 25/05/16	-1,552.04
26/05/2016		Action Couriers	Courier charges for period 06/05/16 - 15/05/16	-33.40
26/05/2016		Bennetts, Tara & Marie	Solar Panel Rebate (Lot 733)	-2,000.00
26/05/2016		Burgess Rawson	Inv 42935 & 43009	-715.00
26/05/2016		City of Stirling	GST Feb & Mar 2016 & Inv 1686 & 1908	-61,584.74
26/05/2016		Cossill & Webley	Inv 17147 - 17152 & 17154	-59,521.88
26/05/2016		Dominic Carbone & Associates	Consultancy fees (April 2016)	-660.00
26/05/2016		Emerge Associates	Inv 14830 - 14832	-3,257.10
26/05/2016		Homebuyers Centre	Inv 60569, 61078, 61079 & 61080	-3,960.00
26/05/2016		LD Total	Invoices x 15	-190,783.84
26/05/2016		McMullen Nolan Group	Inv 82936 & 83176	-17,545.00
26/05/2016		Mitchell, Clive & Robyn	Solar Panel Rebate (Lot 511)	-2,000.00
26/05/2016		Moore Stephens	Preparation of FBT Return 2016	-935.00
26/05/2016		Neverfail	Water bottles x 2	-27.65
26/05/2016		New Great Cleaning Service	Cleaning of TPRC offices (April 2016)	-214.50
26/05/2016		R J Vincent & Co	Inv 5300, 5302, 5384 & 5385	-1,152,571.38

Tamala Park Regional Council
Summary Payment List
May 2016

Date	Num	Name	Description	Amount
26/05/2016		Scott Printers Pty Ltd	Brochure reprint	-957.00
26/05/2016		Shakoor, Zeyn	Solar Panel Rebate (Lot 293)	-2,000.00
26/05/2016		Treacy Fencing	Invoices x 8	-19,289.49
26/05/2016		Whelans	Catalina Primary School Survey	-4,339.50
26/05/2016		Caddy, Karen	Elected member attendance fee 20 January 2016 - 19 April 2016	-2,575.00
26/05/2016		Carey, John	Elected member attendance fee 20 January 2016 - 19 April 2016	-2,575.00
26/05/2016		Carr, Louis	Elected member attendance fee 20 January 2016 - 19 April 2016	-2,575.00
26/05/2016		Chester, John	Elected member attendance fee 20 January 2016 - 19 April 2016	-2,575.00
26/05/2016		Guise, Dianne	Deputy Chairman allowance 20 January 2016 - 19 April 2016	-3,798.00
26/05/2016		Hayes, Keith	Elected member attendance fee 20 January 2016 - 19 April 2016	-2,575.00
26/05/2016		Hollywood, Kerry	Elected member attendance fee 20 January 2016 - 19 April 2016	-2,575.00
26/05/2016		Italiano, Giovanni	Chairman allowance 20 January 2016 - 19 April 2016	-8,755.00
26/05/2016		Michael, David	Elected member attendance fee 20 January 2016 - 19 April 2016	-2,575.00
26/05/2016		Murphy, Jimmy	Alternate member attendance fee 20 January 2016 - 19 April 2016 (1 x meeting)	-232.00
26/05/2016		Treby, Brett	Elected member attendance fee 20 January 2016 - 19 April 2016	-2,575.00
26/05/2016		Willox, Rod	Elected member attendance fee 20 January 2016 - 19 April 2016	-2,575.00
26/05/2016	CH-200493	Davidson, Janet	Elected member attendance fee 20 January 2016 - 19 April 2016	-2,575.00
26/05/2016	ET-4112	Cossill & Webley	Waste Water Pump Station Scoping Report (April 2016)	-1,100.00
26/05/2016	ET-4113	Homebuyers Centre	Waste Management Rebate (Lot 526)	-990.00
26/05/2016	ET-4114	Houseandland.com.au	Subscription fee (May 2016)	-935.00
26/05/2016	ET-4115	Telstra	Mobile phones (CEO & PC) - charges to 13 May 2016	-173.79
26/05/2016	ET-4116	Uwatchit Pty Ltd	Server Access & Data Fees	-4,356.00
30/05/2016	CON-57	City of Wanneroo - Supplier	GST owing April 2016	-8,062.52
30/05/2016	ET-4118	Yang, Shan-Hao & Xiuying Chen	Lot 172 (13th instalment over a 5 year period)	-2,887.50
				<u>-1,875,214.72</u>

Tamala Park Regional Council
Summary Payment List
June 2016

Date	Num	Name	Description	Amount
01/06/2016	ET-4119	Grant, Aaron & Nicole	Lot 171 (13th instalment over a 5 year period)	-2,887.50
07/06/2016	CH-200494	Western Power	Stage 14B Street Lighting (ML0103040)	-35,509.00
07/06/2016	ET-4136	Borgomastro, Jason	Lease - 13th instalment	-3,850.00
08/06/2016	CH-200495	City of Wanneroo - Supplier	Application for Approval to Commence Development (School Site)	-4,527.00
09/06/2016		Employee Costs	Wages for period 26/05/16 - 08/06/16	-10,703.81
09/06/2016	ET-4120	National Australia Bank	Superannuation for period 26/05/16 - 08/06/15	-1,552.04
09/06/2016		ABN Projects Pty Ltd	Lot 1 McAllister Bvd Development Fee (Unit 1)	-296,059.30
09/06/2016		Action Couriers	Courier charges for period 17/05/16 - 29/05/16	-33.40
09/06/2016		Butler Settineri	Interim audit fee for FYE 2016	-3,520.00
09/06/2016		Carat Australia Media Services	Inv 430186 & 430199	-5,477.59
09/06/2016		Chappell Lambert Everett	Agreed planning fee (April 2016)	-19,250.00
09/06/2016		Cossill & Webley	Stage 18 Civil Works (March 2016)	-4,537.50
09/06/2016		Docushred	Security bin (May 2016)	-51.70
09/06/2016		Dreamstart Homes	Inv 1419 & 1436	-4,000.00
09/06/2016		Hitie, Serena & Patrice	Solar Panel Rebate (Lot 632)	-2,000.00
09/06/2016		Homebuyers Centre	Landscaping Rebate (Lot 508)	-2,000.00
09/06/2016		Kyocera Mita	Printing costs for period 29/04/16 - 09/05/16	-41.61
09/06/2016		LD Total	Inv 73348, 73358, 74402, 74799 & 75030	-133,298.57
09/06/2016		Marketforce	Inv 7155 - 7161	-1,944.54
09/06/2016		McLeods Barristers & Solicitors	Legal services (May 2016)	-959.17
09/06/2016		Momu	Early Construction Rebate (Lot 792)	-8,000.00
09/06/2016		New Great Cleaning Service	Cleaning of TPRC offices (May 2016)	-143.00
09/06/2016		Town of Victoria Park - Supplier	GST owing April 2016	-4,031.00
09/06/2016		Treacy Fencing	Inv 647682, 647854, 647981, 647984 & 647985	-20,527.54
09/06/2016		Urban Development Institute	2016/2017 Membership Subscription	-4,230.00
09/06/2016	ET-4121	Australian Taxation Office	IAS (May 2016)	-13,716.00
09/06/2016	ET-4122	Water Corporation	Sales Office water x 2 invoices	-1,939.27
14/06/2016	ET-4123	Westpac Bank	Payment of credit card charges (CEO & EA) - June 2016	-327.27
20/06/2016	ET-4124	City of Joondalup - Supplier	7th Dividend Payment - TPRC Project	-833,334.00
20/06/2016	ET-4125	City of Perth - Supplier	7th Dividend Payment - TPRC Project	-416,666.00
20/06/2016	ET-4126	City of Stirling	7th Dividend Payment - TPRC Project	-1,666,668.00
20/06/2016	ET-4127	City of Vincent - Supplier	7th Dividend Payment - TPRC Project	-416,666.00
20/06/2016	ET-4128	City of Wanneroo - Supplier	7th Dividend Payment - TPRC Project	-833,334.00
20/06/2016	ET-4129	Town of Cambridge - supplier	7th Dividend Payment - TPRC Project	-416,666.00
20/06/2016	ET-4130	Town of Victoria Park - Supplier	7th Dividend Payment - TPRC Project	-416,666.00
20/06/2016	CON-58	City of Joondalup - Supplier	GST owing April 2016	-8,062.51
22/06/2016	CON-59	Town of Cambridge - supplier	GST April - June 2016	-6,086.78
23/06/2016		Employee Costs	Wages for period 09/06/16 - 22/06/16	-10,703.82
23/06/2016	ET-4131	National Australia Bank	Super for period 09/06/16 - 22/06/16	-1,552.03
23/06/2016	ET-4132	Australian Super	Superannuation for June 2016	-1,169.32
23/06/2016		Action Couriers	Courier charges for period 30/05/16 - 12/06/16	-62.94

Tamala Park Regional Council
Summary Payment List
June 2016

Date	Num	Name	Description	Amount
23/06/2016		City of Joondalup - Supplier	Rates equivalent payment for 2015/16 financial year	-51,676.18
23/06/2016		City of Stirling	GST April 2016 + Rates Reimbursement	-119,477.35
23/06/2016		City of Vincent - Supplier	GST February - April 2016 + Rates Reimbursement	-44,001.09
23/06/2016		City of Wanneroo - Supplier	Interim Rates (various lots) + Rates Reimbursement	-57,409.46
23/06/2016		Cossill & Webley	Inv 17215 - 17221	-76,133.32
23/06/2016		Dominic Carbone & Associates	Consultancy fees (May 2016)	-726.00
23/06/2016		Eco Logical Australia	CRMP update & EPBC advice	-1,265.00
23/06/2016		Emerge Associates	Stage 10 BCA Verge (April 2016)	-1,100.00
23/06/2016		LD Total	Inv 73079, 74401, 75624, 75283 & 75628	-48,334.70
23/06/2016		Main Roads WA	Bus underpass (March 2016)	-292,413.75
23/06/2016		McMullen Nolan Group	Stage 18A Basic & Additional Items (May 2016)	-11,968.00
23/06/2016		Moore Stephens	Accounting service fee (April 2016)	-2,035.00
23/06/2016		Neverfail	Bottled water x 4	-54.05
23/06/2016		R J Vincent & Co	Inv 5477 & 5478	-446,021.60
23/06/2016		Town of Cambridge - supplier	Rates equivalent payment for 2015/16 financial year	-25,838.09
23/06/2016		Town of Victoria Park - Supplier	Rates equivalent payment for 2015/16 financial year	-25,838.09
23/06/2016	ET-4133	Telstra	Mobile phones (CEO & PC) - charges to 13 June 2016	-129.15
23/06/2016	ET-4134	Synergy	Electricity accounts x 5	-7,723.95
23/06/2016		LD Total	Inv 75556 - 75558	-18,700.00
23/06/2016		Mokhtare, A. & Mosadegh, A.	Solar Panel Rebate (Lot 633)	-2,000.00
23/06/2016		Treacy Fencing	Inv 648752, 648755, 648905, 648919 - 648921 & 648997	-14,805.23
23/06/2016	ET-4135	Water Corporation	Water charges for period 23/01/16 - 23/05/16	-270.13
29/06/2016	CH-200496	Housing Authority	CoW District Planning Scheme 2 - Road Infrastructure (Cell 3)	-162,918.65
29/06/2016	CON-60	City of Joondalup - Supplier	GST owing May 2016	-4,111.71
				<u>-7,027,704.71</u>

Tamala Park Regional Council
Cheque Detail
June 2016

Type	Num	Date	Name	Description	Amount
Bill Pmt -Cheque	CH-200493	26/05/2016	Davidson, Janet	Elected member attendance fee 20 January 2016 - 19 April 2016	-2,575.00
Bill Pmt -Cheque	CH-200494	07/06/2016	Western Power	Stage 14B Street Lighting (ML0103040)	-35,509.00
Bill Pmt -Cheque	CH-200495	08/06/2016	City of Wanneroo - Supplier	Application for Approval to Commence Development (School Site)	-4,527.00
Bill Pmt -Cheque	CH-200496	29/06/2016	Housing Authority	CoW District Planning Scheme 2 - Road Infrastructure (Cell 3)	-162,918.65
					-205,529.65

Appendix 9.4

21 July 2016

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

Dear Tony

Catalina Financial Report for June 2016

Please find attached the Catalina Financial Report for June 2016. This report has been prepared on a cash basis and compares actual income and expenditure to the August 2015 approved budget for the period 1 June 2016 to 30 June 2016.

Residential settlement revenue for the financial year to 30 June 2016 is \$30.5m which is \$10.2m under the approved 'August 2015' budget with 39 less residential settlements for the year.

Sales for FYE2016 are \$25.2m unfavourable to budget due to 88 less residential lot sales for the year.

Overall FYE2016 expenditure is \$28.1m under budget per the approved 'August 2015' budget, with \$11.9m spent compared to a budget of \$40.0m. The main areas of variance are summarised below:

- Lot Production \$15.8m under budget
 - Stages 20-24 Earthworks \$0.9m under budget due to deferred works
 - Stages 25-27 Earthworks \$0.5m under budget due to deferred works
 - Stage 13B \$0.3m under budget due to deferred payments and full provisional sums not being used
 - Stage 14B \$0.3m under budget due to deferred payments
 - Stage 15 \$1.0m under budget due to cost savings
 - Stage 16A \$1.6m under budget due to deferred works
 - Stage 18 \$3.8m under budget due to deferred works
 - Stage 25 \$4.9m under budget due to deferred works
 - Movement in Clearance bonds \$1.6m under budget due to timing of returns
- Infrastructure \$3.7m under budget
 - Neerabup Rd Maroochydore Way Intersection \$1.0m under budget due to deferred payments
 - Neerabup Rd Green Link Underpass \$1.4m under budget due to deferred payments
 - Asbestos & Rubbish Removal General Allowance \$0.4m under budget
 - Waste Water Pump Station (West) \$0.6m under budget due to deferred works
- Landscaping \$4.5m under budget
 - Stage 12 Landscaping \$0.9m under budget due to deferred works
 - Stage 13 Landscaping \$0.6m under budget due to deferred works
 - Minor favourable variances of \$0.2m to \$0.3m each for the following landscaping scope of works
 - ◆ Stage 1 Streetscape; Stage 10 POS & BCA; Stage 14A; Stage 15; Marmion Ave Eastern Verge Upgrade; Public Art
- P&L expenditure - \$3.0m under budget
 - Marketing \$0.6m under budget with \$205k spent against a YTD budget of \$812k
 - Contingency \$1.8m 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



Aaron Grant
Project Director

CATALINA
FINANCE REPORT
JUNE 2016

1.0 Management Accounts

1.1 KEY STATISTICS

1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS

	Lots Produced (titles)		Sales		Settlements		Distributions	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Prior Years	724	724	678	678	634	634	41,000,000	41,000,000
Jul-2015	-	-	6	5	14	17	-	-
Aug-2015	-	-	9	9	9	16	-	-
Sep-2015	-	-	7	15	5	13	-	-
Sep-12 Qtr	-	-	22	29	28	46	-	-
Oct-2015	-	-	6	16	12	7	-	-
Nov-2015	-	-	15	15	6	9	-	-
Dec-2015	53	55	13	18	7	5	-	8,000,000
Dec-12 Qtr	53	55	34	49	25	21	-	8,000,000
Jan-2016	-	-	5	19	14	29	-	-
Feb-2016	-	-	2	14	9	16	10,000,000	-
Mar-2016	-	-	11	17	10	8	-	-
Mar-13 Qtr	-	-	18	50	33	53	10,000,000	-
Apr-2016	-	-	2	15	11	8	-	-
May-2016	29	89	7	19	9	4	-	-
Jun-2016	-	-	-	18	-	19	5,000,000	10,000,000
Jun-13 Qtr	29	89	9	52	20	31	5,000,000	10,000,000
PTD	806	868	761	858	740	785	56,000,000	59,000,000
Full 2015/16 Year	82	144	83	180	106	151	15,000,000	18,000,000
2016/17		156		200		193		31,000,000
2017/18		217		200		193		10,000,000

- 6 residential lots settled in June comprising:

	<u>Lots</u>
Stage 14	1
Stage 15	2
Stage 18A	3

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>
<u>Residential</u>						
- Sales #	9	18	92	180	770	858
- Sales \$	2,550,000	5,973,884	25,568,000	50,758,352	193,874,500	219,064,852
- Sales \$/lot	283,333	331,882	277,913	281,991	251,785	255,320
- Settlements #	6	19	112	151	746	785
- Settlements \$	1,716,000	4,975,558	30,523,000	40,743,130	186,937,500	197,157,630
- Settlements \$/lot	286,000	261,871	272,527	269,822	250,586	251,156
<u>Special Sites</u>						
- Sales #	-	-	-	-	2	2
- Sales \$	-	-	-	-	1,895,000	1,895,000
- Sales \$/lot	-	-	-	-	947,500	947,500
- Settlements #	-	-	-	-	2	2
- Settlements \$	-	-	-	-	1,895,000	1,895,000
- Settlements \$/lot	-	-	-	-	947,500	947,500
<u>Lots Under Contract</u>						
- Unsettled sales #	24		{ Unconditional		3	Titled 809 <i>incl. Spec sites</i>
- Unsettled sales \$	6,937,000		{ Conditional		21	
- Unsettled sales \$/lot	289,042					

**CATALINA
FINANCE REPORT
JUNE 2016**

1.3 Cashflow - MTD Actuals to budget

	<u>MTD Act</u>	<u>MTD Bgt</u>	<u>Variance</u>
Revenue	1,716,000	4,975,558	(3,259,558)
Margin GST	(17,953)	(87,668)	69,715
Direct selling costs	(76,751)	(224,037)	147,285
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(130,798)	(647,170)	516,372
	<u>1,490,497</u>	<u>4,016,683</u>	<u>(2,526,186)</u>
<i>Development costs</i>			
Lot production	30,978	3,001,527	2,970,549
Landscaping	60,956	275,353	214,397
Consultants	34,756	143,578	108,822
Infrastructure	580,289	301,894	(278,395)
Sales office building	-	-	-
Sales & marketing	6,747	54,167	47,419
Community Develop.	-	16,042	16,042
Administration	35,935	64,002	28,066
Finance	193,435	193,715	280
	<u>943,097</u>	<u>4,050,277</u>	<u>3,107,180</u>
Cashflow	<u>547,400</u>	<u>(33,594)</u>	<u>580,994</u>

- Actual & Budget 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	30,523,000	40,743,130	(10,220,130)
Margin GST	(328,347)	(842,655)	514,308
Direct selling costs	(1,367,052)	(1,905,728)	538,675
Interest Income	11,045	-	11,045
Forfeited Deposits	-	-	-
Other Income	147,164	1,659,807	(1,512,642)
Rebate Allowance	(1,205,759)	(4,094,716)	2,888,958
	<u>27,780,051</u>	<u>35,559,838</u>	<u>(7,779,787)</u>
<i>Development costs</i>			
Lot production	6,815,002	22,609,936	15,794,934
Landscaping	2,028,296	6,477,500	4,449,205
Consultants	444,221	1,361,186	916,965
Infrastructure	1,397,476	5,107,060	3,709,584
Sales office building	38,381	324,357	285,976
Sales & marketing	205,200	811,860	606,660
Community Develop.	89,545	192,500	102,955
Administration	641,639	1,083,928	442,288
Finance	212,850	2,054,440	1,841,590
	<u>11,872,610</u>	<u>40,022,767</u>	<u>28,150,157</u>
Cashflow	<u>15,907,440</u>	<u>(4,462,929)</u>	<u>20,370,370</u>

The YTD revenue variance comprises:

- Settlement revenue is \$10.2m unfavourable to budget on 39 less residential settlements than the budget for FY2016.

1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	817,950	319,155	201,231
	<u>817,950</u>	<u>319,155</u>	<u>201,231</u>

Bonds relate to early clearance for stage 14B and a Landscaping bond for stage 13.

**CATALINA
FINANCE REPORT
JUNE 2016**

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)	1,716,000	4,975,557	(3,259,557)	30,523,000	40,743,130	(10,220,130)	186,937,500	197,157,630
- Revenue \$/lot	286,000	261,871		272,527	269,822		250,586	251,156
- Selling & GST \$	197,818	634,605	436,787	3,041,136	5,129,272	2,088,136	19,531,669	21,619,806
- Selling & GST \$/lot	32,970	33,400		27,153	33,969		26,182	27,541
- Cost of sales \$	466,326	2,062,334	1,596,008	9,069,437	13,635,063	4,565,626	70,646,540	75,212,166
- Cost of sales \$/lot	77,721	108,544		80,977	90,298		94,700	95,812
- Gross profit \$	1,051,855	2,278,618	(1,226,763)	18,412,427	21,978,795	(3,566,368)	96,759,290	100,325,658
- Gross profit \$/lot	175,309	119,927		164,397	145,555		129,704	127,803
- Gross profit Mgn %	61.30%	45.80%		60.32%	53.94%		51.76%	50.89%
- Special Sites \$	-	-	-	-	573,597	(573,597)	1,284,073	1,857,670
- Other income \$	-	-	-	158,209	-	158,209	224,919	66,710
- Sales & Marketing \$	3,112	70,269	67,157	334,798	1,005,110	670,312	1,230,409	1,900,721
- Administration \$	71,701	64,045	(7,656)	709,221	1,086,064	376,843	2,046,167	2,423,010
- Finance \$	-	-	-	-	-	-	-	-
- Contingency \$	-	193,764	193,764	-	2,054,964	2,054,964	20,364	2,075,328
- Net profit \$	977,043	1,950,540	(973,497)	17,526,616	18,406,254	(879,638)	94,971,342	95,850,979
- Net profit \$/lot	162,840	102,660		156,488	121,896		127,307	122,103

- FY16 YTD Gross profit is \$3.6m behind budget due to unfavourable settlements of 39 lots.
- FY16 YTD net profit is unfavourable against budget by \$880k, due to the unfavourable gross profit variance \$3.6m mostly offset by unused contingency \$2.1m, unfavourable special sites income \$0.6m, and favourable marketing and admin costs of \$1.0m.

YEAR TO DATE VERSUS FULL YEAR BUDGET

	<u>YTD Act</u>	<u>FY16 Full Year Bgt</u>	<u>Var</u>
- Revenue \$ (Stlmts)	30,523,000	40,743,130	(10,220,130)
- Revenue \$/lot	272,527	269,822	
- Selling & GST \$	3,041,136	5,129,272	2,088,136
- Selling & GST \$/lot	27,153	33,969	
- Cost of sales \$	9,069,437	13,635,063	4,565,626
- Cost of sales \$/lot	80,977	90,298	
- Gross profit \$	18,412,427	21,978,795	(3,566,368)
- Gross profit \$/lot	164,397	145,555	
- Gross profit Mgn %	60.32%	53.94%	
- Special Sites \$	-	573,597	(573,597)
- Other income \$	158,209	-	158,209
- Sales & Marketing \$	334,798	1,005,110	670,312
- Administration \$	709,221	1,086,064	376,843
- Finance \$	-	-	-
- Contingency \$	-	2,054,964	2,054,964
- Net profit \$	17,526,616	18,406,254	(879,638)
- Net profit \$/lot	156,488	121,896	

**CATALINA
FINANCE REPORT
JUNE 2016**

2.1 GROSS PROFIT ANALYSIS

Actual

Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Actual Gross Profit	Actual Gross Profit/lot	Actual Gross Margin %
FY13 Stages	2012 / 2013	51,375,500	220,496	29,448,888	126,390	21,926,612	94,106	42.68%
FY14 Stages	2013 / 2014	50,325,000	243,116	24,635,745	119,013	25,689,255	124,103	51.05%
Stage 11	1-Oct-14	17,371,000	275,730	8,012,249	127,179	9,358,751	148,552	53.88%
Stage 12	3-Dec-14	13,229,000	287,587	5,676,996	123,413	7,552,004	164,174	57.09%
Stage 6B	19-Jan-15	7,452,000	310,500	2,916,524	121,522	4,535,476	188,978	60.86%
Stage 13A	30-Mar-15	9,675,000	261,486	4,947,835	133,725	4,727,165	127,761	48.86%
Stage 13B	11-May-15	10,369,000	280,243	4,124,644	111,477	6,244,356	168,766	60.22%
Stage 14A	4-Jun-15	15,993,000	266,550	6,309,413	105,157	9,683,587	161,393	60.55%
Stage 15	15-Dec-15	10,156,000	282,111	3,787,536	105,209	6,368,464	176,902	62.71%
Stage 18A	27-May-16	992,000	330,667	318,380	106,127	673,620	224,540	67.91%
		<u>186,937,500</u>		<u>90,178,210</u>		<u>96,759,290</u>		

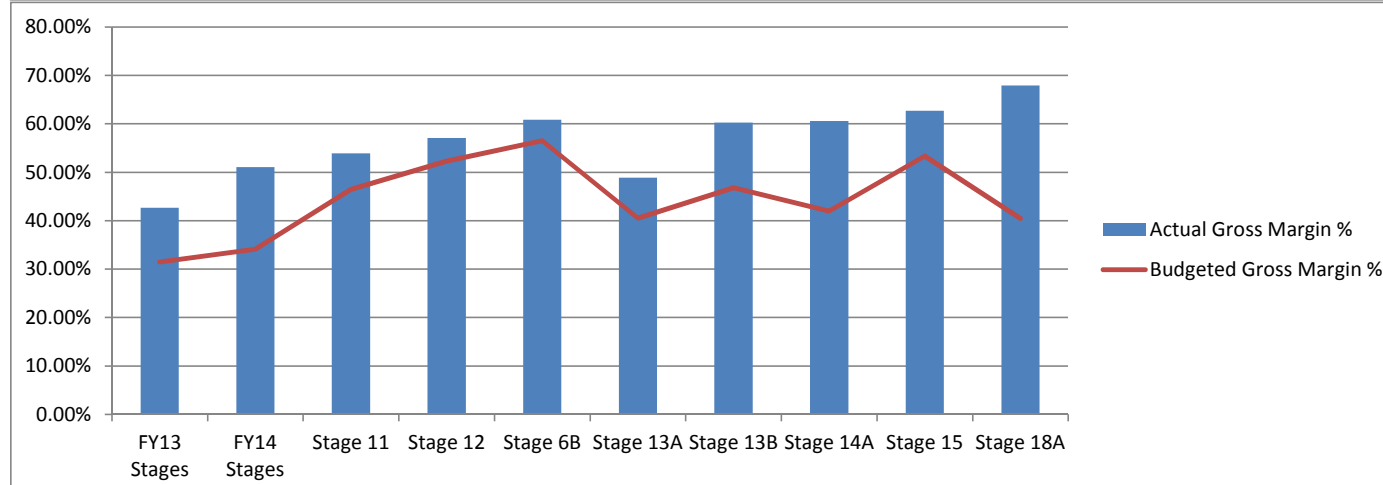
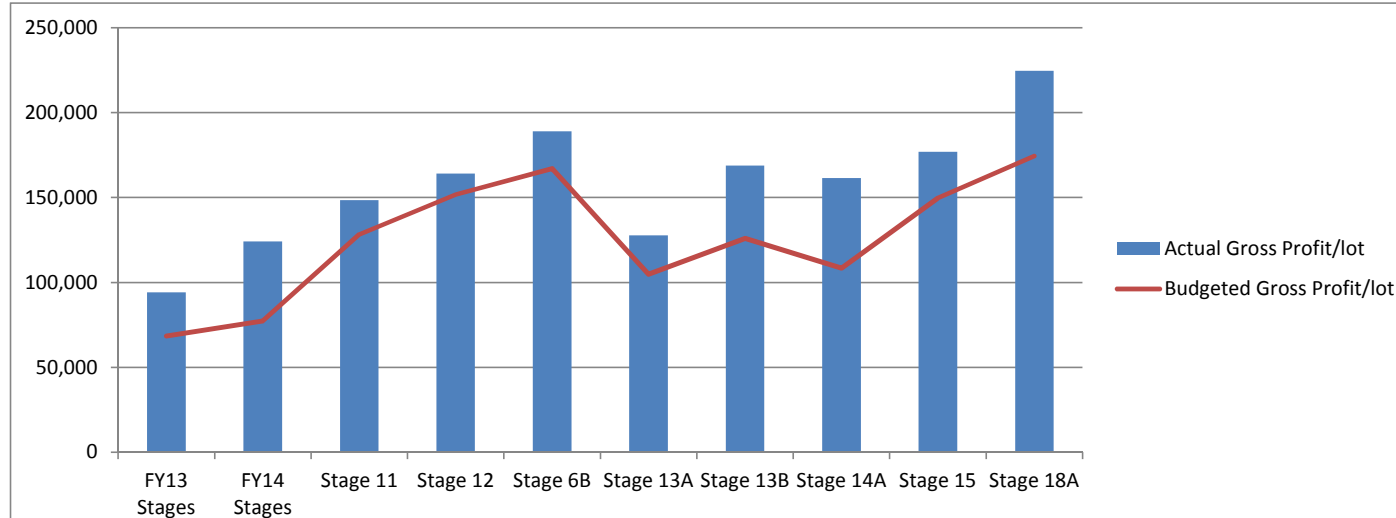
- Values for actuals are based on 'settled lots only' for the relevant stages.

- PTD gross profit for stage 18A is \$50k/lot above budget due to the average selling price for the settled lots to date being \$34k higher than the stage average. There is also \$17k/lot saving on lot production costs due to contingency items not required.

Budget

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Budgeted Gross Profit	Budgeted Gross Profit/lot	Budgeted Gross Margin %
FY13 Stages	May-12	51,358,953	217,623	35,200,675	149,155	16,158,278	68,467	31.46%
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421	149,360	16,014,514	77,365	34.12%
Stage 11	Aug-14	17,645,281	275,708	9,444,658	147,573	8,200,623	128,135	46.47%
Stage 12	Aug-14	14,221,581	290,236	6,787,551	138,521	7,434,030	151,715	52.27%
Stage 6B	Aug-14	7,098,672	295,778	3,089,032	128,710	4,009,640	167,068	56.48%
Stage 13A	Aug-14	9,585,882	259,078	5,703,355	154,145	3,882,527	104,933	40.50%
Stage 13B	Aug-14	12,111,408	269,142	6,443,000	143,178	5,668,408	125,965	46.80%
Stage 14A	Aug-14	15,504,265	258,404	9,001,574	150,026	6,502,690	108,378	41.94%
Stage 15	Aug-15	15,433,000	280,600	7,203,599	130,975	8,229,401	149,625	53.32%
Stage 18A	Jun-16	8,626,000	297,448	3,567,470	123,016	5,058,530	174,432	58.64%
		<u>205,629,182</u>		<u>121,686,345</u>		<u>83,942,837</u>		

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



Appendix 9.6



TAMALA PARK REGIONAL COUNCIL

ANNUAL BUDGET

2016/2017

Contents	Page No.
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Chairman's Introduction

It gives me great pleasure to present the Tamala Park Regional Council 2016/2017 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:

- Civil construction for 120 lots;
- Bulk earthworks completion for Catalina Central Primary School site and Western Precinct;
- Significant landscape construction, including Catalina Beach Entry Park;
- Continued Catalina branding and marketing;
- 119 lot sales and 93 lot settlements.

It is anticipated that the local government participants will receive a return of capital in 2016/2017 amounting to \$11,000,000.

The 2016/2017 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

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 2016/2017 Budget sets out the programs, projects and allocation of resources required to perform the TPRC obligations and functions required by the Local Government Act and associated legislation.

The TPRC 2016/2017 Budget continues the civil works and marketing in order to consolidate the Catalina Project. The TPRC 2016/2017 Budget includes a comprehensive marketing program to achieve 119 sales and 93 settlements. The proposed expenditure is detailed in the Budget and accompanying notes.

The major development costs are shown below:

	\$
▪ Land & Special Sites Development	49,657
▪ Consultants	740,204
▪ Landscape	6,807,816
▪ Infrastructure	1,474,031
▪ Precinct 1 Bulk	3,770,383
▪ Lot Production	10,717,375
▪ Administration	1,075,117
▪ Community Development	192,500
▪ Contingency	1,483,907
▪ Finance	1,600,000
▪ GST Recoupable, Debtors and Creditors Movements	165,944
▪ Selling Expenses	3,805,686
▪ Sales and Marketing	663,734
	<u>32,546,354</u>

The TPRC 2016/2017 Budget 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 2016/2017 Budget 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-16
2. Audit Committee considers draft budget	Jul-16
3. Proposed budget to Council for approval	Aug-16
4. Copy of adopted budget submitted to the Department	Sep-16

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 2016/2017 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.
- 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 2016/2017 Annual Budget. These matters have arisen from events occurring in the 2015/2016 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2015/2016 year. These matters and their financial impact are set out below:

- Budget surplus for the 2015/2016 financial year ended 30 June 2016.
- 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 2016/2017 Annual Budget, which is included in this report, is for the year 1 July 2016 to 30 June 2017 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 2017 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

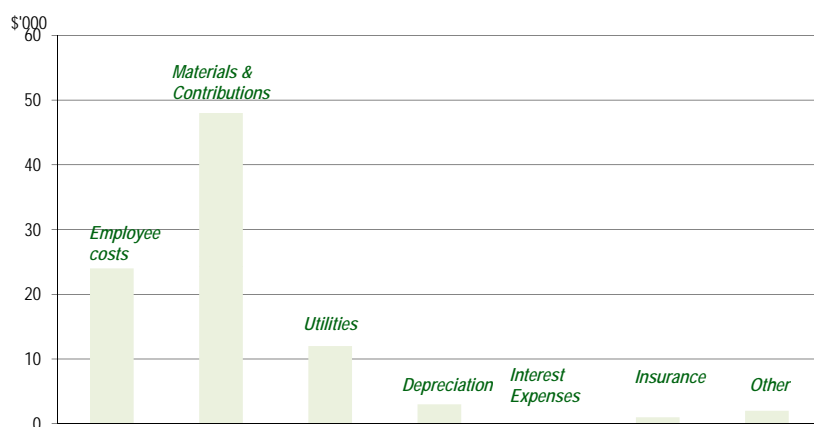
This section analyses the expected revenues and expenses of the Council for the 2016/17 year.

2.1 Operating revenue

Revenue Types	Budget 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Contributions and Reimbursements	2	2	0
Interest Earned	959	959	0
Other revenue	0	0	0
Total operating revenue	961	961	0
Net gain on sale of assets	0	2	2

2.2 Operating expenditure

Expenditure Types	Budget 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Employee Costs	728	752	24
Materials and Contracts	444	492	48
Utilities	6	18	12
Depreciation	18	21	3
Interest Expenses	0	0	0
Insurance	17	18	1
Other expenses	176	178	2
Total operating expenditure	1,389	1,479	90



3. Analysis of Budgeted Cash Position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2016/17 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 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Cash flows from operating activities			
<i>Receipts</i>			
Contributions and Reimbursements	2	2	0
Interest Earned	1,148	977	-171
Goods and Services Tax	0	0	0
Other revenue	0	0	0
	1,150	979	-171
<i>Payments</i>			
Employee Costs	-728	-777	-49
Materials and Contracts	-485	-504	-19
Utilities	-6	-18	-12
Insurance	-17	-18	-1
Goods and Services Tax	0	-179	-179
Other expenses	-176	0	176
	-1,412	-1,496	-84
Net cash provided by operating activities	-262	-517	-255
Cash flows from investing activities			
Receipts from disposal of assets	0	43	43
Receipts from sale of land	42,403	31,078	-11,325
Payments for development of land, plant and equipment	-47,656	-32,636	15,020
Net cash provided by investing activities	-5,253	-1,515	3,738
Cash flows from financing activities			
Contributions to be returned	-18,351	-11,328	7,023
Net cash used in financing activities	-18,351	-11,328	7,023
Net decrease in cash and cash equivalents	-23,866	-13,360	10,506
Cash and cash equivalents at the beg of the year	46,060	47,136	1,076
Cash and cash equivalents at end of the year	22,194	33,776	11,582

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 2017

2015/16			2015/16	2016/17
ADOPTED BUDGET		NOTES	ACTUAL	ADOPTED BUDGET
\$	EXPENDITURE	1,2,3,4,12,13	\$	\$
(175,663)	Governance		(158,354)	(177,517)
(1,212,703)	Other Property and Services		(761,656)	(1,301,203)
(\$1,388,366)			(\$920,010)	(\$1,478,720)
	REVENUE	1,2,3,4,11,13		
958,606	General Purpose Funding		1,435,795	959,170
1,937	Other Property & Services		5,700	1,985
\$960,543			\$1,441,495	\$961,155
(\$427,823)	<i><u>Increase(Decrease)</u></i>		521,485	(517,565)
	DISPOSAL OF ASSETS	2,6		
0	Land		0	0
0	Plant and Equipment		0	1,602
0	Furniture and Equipment		0	0
\$0	<i>Gain (Loss) on Disposal</i>		\$0	\$1,602
(\$427,823)	NET RESULT		\$521,485	(\$515,963)
	OTHER COMPREHENSIVE INCOME			
0	Changes on revaluation of non current assets		(4,633)	0
\$0	TOTAL OTHER COMPREHENSIVE INCOME		(\$4,633)	\$0
(\$427,823)	TOTAL COMPREHENSIVE INCOME		\$516,852	(\$515,963)

**TAMALA PARK REGIONAL COUNCIL
BUDGET FINANCIAL ACTIVITY STATEMENT FOR THE YEAR ENDING 30 JUNE 2017**

2015/16 ADOPTED		2015/16 ACTUAL	2016/17 ADOPTED	2016/17 JULY	2016/17 AUGUST	2016/17 SEPTEMBER	2016/17 OCTOBER	2016/17 NOVEMBER	2016/17 DECEMBER	2016/17 JANUARY	2016/17 FEBRUARY	2016/17 MARCH	2016/17 APRIL	2016/17 MAY	2016/17 JUNE
BUDGET			BUDGET												
\$	OPERATING REVENUE	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
958,606	General Purpose Funding	1,435,795	959,170	95,917	191,834	287,750	383,667	479,585	575,502	647,440	719,378	791,315	863,254	911,213	959,170
1,937	Other Property and Services	5,700	1,985	0	0	0	0	0	0	0	0	0	0	0	1,985
\$960,543		\$1,441,495	\$961,155	\$95,917	\$191,834	\$287,750	\$383,667	\$479,585	\$575,502	\$647,440	\$719,378	\$791,315	\$863,254	\$911,213	\$961,155
(175,663)	LESS OPERATING EXPENDITURE														
(1,212,703)	Governance	(158,354)	(177,517)	(700)	(1,400)	(43,979)	(44,879)	(45,579)	(88,459)	(89,159)	(89,859)	(132,638)	(133,638)	(134,638)	(177,517)
(1,388,366)	Other Property & Services	(761,656)	(1,301,203)	(106,897)	(208,773)	(310,649)	(437,994)	(552,604)	(641,745)	(743,621)	(845,497)	(934,638)	(1,087,452)	(1,189,328)	(1,301,203)
		(920,010)	(1,478,720)	(107,597)	(210,173)	(354,628)	(482,873)	(598,183)	(730,204)	(832,780)	(935,355)	(1,067,276)	(1,221,090)	(1,323,965)	(1,478,720)
(\$427,823)	<i>Increase(Decrease)</i>	\$521,485	(\$517,565)	(\$11,680)	(\$18,339)	(\$66,878)	(\$99,206)	(\$118,598)	(\$154,702)	(\$185,340)	(\$215,978)	(\$275,961)	(\$357,836)	(\$412,753)	(\$517,565)
	ADD														
0	Provision for Employee Entitlements	25,721	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Profit/Loss on the Disposal of Assets	0	1,602	0	0	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602
17,797	Depreciation Written Back	17,259	21,024	1,472	3154	4,836	6,938	8,830	10,302	11,984	13,666	15,137	17,660	19,342	21,024
0	Book Value of Assets Sold Written Back	0	41,125	0	0	41,125	41,125	41,125	41,125	41,125	41,125	41,125	41,125	41,125	41,125
\$17,797		\$42,980	\$63,751	\$1,472	\$3,154	\$47,563	\$49,665	\$51,557	\$53,029	\$54,711	\$56,393	\$57,864	\$60,387	\$62,069	\$63,751
(\$410,026)	<i>Sub Total</i>	\$564,465	(\$453,814)	(\$10,209)	(\$15,186)	(\$19,316)	(\$49,541)	(\$67,041)	(\$101,673)	(\$130,629)	(\$159,585)	(\$218,096)	(\$297,448)	(\$350,684)	(\$453,814)
	LESS CAPITAL PROGRAMME														
(25,000)	Purchase Plant and Equipment	0	(65,016)	0	0	(65,016)	(65,016)	(65,016)	(65,016)	(65,016)	(65,016)	(65,016)	(65,016)	(65,016)	(65,016)
0	Purchase Buildings and Improvements	0	(3,000)	0	0	0	0	0	0	0	0	0	0	0	(3,000)
0	Purchase Furniture and Equipment	(1,317)	(22,000)	0	0	0	0	0	0	0	0	0	0	0	(22,000)
(\$25,000)		(\$1,317)	(\$90,016)	\$0	\$0	(\$65,016)	(\$65,016)	(\$65,016)	(\$65,016)	(\$65,016)	(\$65,016)	(\$65,016)	(\$65,016)	(\$65,016)	(\$90,016)
	LESS MEMBERS EQUITY														
	Development of Land for Resale														
40,743,130	Income Sale of Lots -Subdivision	30,194,653	26,283,529	3,695,577	6,131,545	7,695,181	9,067,269	10,925,080	13,534,436	16,143,161	17,558,269	24,278,387	25,397,871	25,988,309	26,283,529
1,659,807	Income Other -Subdivision	50,703	4,794,250	1000000	1000000	3617000	3617000	3617000	3617000	3617000	3617000	4794250	4794250	4794250	4794250
0	Income Other -Proceeds Telethon Home	643,182	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Income Other -Proceeds Sale of Apartments	7,382,668	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Income Other-Access Fees for Lot 1 McAllister	269,145	0	0	0	0	0	0	0	0	0	0	0	0	0
(47,630,553)	Development Costs - Subdivision	(15,104,531)	(32,546,354)	(3,161,211)	(6,472,833)	(9,409,706)	(12,603,333)	(12,435,519)	(14,785,277)	(17,679,817)	(21,245,132)	(24,222,163)	(26,473,955)	(28,722,887)	(32,546,354)
0	Development Costs - Apartments	(7,498,129)	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Change in Contributed Equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(350,650)	Contribution Refund	(310,057)	(327,714)	0	0	0	0	0	0	0	0	0	0	0	(327,714)
(18,000,000)	Profit Distributions	(15,000,000)	(11,000,000)	0	0	0	0	0	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(11,000,000)
0	Contribution Returned	0	0	0	0	0	0	0	-	-	-	-	-	-	-
(\$23,578,266)		\$627,633	(\$12,796,289)	\$1,534,367	\$658,712	\$1,902,476	\$80,936	\$2,106,562	(\$2,633,841)	(\$2,919,656)	(\$5,069,863)	(\$149,526)	(\$1,281,834)	(\$2,940,328)	(\$12,796,289)
0	Plus Rounding	3	0	0	0	0	0	0	0	0	0	0	0	0	0
(\$23,603,266)		\$626,319	(\$12,886,305)	\$1,534,367	\$658,712	\$1,837,460	\$15,920	\$2,041,546	(\$2,698,857)	(\$2,984,672)	(\$5,134,879)	(\$214,542)	(\$1,346,850)	(\$3,005,344)	(\$12,886,305)
(\$24,013,292)	<i>Sub Total</i>	\$1,190,784	(\$13,340,119)	\$1,524,158	\$643,526	\$1,818,144	(\$33,621)	\$1,974,504	(\$2,800,529)	(\$3,115,301)	(\$5,294,464)	(\$432,638)	(\$1,644,298)	(\$3,356,027)	(\$13,340,119)
	LESS FUNDING FROM														
46,155,070	Opening Funds	46,155,070	47,345,854	47,345,853	47,345,853	47,345,853	47,345,853	47,345,853	47,345,853	47,345,853	47,345,853	47,345,853	47,345,853	47,345,853	47,345,853
(22,141,778)	Closing Funds	(47,345,854)	(34,005,735)	(48,870,011)	(47,989,379)	(49,163,997)	(47,312,232)	(49,320,357)	(44,545,324)	(44,230,552)	(42,051,389)	(46,913,215)	(45,701,555)	(43,989,826)	(34,005,735)
\$24,013,292		(\$1,190,784)	\$13,340,119	(\$1,524,158)	(\$643,526)	(\$1,818,144)	\$33,621	(\$1,974,504)	\$2,800,529	\$3,115,301	\$5,294,464	\$432,638	\$1,644,298	\$3,356,027	\$13,340,119
\$0	NET (SURPLUS)DEFICIT	(\$0)	\$0	(\$0)	\$0	(\$0)	\$0	\$0	(\$0)	(\$0)	\$0	\$0	\$0	(\$0)	\$0

TAMALA PARK REGIONAL COUNCIL
BUDGET RATE SETTING STATEMENT FOR THE YEAR ENDING 30 JUNE 2017

2015/16 ADOPTED BUDGET		NOTES	2015/16 ACTUAL	2016/17 ADOPTED BUDGET
\$	REVENUE	1,2,3,4,11,13	\$	\$
958,606	General Purpose Funding		1,435,795	959,170
1,937	Other Property and Services		5,700	1,985
\$960,543			\$1,441,495	\$961,155
	LESS EXPENDITURE	1,2,3,4,12,13		
(175,663)	Governance		(158,354)	(177,517)
(1,212,703)	Other Property & Services		(761,656)	(1,301,203)
(\$1,388,366)			(\$920,010)	(\$1,478,720)
(\$427,823)	<i>Increase(Decrease)</i>		\$521,485	(\$517,565)
	ADD			
0	Book Value of Assets Sold Written Back		0	41,125
0	Profit/Loss on the Disposal of Assets		0	1,602
0	Provision for Employee Entitlements		25,721	0
17,797	Depreciation Written Back		17,259	21,024
0	Provision for Audit Fees		0	0
\$17,797			\$42,980	\$63,751
(\$410,026)	<i>Sub Total</i>		\$564,465	(\$453,814)
	LESS CAPITAL PROGRAMME	1,14		
0	Purchase Land & Buildings		0	(3,000)
(25,000)	Purchase Plant and Equipment		0	(65,016)
-	Purchase Furniture and Equipment		(1,317)	(22,000)
(\$25,000)			(\$1,317)	(\$90,016)
	LESS MEMBERS EQUITY			
	Development of Land for Resale			
40,743,130	Income Sale of Lots -Subdivision		30,194,653	26,283,529
1,659,807	Income Other -Subdivision		50,703	4,794,250
0	Income Other -Proceeds Telethon Home		643,182	0
0	Income Other -Proceeds Sale of Apartments		7,382,668	0
0	Income Other- Access Fees for Lot 1 McAllister		269,145	0
(47,630,553)	Development Costs - Subdivision		(15,104,531)	(32,546,354)
0	Development Costs - Apartments		(7,498,129)	0
(350,650)	Contribution Refund		(310,057)	(327,714)
(18,000,000)	Profit Distributions		(15,000,000)	(11,000,000)
0	Contribution Returned	27	0	0
(\$23,578,266)			\$627,633	(\$12,796,289)
0	Rounding		3	0
\$0			\$3	\$0
(\$24,013,292)	<i>Sub Total</i>		\$1,190,784	(\$13,340,119)
	LESS FUNDING FROM			
46,155,070	Opening Funds	26	46,155,070	47,345,854
(22,141,778)	Closing Funds	26	(47,345,854)	(34,005,735)
\$24,013,292			(\$1,190,784)	\$13,340,119
\$0	TO BE MADE UP FROM RATES		(\$0)	\$0

TAMALA PARK REGIONAL COUNCIL
BUDGET STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE 2017

2015/16 ADOPTED BUDGET		NOTES	2015/16 ACTUAL	2016/17 ADOPTED BUDGET
\$	Cash Flows from operating activities		\$	\$
	PAYMENTS			
(727,610)	Employee Costs		(547,427)	(776,878)
0	Materials & Contracts		0	0
(485,254)	- Professional Consulting Fees		(258,998)	(504,430)
(6,150)	- Other		(457)	(18,000)
(17,323)	Utilities		(10,152)	(17,756)
0	Insurance		0	0
0	Interest Expenses		(145,951)	0
(175,970)	Goods and Services Tax		(160,023)	(179,007)
	Other			
(\$1,412,307)			(\$1,123,008)	(\$1,496,071)
	RECEIPTS			
0	Rates		0	0
1,937	Contributions and Donations Reimbursements		0	1,985
1,147,730	Interest Received		1,422,836	977,520
0	Goods and Services Tax		143,158	0
0	Other		6,068	0
\$1,149,667			\$1,572,062	\$979,505
(\$262,640)	Net Cash flows from Operating Activities	9	\$449,054	(\$516,566)
	Cash flows from investing activities			
	Payments			
(25,000)	Purchase Plant and Equipment		0	(65,016)
0	Purchase Furniture and Equipment		(1,317)	(22,000)
0	Purchase Land & Buildings		0	(3,000)
	Receipts			
0	Disposal of Plant and Equipment		0	42,727
(\$25,000)			(\$1,317)	(\$47,289)
	Members Equity			
	Payments			
(47,630,553)	- Development of Land for Resale		(22,602,667)	(32,546,354)
(350,650)	-Contribution to be Returned		(310,059)	(327,714)
(18,000,000)	-Change in Contributed Equity		(15,000,000)	(11,000,000)
0	-Capital Returned		-	0
(\$65,981,203)			(\$37,912,726)	(\$43,874,068)
	Receipts			
40,743,130	-Income Sale of Lots -Subdivision		38,540,351	26,283,529
1,659,807	-Income Other -Subdivision		0	4,794,250
\$42,402,937			\$38,540,351	\$31,077,779
(\$23,603,266)	Net cash flows from investing activities		\$626,308	(\$12,843,578)
	Cash flows from financing activities			
\$0	Net cash flows from financing activities		\$0	\$0
(\$23,865,906)	Net (decrease)/increase in cash held		\$1,075,362	(\$13,360,144)
46,060,590	Cash at the Beginning of Reporting Period		46,060,590	47,135,952
0	Rounding		-	0
\$22,194,684	Cash at the End of Reporting Period	5	\$47,135,952	\$33,775,808

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

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.

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

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

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

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

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

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

Land held for sale is classified as current except where it is held as non-current based on Council's intentions 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 amendments allow for a phasing in of fair value in relation to fixed assets over three years as follows:

- (a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and
 - (b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government -
 - (i) that are plant and equipment; and
 - (ii) that are -
 - (I) land and buildings; or-
 - (II) Infrastructure;
- and
- (c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

Thereafter, in accordance with the regulations, each asset class must be revalued at least every 3 years.

In 2013, Council 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.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consequently, these assets were initially recognised at cost but revalued along with other items of Land and Buildings at 30 June 2014.

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.

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

Revaluation

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

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 only become applicable for the year ended 30 June 2014 (in relation to Council), given the legislative need to commence using Fair Value methodology in the previous reporting period (year ended 30 June 2013) the Council chose to early adopt AASB 13 (as allowed for in the standard).

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

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.

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Depreciation of Non-Current Assets

Depreciation

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

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

- a) Restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or
- b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

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

Computer Equipment	4 years
Furniture and Equipment	4 to 10 years
Printers, Photocopiers and Scanners	5 years
Floorcoverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 12 years
Infrastructure	30 to 50 years

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

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

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

When revalued assets are disposed of, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Capitalisation Threshold

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

(i) Fair Value of Assets and Liabilities

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

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

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Fair Value Hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

(j) 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.

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

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss. Assets in this category are classified as current assets.

(ii) Loans and receivables

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

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

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

(iv) Available-for-sale financial assets

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

Impairment

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 (a "loss event") 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 assets, 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 previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the 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.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of Assets

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

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

(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

Short-Term Employee Benefits

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

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

Other Long-Term Employee Benefits

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

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

(m) Borrowing Costs

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Provisions

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

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

(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 Council, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

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

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

(p) Investment in Associates

An associate is an entity over which the Council has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Council's share of net assets of the associate. In addition, the Council's share of the profit or loss of the associate is included in the Council's profit or loss.

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

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

When the Council's share of losses in an associate equals or exceeds its interest in the associate, the Council discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Council will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Interests in Joint Arrangements

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

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

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 22.

(r) 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.

(s) 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.

(t) 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 the Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the Council's intentions to release for sale.

(u) Rounding Off Figures

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

(v) Comparative Figures

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

2 OPERATING, REVENUES AND EXPENSES

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

Adopted Budget 2015/16 \$		Actual 2015/16 \$	Adopted Budget 2016/17 \$
	Charging as Expense		
17,797	Depreciation on Non-Current Assets	17,259	21,024
	Crediting as Revenue		
0	Profit/(Loss) on Sale of Non-Current Assets	0	1,602
958,606	Interest Earnings	1,435,795	959,170
958,606		1,435,795	960,772

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.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

4 OPERATING REVENUES AND EXPENSES

Operating expenses and revenues classified according to nature and type.

Adopted Budget 2015/16 \$		Actual 2015/16 \$	Adopted Budget 2016/17 \$
	Operating Expenses		
(727,610)	Employee Costs	(593,993)	(752,311)
0	Materials and Contracts		
(443,516)	Professional Consulting fees	0	0
(6,150)	Other	(138,115)	(492,112)
(17,797)	Utility Charges (Gas, Electricity, Water, etc)	(457)	(18,000)
0	Depreciation on Non-Current Assets	(17,259)	(21,024)
(17,323)	Loss on Asset Disposals	0	0
(175,970)	Insurance Expenses	(10,152)	(17,756)
(1,388,366)	Other Expenses	(160,034)	(177,517)
	Agrees with Statement of Comprehensive Income	(920,010)	(1,478,720)
	Operating Revenues		
958,606	Interest Earnings	1,435,795	959,170
1,937	Contributions and Donations Reimbursements	0	1,985
0	Profit on Asset Disposals	0	1,602
0	Other	5,700	0
960,543	Agrees with Statement of Comprehensive Income	1,441,495	962,757
(427,823)	Net Result	521,485	(515,963)
	Other Comprehensive Income		
0	Changes on Revaluation of Non - Current Assets	(4,633)	0
(427,823)	Total Comprehensive Income	516,852	(515,963)

5 CASH

Adopted Budget 2015/16 \$		Actual 2015/16 \$	Adopted Budget 2016/17 \$
0	Cash on Hand	0	0
22,194,684	Cash at Bank	47,135,952	33,775,808
0	Investments	0	0
22,194,684	Represented by:-	47,135,952	33,775,808
0	Restricted	0	0
22,194,684	Unrestricted	47,135,952	33,775,808
22,194,684		47,135,952	33,775,808

6 DISPOSAL OF ASSETS

(A) DISPOSAL OF ASSETS BY CLASS

Asset by Class	Proceeds Sale of Assets \$	Written Down Value \$	Gain/(Loss) on Disposal \$
Furniture and Equipment	0	0	0
Land and Buildings	0	0	0
Plant and Equipment	42,727	41,125	1,602
TOTAL BY CLASS OF ASSETS	42,727	41,125	1,602

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

(B) DISPOSAL OF ASSETS BY PROGRAM

	Proceeds Sale of Assets	Written Down Value	Gain/(Loss) on Disposal
	\$	\$	\$
Other Property and Services	42,727	41,125	1,602
TOTAL BY PROGRAM	42,727	41,125	1,602

(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 2017

8 RESERVES

year ended 30 June 2016

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 2015/16		Actual 2015/16	Adopted Budget 2016/17
\$		\$	\$
	Change in net result from operations		
(427,823)	Net Result	521,485	(515,963)
17,797	Depreciation	17,259	21,024
0	(Profit) loss on sale of Fixed Assets	0	(1,602)
	Change in Assets and Liabilities		
0	(Increase)/Decrease in Inventory	0	0
0	Increase/(Decrease) in Provisions - Employee Entitlements	44,246	0
189,124	(Increase)/Decrease in Receivables	(15,384)	18,350
(41,738)	Increase/(Decrease) in Payables	(118,563)	(38,375)
0	Rounding	11	0
(262,640)	Cash flows from Operations	449,054	(516,566)
6,000	Credit Card Facility	6,000	6,000
0	Amount Utilised	(1,899)	0
6,000	Unused Facility available	4,101	6,000

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

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 2015/16		Actual 2015/16	Adopted Budget 2016/17
\$		\$	\$
958,606	General Account	1,435,795	959,170
958,606	TOTAL	1,435,795	959,170

12 COUNCIL MEMBERS - FEES, EXPENSES AND ALLOWANCES

The 2016/2017 Budget provides for the following:

Adopted Budget 2015/16		Actual 2015/16	Adopted Budget 2016/17
\$		\$	\$
	- Annual Attendance Fee		
128,750	- Elected Members Remuneration	128,750	130,687
2000	- Alternate Elected Members Remuneration	512	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		
19,570	- Chairman	19,570	19,864
4,893	- Deputy Chairman	4,892	4,966

13 DEPRECIATION ON NON-CURRENT ASSETS

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

BY PROGRAM

Adopted Budget 2015/16		Actual 2015/16	Adopted Budget 2016/17
\$		\$	\$
17,797	Other Property and Services	17,259	21,024
17,797	TOTAL	17,259	21,024

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

13 DEPRECIATION ON NON-CURRENT ASSETS

BY CLASS

Adopted Budget 2015/16		Actual 2015/16	Adopted Budget 2016/17
\$		\$	\$
1,618	Furniture and Equipment	1,915	1,915
5,539	Improvements to Leasehold Property	5,539	5,539
10,640	Plant and Equipment	9805	13,570
17,797	TOTAL	17,259	21,024

14 ACQUISITION OF ASSETS

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

BY PROGRAM

Adopted Budget 2015/16		Actual 2015/16	Adopted Budget 2016/17
\$		\$	\$
0	Other Property and Service		
0	General Office Fit out	0	3000
0	Office Equipment	1317	22000
0	Furniture	0	0
25,000	Motor Vehicle - Work Vehicle	0	65,016
25,000		1,317	90,016

Adopted Budget 2015/16		Actual 2015/16	Adopted Budget 2016/17
\$		\$	\$
0	Land and Buildings	0	3000
25000	Plant and Equipment	0	65016
0	Furniture and Equipment	1317	22000
25,000		1,317	90,016

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 2017

16 RATING INFORMATION

A Regional Council does not impose rates

17 SPECIFIED AREA RATE

No specified area rates will be levied during the year 2016/17

18 SERVICE CHARGES

No specified area rates will be imposed during the year 2016/17

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

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

(c) Revenue and Expenditure associated with the Project:

Adopted Budget 2015/16		Actual 2015/16	Adopted Budget 2016/17
\$		\$	\$
	Rezoning, Subdivision, Development and Sale of land		
	Revenue		
5,227,616	Participants Equity	0	1,468,575
42,402,937	Sale of Lots, Apartments, Telethon Home and Access Fees	38,540,350	31,077,779
47,630,553		38,540,350	32,546,354
	Expenditure		
38,544,408	Land Development Costs	11,293,445	27,336,730
1,361,186	Consultancy Fees	302,068	675,204
811,860	Sales and Marketing	193,527	663,734
6,843,099	Selling Expenses	2,633,805	3,805,686
70,000	Other	8,179,815	65,000
0	Participants Equity	15,937,690	0
47,630,553		38,540,350	32,546,354

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.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET
FOR THE YEAR ENDING 30TH JUNE 2017**

25 FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The following table details the Regional Council exposure to interest rate risks projected to 30th June 2017.

	Average Interest %	Variable Interest Rate \$	Fixed Interest Rate Maturity Less than 1 year \$	1 to 5 years \$	Non Interest Bearing \$	Total \$
Financial Assets						
Cash on Hand						0
Cash	2.50	0	33,775,808			33,775,808
Trade Receivables					386,158	386,158
		0	33,775,808	0	386,158	34,161,966
Financial Liabilities						
Creditors and Provisions					156,231	156,231
		0	0	0	156,231	156,231

(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 2015/16 \$		Actual 2015/16 \$	Adopted Budget 2016/17 \$
0	Current Assets	0	0
22,194,684	Cash On Hand	47,135,952	33,775,808
200,000	Cash at Bank	404,508	386,158
22,394,684	Receivables	47,540,460	34,161,966
	LESS CURRENT LIABILITIES		
150,000	Payables	73,175	34,800
102,906	Provisions - Employees Entitlements	121,431	121,431
252,906		194,606	156,231
22,141,778	Rounding	47,345,854	34,005,735
	SURPLUS OF CURRENT ASSETS OVER CURRENT LIABILITIES		

27 MEMBER COUNCILS' EQUITY IN THE TAMALA PARK REGIONAL COUNCIL

Adopted Budget 2015/16 \$		Actual 2015/16 \$	Adopted Budget 2016/17 \$
48,094,266	Members Equity	48,094,264	49,238,752
(427,823)	Accumulated surplus	516,854	(515,963)
(5,227,616)	Total Comprehensive Income	15,937,691	(1,468,575)
(18,350,650)	Change in Contributed Equity	(15,310,057)	(11,327,714)
24,088,177	Contribution Returned	49,238,752	35,926,500
	Total Equity		
	Share		
2,007,348	Town of Cambridge	4,103,229	2,993,875
4,014,696	City of Joondalup	8,206,459	5,987,750
2,007,348	City of Perth	4,103,229	2,993,875
8,029,392	City of Stirling	16,412,917	11,975,500
2,007,348	Town of Victoria Park	4,103,229	2,993,875
2,007,348	Town of Vincent	4,103,229	2,993,875
4,014,696	City of Wanneroo	8,206,459	5,987,750
24,088,177		49,238,752	35,926,500

Tamala Park Regional Council

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

	ACTUAL 2015-16		Adopted Budget 2015-2016		Adopted Budget 2016-2017	
	Income	Expenditure	Income	Expenditure	Income	Expenditure
Proceeds Sale of Assets						
00000 Proceeds Sale of Assets - Motor Vehicle CEO			\$0	\$0	(\$42,727)	\$0
00000 Proceeds Sale of Assets - Work Vehicle	\$0	\$0	\$0	\$0	\$0	\$0
Written Down Value						
00000 Written Down Value - Motor Vehicle CEO	\$0	\$0	\$0	\$0	\$0	\$41,125
00000 Written Down Value -Work Vehicle	\$0	\$0	\$0	\$0	\$0	\$0
Sub Total - GAIN/LOSS ON DISPOSAL OF ASSET	\$0	\$0	\$0	\$0	(\$42,727)	\$41,125
Total - GAIN/LOSS ON DISPOSAL OF ASSET	\$0	\$0	\$0	\$0	(\$42,727)	\$41,125
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	(\$42,727)	\$41,125
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	(\$1,435,795)	\$0	(\$958,606)	\$0	(\$959,170)	\$0
I032020 - Contributions	\$0	\$0	\$0	\$0	\$0	\$0
Sub Total - OTHER GENERAL PURPOSE FUNDING OP/INC	(\$1,435,795)	\$0	(\$958,606)	\$0	(\$959,170)	\$0
Total - OTHER GENERAL PURPOSE FUNDING	(\$1,435,795)	\$0	(\$958,606)	\$0	(\$959,170)	\$0
Total - GENERAL PURPOSE FUNDING	(\$1,435,795)	\$0	(\$958,606)	\$0	(\$959,170)	\$0
GOVERNANCE						
MEMBERS OF COUNCIL						
OPERATING EXPENDITURE						
E041005 - Chairman Allowance	\$0	\$19,570	\$0	\$19,570	\$0	\$19,864
E041010 - Deputy Chair Allowance	\$0	\$4,892	\$0	\$4,893	\$0	\$4,966
E041018 - Composite Allowance	\$0	\$128,750	\$0	\$128,700	\$0	\$130,687
E041019 - Alternative Member Meeting Fee	\$0	\$512	\$0	\$2,000	\$0	\$2,000
E041020 - Conference Expenses	\$0	\$4,276	\$0	\$10,250	\$0	\$10,000
E041025 - Training	\$0	\$0	\$0	\$0	\$0	\$0
E041030 - Other Costs	\$0	\$354	\$0	\$10,250	\$0	\$10,000
Sub Total - MEMBERS OF COUNCIL OP/EXP	\$0	\$158,354	\$0	\$175,663	\$0	\$177,517
OPERATING INCOME						
	\$0	\$0	\$0	\$0	\$0	\$0
Sub Total - MEMBERS OF COUNCIL OP/INC	\$0	\$0	\$0	\$0	\$0	\$0
Total - GOVERNANCE	\$0	\$158,354	\$0	\$175,663	\$0	\$177,517
Total - GOVERNANCE	\$0	\$158,354	\$0	\$175,663	\$0	\$177,517
OTHER PROPERTY AND SERVICES						
SALARIES AND WAGES						
OPERATING EXPENDITURE						
New - Gross Total Salaries and Wages	\$0	\$0	\$0	\$589,950	\$0	\$610,598
New - Gross Total Salaries and Wages Allocated	\$0	\$0	\$0	(\$589,950)	\$0	(\$610,598)
Sub Total - SALARIES AND WAGES OP/EXP	\$0	\$0	\$0	\$0	\$0	\$0
Total - SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0	\$0

Tamala Park Regional Council

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

	ACTUAL 2015-16		Adopted Budget 2015-2016		Adopted Budget 2016-2017	
	Income	Expenditure	Income	Expenditure	Income	Expenditure
UNCLASSIFIED						
OPERATING EXPENDITURE						
Administration						
E145005 · Salaries - Basic Costs	\$0	\$520,153	\$0	\$589,950	\$0	\$610,598
E145007 · Salaries Occ. Superannuation	\$0	\$44,663	\$0	\$56,045	\$0	\$58,007
E145009 · Salaries WALGS Superannuation	\$0	\$0	\$0	\$5,175	\$0	\$5,356
E145006 · Parental Leave	\$0	\$0	\$0	\$0	\$0	\$0
E145011 · Advertising Staff Vacancies	\$0	\$0	\$0	\$5,125	\$0	\$5,253
E145015 · Insurance W/comp.	\$0	\$12,954	\$0	\$13,914	\$0	\$14,262
E145017 · Medical Exam. Costs	\$0	\$0	\$0	\$308	\$0	\$315
E145019 · Staff Training & Dev.	\$0	\$383	\$0	\$5,125	\$0	\$5,253
E145020 · Conference Expenses	\$0	\$5,090	\$0	\$15,375	\$0	\$15,759
E145021 · Telephone - Staff Reimbursement	\$0	\$545	\$0	\$718	\$0	\$735
E145024 · Travel Expenses CEO	\$0	\$0	\$0	\$10,250	\$0	\$10,506
E145025 · Other Accom & Property Costs	\$0	\$38,666	\$0	\$35,875	\$0	\$36,772
E145027 · Advertising General	\$0	\$0	\$0	\$15,375	\$0	\$15,759
E145029 · Advertising Public/Statutory	\$0	\$0	\$0	\$15,375	\$0	\$15,759
E145031 · Graphics Consumables	\$0	\$0	\$0	\$5,125	\$0	\$5,253
E145033 · Photocopying	\$0	\$584	\$0	\$2,563	\$0	\$2,627
E145037 · Postage, Courier & Freight	\$0	\$1,159	\$0	\$1,230	\$0	\$1,261
E145039 · Printing	\$0	\$0	\$0	\$5,125	\$0	\$5,253
E145043 · Stationery	\$0	\$872	\$0	\$2,050	\$0	\$2,101
E145045 · Other Admin Expenses	\$0	\$2,417	\$0	\$15,375	\$0	\$15,759
E145047 · Office Telephones & Faxes	\$0	\$1,837	\$0	\$3,075	\$0	\$3,152
E145049 · Mobil Phones, Pages, Radios	\$0	\$0	\$0	\$2,050	\$0	\$2,101
E145053 · Bank Charges	\$0	\$50	\$0	\$2,050	\$0	\$2,101
E145055 · Credit Charges	\$0	\$90	\$0	\$205	\$0	\$210
E145056 · Interest on Overdraft	\$0	\$0	\$0	\$0	\$0	\$0
E145057 · Audit Fees	\$0	\$8,036	\$0	\$8,250	\$0	\$8,456
E145059 · Membership Fees	\$0	\$6,567	\$0	\$7,739	\$0	\$7,500
E145061 · Legal Expenses (General)	\$0	\$0	\$0	\$30,750	\$0	\$30,000
E145069 · Valuation Fees	\$0	\$0	\$0	\$51,250	\$0	\$50,000
E145075 · Promotions	\$0	\$0	\$0	\$15,375	\$0	\$15,000
E145077 · Business Hospitality Expenses	\$0	\$589	\$0	\$10,250	\$0	\$10,000
E145079 · Consultancy	\$0	\$0	\$0	\$20,500	\$0	\$20,000
E145082 · Lawyers	\$0	\$0	\$0	\$30,750	\$0	\$30,000
E145083 · Research	\$0	\$0	\$0	\$30,750	\$0	\$30,000
E145100 · Safety Clothes and Equipment	\$0	\$0	\$0	\$1,025	\$0	\$1,000
E145086 · Probity Auditor	\$0	\$0	\$0	\$20,500	\$0	\$20,000
E145087 · Computer Software Mtce	\$0	\$454	\$0	\$5,125	\$0	\$5,000
E145088 · Accounting Management	\$0	\$35,136	\$0	\$51,250	\$0	\$52,531
E145089 · Computer Software Purchase	\$0	\$1,279	\$0	\$10,250	\$0	\$50,000
E145091 · Computer Sundries	\$0	\$0	\$0	\$5,125	\$0	\$5,000
E145092 · Data Communication Links	\$0	\$0	\$0	\$5,125	\$0	\$5,500
E145093 · Internet Provider Costs	\$0	\$8,900	\$0	\$10,250	\$0	\$10,500
E145094 · Plant & Equipment Purchase Non-Capital	\$0	\$0	\$0	\$2,050	\$0	\$2,000
E145095 · Furniture & Equipment Purchase	\$0	\$0	\$0	\$5,125	\$0	\$5,000
E145097 · Hire of Equipment	\$0	\$0	\$0	\$2,050	\$0	\$2,000
E145099 · Vehicle Operating Expense	\$0	\$6,400	\$0	\$15,375	\$0	\$15,759
E145013 · Fringe Benefit Tax -Motor Vehicle	\$0	\$5,760	\$0	\$10,250	\$0	\$10,506
E145101 · Consumable Stores	\$0	\$680	\$0	\$1,025	\$0	\$1,000
E145103 · Newspapers & Periodicals	\$0	\$0	\$0	\$205	\$0	\$200
E145100 · Safety Clothes and Equipment	\$0	\$0	\$0	\$0	\$0	\$0
E145105 · Publications & Brochures	\$0	\$0	\$0	\$513	\$0	\$500
E145107 · Subscriptions	\$0	\$0	\$0	\$1,025	\$0	\$1,000
E145109 · Parking Expenses	\$0	\$180	\$0	\$308	\$0	\$315
E145111 · Plans	\$0	\$0	\$0	\$1,538	\$0	\$1,500
E145113 · Emergency Services	\$0	\$0	\$0	\$10,250	\$0	\$10,000
E145117 · Electricity	\$0	\$0	\$0	\$6,150	\$0	\$18,000
E145119 · Professional Indemnity	\$0	\$0	\$0	\$0	\$0	\$0
E145121 · Insurance - Public Liability	\$0	\$4,221	\$0	\$5,125	\$0	\$5,253
E145123 · Insurance - Property (ISR)	\$0	\$4,655	\$0	\$1,948	\$0	\$1,997
E145126 · Insurance - Personal Accident	\$0	\$1,275	\$0	\$5,125	\$0	\$5,253
E145127 · Insurance - Other	\$0	\$0	\$0	\$5,125	\$0	\$5,253
E145222 · Depreciation	\$0	\$17,259	\$0	\$17,797	\$0	\$21,024
E145405 · TPG Syrinx Component	\$0	\$0	\$0	\$0	\$0	\$0
E145451 · GST management	\$0	\$28,304	\$0	\$0	\$0	\$0
E145452 · Recruitment_Human Resources	\$0	\$2,500	\$0	\$0	\$0	\$0
0000000- Record Management Consultancy	\$0	\$0	\$0	\$0	\$0	\$10,000
Sub Total - UNCLASSIFIED OP/EXP	\$0	\$761,656	\$0	\$1,212,703	\$0	\$1,301,203
OPERATING INCOME						
I145010 · Reimbursements	(\$5,700)	\$0	(\$1,937)	\$0	(\$1,985)	\$0
I05 · Contribution- Parental Leave	\$0	\$0	\$0	\$0	\$0	\$0
Sub Total - UNCLASSIFIED OP/INC	(\$5,700)	\$0	(\$1,937)	\$0	(\$1,985)	\$0
Total - UNCLASSIFIED	(\$5,700)	\$761,656	(\$1,937)	\$1,212,703	(\$1,985)	\$1,301,203
Total - OTHER PROPERTY AND SERVICES	(\$5,700)	\$761,656	(\$1,937)	\$1,212,703	(\$1,985)	\$1,301,203

Tamala Park Regional Council

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

	ACTUAL 2015-16		Adopted Budget 2015-2016		Adopted Budget 2016-2017	
	Income	Expenditure	Income	Expenditure	Income	Expenditure
MEMBERS EQUITY						
EXPENDITURE						
Contribution Refund	\$0	\$310,057	\$0	\$350,650	\$0	\$327,714
Capital Returns	\$0	\$0	\$0	\$0	\$0	\$0
Profit Distributions	\$0	\$15,000,000	\$0	\$18,000,000	\$0	\$11,000,000
Development Costs Apartments	\$0	\$7,498,129	\$0	\$0	\$0	\$0
Sub Total - MEMBERS EQUITY	\$0	\$22,808,186	\$0	\$18,350,650	\$0	\$11,327,714
INCOME						
I145011 - Income Sale on Lots	(\$30,194,653)	\$0	(\$40,743,130)	\$0	(\$26,283,529)	\$0
I145012 - Income Other	(\$50,703)	\$0	(\$1,659,807)	\$0	(\$4,794,250)	\$0
I000000 - Income Other Proceeds Proceeds Telethon Home	(\$643,182)	\$0	\$0	\$0	\$0	\$0
I000000 - Income Other Access Fees for Lot 1 McAllister	(\$269,145)	\$0	\$0	\$0	\$0	\$0
I000000 - Income Other Proceeds Sale of Apartments	(\$7,382,668)	\$0	\$0	\$0	\$0	\$0
Sub Total - MEMBERS EQUITY	(\$38,540,350)	\$0	(\$42,402,937)	\$0	(\$31,077,779)	\$0
Total - MEMBERS EQUITY	(\$38,540,350)	\$0	(\$42,402,937)	\$18,350,650	(\$31,077,779)	\$11,327,714
Total - MEMBERS EQUITY	(\$38,540,350)	\$22,808,186	(\$42,402,937)	\$18,350,650	(\$31,077,779)	\$11,327,714
SURPLUS						
New (Surplus) / Deficit - Brought Forward	(\$46,155,070)	\$0	(\$46,155,070)	\$0	(\$47,345,854)	\$0
New (Surplus) / Deficit - Carried Forward	\$0	\$47,345,854	\$0	\$22,141,778	\$0	\$34,005,735
Sub Total - SURPLUS C/FWD	(\$46,155,070)	\$47,345,854	(\$46,155,070)	\$22,141,778	(\$47,345,854)	\$34,005,735
Total - SURPLUS	(\$46,155,070)	\$47,345,854	(\$46,155,070)	\$22,141,778	(\$47,345,854)	\$34,005,735
DEPRECIATION						
New - Depreciation Written Back	\$0	(\$17,259)	\$0	(\$17,797)	\$0	(\$21,024)
New - Employee Provisions	\$0	(\$25,721)	\$0	\$0	\$0	\$0
New - Prov for Audit Fees	\$0	\$0	\$0	\$0	\$0	\$0
New - Book Value of Assets Written Back	\$0	\$0	\$0	\$0	\$0	(\$41,125)
Sub Total - DEPRECIATION WRITTEN BACK	\$0	(\$42,980)	\$0	(\$17,797)	\$0	(\$62,149)
Total - DEPRECIATION	\$0	(\$42,980)	\$0	(\$17,797)	\$0	(\$62,149)
FURNITURE AND EQUIPMENT						
OTHER PROPERTY AND SERVICES						
EXPENDITURE						
E168561 - Photocopier	\$0	\$0	\$0	\$0	\$0	\$0
E168563 - Computer	\$0	\$1,317	\$0	\$0	\$0	\$0
E168513 - General Office Equipment	\$0	\$0	\$0	\$0	\$0	\$0
E168516 - Office Furniture CEO	\$0	\$0	\$0	\$0	\$0	\$0
E168517 - Computer Equipment	\$0	\$0	\$0	\$0	\$0	\$20,000
E168519 - Phones	\$0	\$0	\$0	\$0	\$0	\$2,000
E168518 - Microwave Oven	\$0	\$0	\$0	\$0	\$0	\$0
E168524 - Sony Bravia Conference Room TV	\$0	\$0	\$0	\$0	\$0	\$0
Sub Total - CAPITAL WORKS	\$0	\$1,317	\$0	\$0	\$0	\$22,000
Total- OTHER PROPERTY AND SERVICES	\$0	\$1,317	\$0	\$0	\$0	\$22,000
Total - FURNITURE AND EQUIPMENT	\$0	\$1,317	\$0	\$0	\$0	\$22,000
LAND AND BUILDINGS						
OTHER PROPERTY AND SERVICES						
EXPENDITURE						
E168521 - Refurbishment works office (shelving etc)	\$0	\$0	\$0	\$0	\$0	\$3,000
E168519 - Phones	\$0	\$0	\$0	\$0	\$0	\$0
E168523 - Elect_Comp Equipmen	\$0	\$0	\$0	\$0	\$0	\$0
Sub Total - CAPITAL WORKS	\$0	\$0	\$0	\$0	\$0	\$3,000
Total - OTHER PROPERTY AND SERVICES	\$0	\$0	\$0	\$0	\$0	\$3,000
Total - LAND AND BUILDINGS	\$0	\$0	\$0	\$0	\$0	\$3,000

Tamala Park Regional Council

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

	ACTUAL 2015-16		Adopted Budget 2015-2016		Adopted Budget 2016-2017	
	Income	Expenditure	Income	Expenditure	Income	Expenditure
PLANT AND EQUIPMENT						
OTHER PROPERTY AND SERVICES						
EXPENDITURE						
0000000 Motor Vehicle - CEO	\$0	\$0	\$0	\$0	\$0	\$65,016
0000000 Work Vehicle	\$0	\$0	\$0	\$25,000	\$0	\$0
Sub Total - CAPITAL WORKS	\$0	\$0	\$0	\$25,000	\$0	\$65,016
Total - OTHER PROPERTY AND SERVICES	\$0	\$0	\$0	\$25,000	\$0	\$65,016
Total - PLANT AND EQUIPMENT	\$0	\$0	\$0	\$25,000	\$0	\$65,016
INFRASTRUCTURE ASSETS - OTHER						
Land Development Costs						
New-Land & Special Sites Development	\$0	\$1,768	\$0	\$324,357	\$0	\$49,657
99.4 · Land Develop - Consultants	\$0	\$302,068	\$0	\$1,361,186	\$0	\$675,204
99.5 · Land Develop - Landscape	\$0	\$1,907,878	\$0	\$6,477,500	\$0	\$6,807,816
99.1 · Land Develop - Infrastructure	\$0	\$932,319	\$0	\$5,107,060	\$0	\$1,474,031
99.9 · Land Develop - Precinct 1 Bulk	\$0	\$2,457,226	\$0	\$4,077,580	\$0	\$3,770,383
99.2 · Land Develop - Lot Production	\$0	\$5,253,447	\$0	\$17,550,304	\$0	\$10,717,375
99.6 · Land Develop - Admin Land Dev	\$0	\$677,478	\$0	\$1,083,928	\$0	\$1,075,117
New-Community Development	\$0	\$63,329	\$0	\$192,500	\$0	\$192,500
New-Contingency	\$0	\$0	\$0	\$2,054,440	\$0	\$1,483,907
New-finance	\$0	\$0	\$0	\$1,402,111	\$0	\$1,600,000
Debtors /Creditors Movement	\$0	\$0	\$0	\$274,628	\$0	\$165,944
Consultancy						
-Env Innovation Consultancies	\$0	\$0				
E145441 · Sustainability Assessment System	\$0	\$0	\$0	\$0	\$0	\$0
E145448 · EPBC Act Management	\$0	\$0	\$0	\$0	\$0	\$0
-Admin-Operational Consultancies						
E145451 · GST management	\$0	\$0	\$0	\$20,000	\$0	\$20,000
E145453 · GST Margin Scheme Consultancy	\$0	\$4,800	\$0	\$0	\$0	\$0
E145452 · Recruitment_Human Resources	\$0	\$0	\$0	\$5,000	\$0	\$5,000
Property Development Services						
-Property Admin and Approvals						
E145041 · Signage/Decals	\$0	\$0	\$0	\$5,000	\$0	\$5,000
E145042 · Branding/Marketing	\$0	\$0	\$0	\$10,000	\$0	\$10,000
-Mtce Services-Land						
E145204 · Fences/Walls	\$0	\$0	\$0	\$20,000	\$0	\$20,000
E145206 · MtceServices-Land	\$0	\$0	\$0	\$10,000	\$0	\$5,000
-Sales Expenditure						
E145216 · Direct Selling Expenses	\$0	\$2,633,805	\$0	\$6,843,099	\$0	\$3,805,686
E145218 · Sales and Marketing	\$0	\$193,527	\$0	\$811,860	\$0	\$663,734
-Other Expenditure						
E145029 · Advertising Public/Statutory	\$0	\$17,557	\$0	\$0	\$0	\$0
E145061 · Legal Expenses (General)	\$0	\$8,534	\$0	\$0	\$0	\$0
E145086 · Probity Auditor	\$0	\$8,971	\$0	\$0	\$0	\$0
0000000- Donation to Telethon	\$0	\$641,824	\$0	\$0	\$0	\$0
Sub Total - CAPITAL WORKS	\$0	\$15,104,531	\$0	\$47,630,553	\$0	\$32,546,354
Total - OTHER	\$0	\$15,104,531	\$0	\$47,630,553	\$0	\$32,546,354
Total - INFRASTRUCTURE ASSETS - OTHER	\$0	\$15,104,531	\$0	\$47,630,553	\$0	\$32,546,354
GRAND TOTALS	(\$86,136,915)	\$86,136,918	(\$89,518,550)	\$89,518,550	(\$79,427,515)	\$79,427,515

Appendix 9.7



Catalina Sustainability Initiatives Plan - Review



July 2016 – Rev C

Catalina Sustainability Initiatives Paper

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Background

The Catalina Sustainability Initiatives Plan (SIP) was prepared by Active Sustainability in September 2011. The SIP provided a detailed analysis of sustainability initiatives which may be considered for implementation at Catalina to set the project's sustainability objectives. The full Council of the TPRC received the SIP in December 2011 and approved implementation of specific elements of the SIP at the same meeting.

The original SIP and recommendations were framed in line with EnviroDevelopment Standards with the intention of achieving certification in selected elements. The Urban Development Institute of Australia have recently reviewed the draft EnviroDevelopment submission prepared for the Catalina Project and have provided feedback suggesting the project is on target to achieve a four leaf accreditation. Based on this advice, the Satterley Property Group have prepared a separate recommendation to the Tamala Park Regional Council recommending lodgement of the EnviroDevelopment application with an outlook of achieving a four leaf accreditation in the short term whilst continuing to implement additional initiatives with to ultimately achieve a 6 leaf accreditation.

The UDIA have confirmed that they can review the points / credentials afforded to a project with an outlook to adjust their certification according to the implementation of sustainability initiatives.

The EnviroDevelopment application would supersede the SIP. The original SIP identified a three phase approach to the delivery an implementation of the SIP which culminated in the achievement of EnviroDevelopment certification in selected elements.

This SIP review focuses on waterwise initiatives due to a requirement to improve water sustainability initiatives to secure an EnviroDevelopment water leaf.

Introduction

Since 2011, the SIP has been annually reviewed by SPG. The SIP was reviewed at the TPRC August 2015 Council meeting where it was decided the following initiatives were to be implemented:

- Completion of Shared Bore Trial for Stages 4, 5 & 7;
- Solar Panel Rebate;
- Fibre Optic Service;
- Community Development;
- Waste Recycling;
- Sustainable Housing through Design Guidelines;
- Dwelling Densities;
- Sustainable landscaping including native, lower water using plants, native seed collection and propagation and use of site mulch
- Civil and Landscape Construction initiatives.

Each of the previously approved initiatives is currently in various stages of implementation.

Two of TPRC's fundamental objectives promote the balance of environmental issues and the commitment to development that demonstrates best practices. In order to facilitate the achievement of TPRC's objectives, the Satterley Property Group has undertaken a review of the SIP to determine if opportunities for improvement to current practices are now available.

The following review provides a number of recommendations regarding previously approved and implemented initiatives and new initiatives.

Competitor Review

Catalina is implementing a high standard of environmental initiatives. The initiatives being implemented exceed those at the majority of competing developments in Beaumaris, Burns Beach and Jindalee. Generally sustainability initiatives at these developments consist of community development, retention of vegetation, environmentally friendly front landscaping and a fibre optic service. The Projects have EnviroDevelopment certification ratings ranging from 1 leaf to 6 leaves and average 2.8 leaves. Four of Catalina's competitors in the northern corridor have EnviroDevelopment ratings.

A summary of these ratings is shown in the table below.

Project	Developer	Leaves	Ecosystems	Waste	Energy	Materials	Water	Water	Community
Alkimos Beach	LendLease / Landcorp	6	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Trinity	LWP	2	Yes	No	No	No	No	Yes	Yes
Carpricorn Village	Carricorn Village JV	2	Yes	No	No	No	No	Yes	Yes
Shorehaven	Peet	1	No	No	No	No	Yes	No	No
Average / Total		2.8	3	1	1	1	2	3	

Alkimos Beach, a joint venture between Landcorp and Lendlease, has received a 6 leaf EnviroDevelopment rating, being the market leader in both Perth and the north-west corridor. The Alkimos Beach development includes an Energy Smart Home Package which includes the following:

- A cash rebate of \$2,500 upon installation of a 1kW or greater solar panel system;
- A cash rebate of \$1,500 towards a solar hot water system (gas boosted);
- In home energy display valued at approximately \$200;
- Efficient airconditioning rebate valued at approximately \$300;
- Front landscaping package to the value of \$2,500.

Allara, a joint venture between Landcorp and Satterley in Eglinton, commenced in November 2014 and also includes a sustainability package summarised as follows:

- Smart thermostat to provide energy efficient air conditioning value valued at \$300;
- Energy monitors and smart meters valued at \$366;
- LED lights valued at \$500;
- Photo voltaic cells to the value of \$2,600;
- Waterwise front landscaping to the value of \$3,500.

Allara has not yet obtained EnviroDevelopment certification. There are also many other developments in the northern coastal corridor that do not have Enviro Development ratings.

Trialled Initiatives

Shared / Community Bore

A shared bore trial has been implemented on 72 traditional lots in Stages 4, 5 & 7 as well as on the Lot 248 group housing site in Stage 4. The cost allocated to implement the shared bore trial for 72 homes was approximately \$250,000 over the three stages. The current cost to install a shared bore is \$3,500 per lot.

The shared bores have received positive feedback from residents who have benefited from reduced watering costs and an additional day of permitted watering during the summer months. The shared bore trial was well received by the majority of owners whom have connected to the shared bore initiative successfully.

It is noted that there have been issues with homeowners connecting to a shared bore including, not wanting to connect and administration and implementation of the shared bore agreements. It was also found that installation of bore infrastructure (pipes) was problematic due to site constraints including location of essential service infrastructure.

It is worth noting that bores are dependent upon rainwater to recharge groundwater supplies. If rainwater level in Perth continue to decline, the ongoing use of bores may not be possible. Water Corporation have expressed reliance upon bores beyond 2030 may be problematic.

Based on the cost to install bores, the potential maintenance issues, potential administration issues, the Water Corporation's sustainability ranking for shared bores and future limitations of using bores, it is recommended that TPRC consider alternatives to shared bores including initiatives to conserve water.

Recommendation: SPG recommend no further trial of the shared bore scheme and consider alternative, more sustainable, more cost effective water savings initiatives.

Solar

The provision of the solar panel rebate allows purchasers of all lots within Catalina to claim a \$2,000 rebate on the basis they complete their home, install solar panels with a minimum 1.5 kw convertor and claim the rebate within 18 months of settlement for a single storey home or 24 months for a two storey home.

To date 163 purchasers have claimed the rebate out of the 681 homes that have been completed indicating a take up rate of 24%. Some recently completed homes are still eligible to obtain the rebate, which could increase this take up rate.

A sample of the rebates claimed showed the size of the solar systems installed ranged from 1.5 kw to 5.0 kw with the average size being 3.0 kw. A 3.0 kw system will generally provide sufficient power for a small home compared to a 4.5kw to 6kw system for a larger home.

The size and cost of systems currently being installed is very similar in size and cost to systems being installed 12 months ago.

Based on a 1.5 kw system being installed, the estimated savings to purchasers is in the order of \$540 per annum which feeds back an estimated 341 kWh per annum into the grid. This is a significant saving providing an affordable living option for owners which also reduces greenhouse gas emissions by approximately 1.4 tonnes per annum per home. Applying this across the 163 homes with solar panels installed to date results in a total reduction in greenhouse gas emissions of 228.2 tonnes per annum.

Based on the take up rate of 24%, the ongoing power savings for purchasers, the cost of installation and the reduction in greenhouse gas emissions it is recommended that the solar rebate of \$2,000 per lot is maintained for future stage releases.

Recommendation: It is recommended that the solar rebate of \$2,000 per lot is maintained for future stage releases.

Waterwise Landscape Packages

Purchasers of lots sold within public releases of the Catalina Estate are eligible for installation of the front Waterwise Landscape Package provided they have completed construction of their home within 18 months for a single storey home or 24 months for a double storey home.

The Waterwise Landscape Package includes a number of waterwise initiatives within the front landscape package including:

- native plants with reduced water requirements;
- fully automated waterwise irrigation system (to turf areas and garden beds), including a rain sensor and 'drip circle' to trees;
- Soil preparation, fertiliser application and additives to enhance moisture retention abilities;
- Subsurface irrigation of garden beds to reduce water loss and minimise potential bore water staining.

The cost to implement the Waterwise Landscape Packages is approximately \$5,000 + GST per lot for lots contained within the public releases. There is currently an allowance within the budget for water wise landscape packages.

The waterwise landscaping packages are being progressively installed with landscaping in Stages 1 – 11 substantially completed.

The average front landscape package in Catalina has a turf to native shrubs ratio of 40:60 equating to 30-40m² native shrub planted areas per front garden. On average 25 native shrubs are installed per household resulting in the planting of approximately 7,500 native plants to date in front gardens. Landscaping sustainability benefits enjoyed by Catalina residents include:

- Increased habitat and foraging flora for West Australian endemic fauna;
- Decreased water consumption due to advanced SolarSync ET sensors fitted to every controller (previously utilized irrigation controller) which yield up to a 30% water saving;
- Decreased water consumption due to Hydrowise Irrigation Controllers which receive weather information from weather station and adjust sprinkler run times accordingly and yields up to a 30% water saving
- The use of sub-mulch in-line drip irrigation to shrub areas in front landscape packages allows increased watering efficiency by reducing run-off, evaporation and vandalism;

All street trees planted within Catalina are primary feeding plants for Carnaby's Cockatoos.

Water sensitive native plants have also been selected for verges in medium density areas. In lieu of planting grass trees into residential lots, the grass trees have been planted into medium density verges in high profile locations.

During the April 2016 Council Meeting, TPRC resolved to appoint LD Totals to undertake front landscaping packages for a two year contract.

Recommendation: SPG recommend continuing waterwise front landscaping packages including Hydrawise 6 Zone Controller.

Fibre Optic Services

At its December 2011 Council Meeting the TPRC resolved to proceed with entering into an agreement with NBN Co. for the supply of fibre optic services through stages 1-6 of the Catalina development. In April 2014 the TPRC resolved to continue using NBN Co for the provision of fibre optic services for stages 7-18 of the Catalina development, covering all Urban zoned land in the Catalina Central precinct. An agreement with NBN Co. was subsequently entered into.

The NBN network provides many benefits for Purchasers including:

- work-life balance with the opportunity to work from home rather than from the office saving travel time and providing flexibility;
- small business opportunities where businesses can be established from home without the expense of renting an office;
- connecting with friends and family through high quality video conferencing;
- entertainment options such as video streaming and tv / movies on demand;
- a superior service for busy households where everyone can be online at the same time on multiple devices while still enjoying a high speed service;
- opportunity to sign up with all major Internet Service Providers, which isn't the case for the fibre optic service provided in some competing developments.

NBN Co. has provided a high standard of service to residents at Catalina. Residents have been able to connect to the internet immediately and are receiving a superior service to areas still serviced by copper.

The cost to install pit and pipes for NBN Co. is approximately \$950 per lot. As of 1 July 2015 NBN Co. increased their fees for any lots that are not subject to an existing agreement with NBN Co. These new additional fees consist of:

- a fibre deployment charge of \$600 per lot payable by the developer;
- where NBN Co does not have backhaul available to connect a new development, an additional charge will be payable by the developer with the amount dependent on the amount of backhaul required;
- a one-time connection charge of \$300 per home, which will be payable by homeowners when they initially connect to the internet.

Recommendation: It is recommended that a new agreement to be entered into with NBN Co. for Catalina Beach

Community Development

Community development activities over the past 12 months included welcome events, street barbeque, walking group, community garden, community newsletter, online community noticeboard and the formation of a group to create a community garden.

The cost to complete community development work for the period 1 July 2015 to 31 April 2016 was \$54,756.58 against an approved budget of \$192,500 for 'Community Development'.

The community development work undertaken is beginning to show benefits for the Catalina community including:

- creating a forum for residents to interact with each other and obtain up to date information regarding community events through the Catalina online Noticeboard;
- creating a community where residents get the opportunity to meet their neighbours through the cheese and wine evening, walking groups and welcome day initiatives;
- creating a community that is aware of its environment through environmental walks with the Quinns Environmental Group.
- creation of a community garden where residents have an opportunity to cultivate vegetables, herbs and relationships.

Recommendation: That over the next 12 months existing community development initiatives are continued with a greater focus on large scale and inclusive events with a broad appeal.

Housing Construction

The Catalina Waste Management Program was approved at the February 2013 TPRC Committee meeting and has been extended to February 2017 with an option to extend the contract of the preferred contractor until February 2018.

The Program consists of Instant Waste Management providing recycling bins to participating builders. The builders place all of their waste in the bins before they are returned to Instant Waste Management's recycling plant in Bayswater where the waste is sorted into 5 different categories for recycling being timber, metal, concrete, sand and plasterboard.

The recycled material is being used for recycled bricks, concrete and asphalt with sand being tested and certified for use as clean fill in earthworks and civil works.

To date 3,478 tonnes of waste have been diverted from landfill and recycled at a rate of 95.32% of all materials. In order to offset the additional costs to builders, the TPRC provides a rebate of \$900 (exc GST) per home to participating builders in Stages 1-13 and \$750 (ex GST) for Stage 14 onwards. Feedback from participating builders is that the rebate is covering costs.

The Program is voluntary in public stages, however it has been mandated for builder releases from Stage 9 onwards and the 2nd display home village to increase the participation rate. It is receiving good feedback from builders who have participated to date and is achieving excellent recycling results.

A total of 153 homes are participating in the Program to date out of a total of 681 homes that have the opportunity to participate, indicating a participation rate of 22%.

The Program is unique and provides excellent recycling rates, easy participation for builders and has received industry recognition for its achievements from the Housing Industry Association and the Master Builders Association. Additionally the Program ensures that builders contain their rubbish in a bin to reduce the amount of wind-blown rubbish on site.

Recommendation: That the Catalina Waste Management Program is continued and that it is reassessed in early 2017 with a recommendation presented at this time regarding the ongoing use of Instant Waste Management.

Sustainable Housing through Design Guidelines

The Catalina Design Guidelines were approved by the TPRC at the December 2011 Council meeting and modified at the February 2013 Council meeting. They include a number of recommendations for purchasers to reduce the consumption and cost of household energy and water. These recommendations include:

- installing high star rated electrical using appliances;
- installing a solar hot water system;
- installing an array of photovoltaic cells;
- incorporating shade devices that allow northern winter sun to living areas and prevent summer sun access;
- passive solar design by locating the dwelling's daytime living areas and their associated openings to a north facing aspect where practical;
- locating windows and doors in habitable rooms opposite each other to allow for ventilation through the dwelling from cooling summer breezes from the south-west.

The benefits of implementing these recommendations include a reduction in greenhouse gas production, lower power costs, cleaner air and a cooler home.

As the guidelines are only recommendations they are being incorporated into designs with mixed success. Design elements such as living and outdoor areas facing north and cross ventilation by placing windows and doors opposite each other, are being incorporated into the majority of designs. It is likely that this is due to there being little to no cost implications for these elements. Solar hot water systems and shade devices are generally not being included in building designs due to the higher cost involved with their installation.

To assist in the demonstration of the above initiatives, it was mandated that builders in the 2nd Catalina display home village proceed with at least three of these initiatives in each home.

As the Design Guidelines were approved in December 2011, it is recommended the Design Guidelines are reviewed by an Architect to incorporate new design trends.

As outlined in the 'Water' sections of this report, it is recommended that high WELS rated fixtures fittings and appliances be mandated within the Design Guidelines. The use of high rated WELS fixtures, fittings and appliances will have a substantial water savings benefit within homes. It is recommended that a \$1,000 rebate is offered to offset costs for residents associated with purchasing higher WELS rated appliances.

It is recommended that AquaMonitors be supplied to residence enabling them to monitor water consumption in actual time.

It is also recommended that the use of energy efficient appliances be mandated within the Design Guidelines and the use of solar hot water systems also be mandated. The design guidelines should also be amended to recommend the installation of energy monitors. These actions will achieve points towards the energy and water leaves of EnviroDevelopment.

Energy Futures Australia estimate that the rollout of 'smart meters' could result in a 4-10% energy savings.

Recommendation:

- 1) That separate guidelines be created for the Catalina Beach precinct to ensure a higher standard of housing and Catalina Grove to create a unique sense of place, to be reviewed by a qualified architect.**
- 2) Amending the Design Guidelines to mandate the use of water and energy efficient appliances and solar hot water and recommending the installation of energy monitors within the home.**

Dwelling Densities

The Catalina development has included a diversity of lot sizes, including a high proportion of small lots with an area of 180m² to 562m², compared to competing developments. Areas for small lot and higher density housing are detailed in the Catalina Built Form and Housing Strategy (September 2013). To date in FYE2016, a total of 14 Lots 250m² or less were created, representing 16.6% of the 84 Lots created.

Front loaded small lots with areas ranging from 200m² to 250m² have been constructed in Stage 15 providing new, affordable product to the market that can be delivered at a lower cost than rear loaded 225m² lots as there are no additional rear laneway costs.

- Small lots and medium density housing provide a number of benefits including:
- Low maintenance for residents;
- Affordable living for residents;
- Affordable homes creating a greater diversity of residents.
- Improves the viability of local and neighbourhood shops, resulting in shorter journeys to facilities and services;
- Greater opportunities for social interaction and support such as use of local parks due to smaller back yards;
- Greater opportunities for provision of social infrastructure due to a higher density of residents.

Opportunities for medium density lot with areas less than 180m² are currently being considered within Stage 16A, 16B and 18. Further, micro-lots with an area less than 100m² will be considered in the planning of Catalina Grove within a walkable catchment of the Clarkson Train Station. .

In addition to reviewing micro-lots, opportunities for medium density products with an area around 130m² are currently being explored within Stages 16A to 18B.

Recommendation: That TPRC continue to provide small lot and Medium Density Housing opportunities in accordance with the Catalina Built Form and Housing Strategy (September 2013) and continue to investigate new product types and builder partnerships.

Landscape Design and Construction

Landscape contracts have included some of the following sustainability initiatives:

- Reuse of limestone boulders and logs from on site;
- Propagation of native seeds taken from site for planting in conservation and open space areas;
- Use of site mulch from trees cleared during earthworks;
- Installation of solar lights in parks;
- Rehabilitation of Biodiversity Conservation Areas through weed management, fencing and planting of native species while minimising disturbance;
- Planting of native trees along streets and in parks that are a feeding habitat for Carnabys Cockatoo;
- Reuse of pots after trees and shrubs are planted;
- Recycling of material through Instant Waste Management.

Recommendation: That the existing landscape design and construction initiatives are continued

Fauna Relocation

Prior to the commencement of each earthworks stage at Catalina the TPRC undertakes best practice fauna relocation.

This involves trapping for Bandicoots and small marsupials, reptiles and subterranean fauna at regular intervals to maximise their performance. Trapping is augmented by significant site inspections looking for species which don't trap well and hand capturing for relocation. All native fauna is relocated to an appropriate Crown Reserve or National Park. There is strict recording of each specimen and photos taken at time of capture and release.

The program also includes the trapping / capture any introduced and non endemic species such as rabbits, foxes, feral cat, european rat and house mouse.

Trees are checked for Carnaby Black-Cockatoo nesting activity. Should nesting birds be observed, the zoologist is to provide advice on the expected duration of nesting and appropriate management responses and any active nests will be discussed with the Department of Environmental Regulation.

Opportunities exist to provide habitat for native fauna. The installation of nesting boxes and artificial hollows has been recommended by the UDIA. Satterley property group are supportive of this initiative. Further, it is recommended that dog and cat control signage be installed throughout the estate, particularly in areas with environmental significance.

Recommendation: SPG recommends that nesting boxes and artificial hollows be installed throughout BCA's and POS areas. SPG also recommends the installation of dog and cat control signage.

Flora Relocation

Prior to the commencement of each earthworks stage grass trees are relocated from areas of the land that are to be cleared. The grass trees are removed for reuse in landscape contracts in public open space and in road verges. The *Fabronia hampeana* (Priority 2 moss species) has been relocated from the Catalina Beach as part of the proposed earthworks in July 2015 and located within the Stage 10 Public Open Space.

Flora Revegetation Programs

The majority of the landscape species are native, low water use plants. In addition over 50% of plantings of trees and shrubs in street-scaping and other public areas comprise plant species which are primary feeding plants for Carnaby's Black Cockatoo.

The TPRC has also commenced the rehabilitation program for the Biodiversity Conservation Area (BCA), which is an important conservation area adjacent Marmion Avenue. The rehabilitation has included conservation fencing and control of unauthorised tracks. The southern BCA has been fenced and re-vegetation is scheduled to be completed in FYE 17.

The TPRC has collected seeds from uncleared areas on site and has undertaken a propagation program. These plants have then been used for tubestock planting in conservation and open space areas within the Catalina Estate.

Proposed Initiatives

Water Savings Fixtures Fitting and Appliances

Studies undertaken by the Water Corporation afford the highest sustainability score to water efficiency. Fortunately, consumer sentiment supports the need to reduce water consumption above all other means of conserving water supply.

In this regard, it is likely that the most substantial impact on water consumption may be achieved through controls implemented within individual homes throughout the Catalina Estate.

WELS is Australia's water efficiency labelling scheme. Labels show a star rating and water consumption of flow rate figure allowing the consumer to select products based on water efficiencies. The lower the water consumption, the higher the star rating afforded to the fixture, fitting or appliance.

The following table summarises the water consumption for various fixtures fittings and appliances based on their star rating. It is worth noting that tap ware can obtain a maximum of 6 stars, toilets can achieve a maximum of 5 stars and showerheads can obtain a maximum of 3 stars.

Product Type	Units	1 Star	2 Star	3 Star	4 Star	5 Star	6 Star
Showers	Litres / Minute	>12 -16	>9-12	7.5 - 9			
Taps	Litres / Minute	>12 – 16	>9-12	>7.5 - 9	>6.5 – 6	>4.5-6	Less than 4.5
Toilets	Full Flush Litres / Flush	9.5 (max)	9.5 (max)	6.5 (max)	4.7 (max)		
	Half Flush Litres / Flush	4.5 (max)	4.5 (max)	3.5 (max)	3.2 (max)		
	Average Flush Litres / Flush	5.5 (max)	4.5 (max)	4 (max)	3.5 (max)	3 (with integrated basin)	

Currently, the Design Guidelines provide a number of 'Environmental Performance' recommendations to facilitate the conservation of energy including water. The current Design Guidelines 'recommend' the installation of high star rated electrical appliances and high star rated water appliances (including taps shower heads and toilets).

Subsequent to discussions with the UDIA regarding EnviroDevelopment accreditations, it has been expressed that in order to qualify for points necessary to achieve the WaterLeaf.

Toilets, Showers and Taps

The following tables represents the potential water savings between a low rated fixtures and fittings and higher rated fixtures and fittings:

The Toilet	Average L / Flush	Per Day*	Per Year*
4 Star Rated Toilet	3.5L	17.5L	6,387.50L
1 Star Rated Toilet	5.5L	27.5L	10,037.5L
Savings			3,650L

*Assumes 5 flushes per day

The Shower	Average L / Minute	Per Day*	Per Year*
3 Star Rated	6.5L	26L	9,490L
1 Star Rated	16L	64L	23,360L
Savings			13,870L

*Assumes 4 minute shower per day

Sink Mixers	Average L / Minute	Per Day*	Per Year*
6 Star Rated	4L	40L	14,600L
1 Star Rated	16L	160L	58,400L
Savings			43,800L

*Assumes 10 minute per day (washing hands, shaving, brushing teeth, dish washing etc.)

The savings described above represents an approximate 35-48% reduction in the average water consumption per person within the dwelling.

- The approximate cost differential between a 3 star rated toilet and 4 star comparable toilet is \$330.00.
- Given the diversity in product types available, it is difficult to quantify potential cost savings associated with the installation of a 3 star rated shower head above less efficient models. 3 Star rated shower heads range in value from \$18 to over \$500 depending on design aesthetic and quality.
- Although the range of taps available makes comparison difficult, the price difference between a comparable 1 star rated tap and a 6 star rated tap from the same low cost manufacturer is approximately \$58.

Recommendation: SPG recommend mandating a high WELS rated fixtures and fittings through Design Guidelines and offering a rebate to subsidise additional costs otherwise borne by homebuilders.

Water Efficient Appliances

Washing Machines and Dishwashers

The following tables represents a possible saving in water consumption:

Washing Machine	Average L / Cycle	Per Week*	Per Year*
4 Star Rated	60L	240L	12,480L
2 Star Rated	130L	520L	27,040L
Savings			14,560L

*Assumes 4 loads per week (sheets, lights, darks, towels)

Dishwasher	Average L / Use	Per Week*	Per Year*
6 Star Rated	9.7L	48.5L	2,522L
2 Star Rated	18.6L	93L	4,836L
Savings			2,314L

*Assumes 5 loads per week

The savings described above represents an approximate 13.35% reduction in the average water consumption per person within the dwelling.

The approximate cost differential between a 3 star rated washing machine and 5 star comparable washing machine is \$1,100.00 and the approximate cost differential between a 2 star rated dishwasher and 6 star comparable dishwasher is \$900.00

Recommendation: SPG recommend mandating a minimum 4 Star WELS rated washing machine within the Design Guidelines. The Design Guidelines will form part of the contract and bind owners to install this fixture.

The Satterley Property Group recommend the implementation of a **Water Wise Rebate** for residents to offset the additional costs they will incur associated with purchasing water efficient appliances, fixtures and fittings. The proposed value of the rebate is \$1,000. This represents approximately 42% of the additional costs to home owners to up-spec the fixtures fittings and appliances within their homes. Further, a number of residents may already own functional appliances that they would not otherwise replace.

The proposed rebate has been calculated to consider other expenses to be incurred by the TPRC in the delivery of Water Initiatives and to ensure a comparable spend to the previously approved bore trial.

Previously Approved Initiatives	Cost (ex GST, Per Lot)	Proposed Initiatives	Cost (ex GST, Per Lot)
Shared Bore	\$3,500.00		
		Water Wise Rebate	\$1,000.00
		Soil Moisture Sensors	\$280.00
		AquaMonitor	\$250.00
TOTAL	\$3,500.00	TOTAL	\$1,530.00*

**This calculation does not include the cost of rubber mulch*

In order to qualify for the rebate, residents would be required to complete an application form attaching technical data for showerheads, toilets, taps, washing machine and dishwashers.

The Satterley Property Group also supports the ongoing commitment to minimising water use associated with irrigation through the use of automated seasonal reticulation and water wise plant species selection within front landscaping packages. The use of rubber mulch will also have water savings benefits and reduce the need for ongoing application of degradable natural alternatives.

The success of the water conservation initiatives is underpinned by community consultation and education. The inclusion of an AquaMonitor within each home will ensure residents are aware of their water consumption.

The budget currently has funds available for a shared rebate. The total budget available for FYE 16 is \$305,000 and \$387,421 for FYE 17. The budget assumes an average expenditure per household of \$2,750. It is recommended that this rebate be utilised to fund the proposed \$1,000.00 water wise rebate, Aqua Monitors and Soil Moisture sensors with a combined total cost of \$1,530.00.

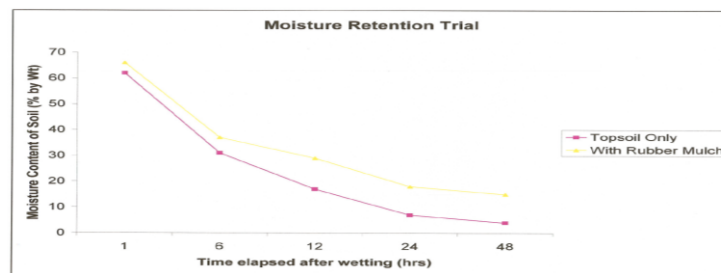
Rubber Mulch

The Water Corporation endorse the use of recycled Enduro Rubber Mulch. Rubber mulch was 2010 Save Water Awards finalist and has been afforded the Smart Approved Watermark. The product is made from 100% recycled tyres and is environmentally safe and sensitive (Save the Forest). Rubber mulch helps retain moisture around plants, is free draining, non-perishable and colour fast.

The benefits of rubber mulch include:

- Long lasting – approximately 10-20 years
- Retains water – approximate 10% savings
- Environmentally friend – 100% recycled rubber tyres and non-toxic
- Does not attract insects unlike woodchip mulch.

The manufacturers of Enduro Rubber Mulch have undertaken soil moisture retention trials. The results of the trials are illustrated in the chart below and represent an approximate 10% reduction in water requirements.



Rubber mulch costs approximately \$1,800 per tonne for black mulch or \$3,000 for coloured mulch. The coverage is approximate 1.5m² per 20 kilograms. It is worth noting that the black product holds greater heat than the coloured options.

Currently, site mulch is used in landscaping. Satterley Property Group would support the application of site mulch during construction (first application). The current supply and availability of site mulch is substantially depleted. The continued onsite use of recycled vegetation debris is necessary to obtain points for the EnviroDevelopment Accreditation. These points comprise part of the 'Essential Requirements'.

The latest tendered rate for imported 'Amazon Sand Groper' mulch as \$7.73m² (excludes application). Rubber mulch costs between \$24.00 and \$40.00 per m². Although the upfront costs are considerably higher, the ongoing maintenance costs for replacement and additional costs for application will be reduced.

Satterley Property Group consider that all available site mulch should be used in the first instance and used within areas of environmental significance when undertaken revegetation works, however due to the long wearing nature of rubber mulch, the environmental advantages associated with recycled rubber and water retention properties, SPG supports the use of rubber mulch.

Recommendation: SPG recommend using rubber mulch throughout POS and streetscapes.

Soil Moisture Sensors

Soil moisture sensors shut down irrigation when desired soil moisture levels have been reached. A probe is drilled into the surface and sits within the active root zone beneath the surface. The device is connected to an irrigation system controller and measures soil moisture content in the active root zone. The device functions by detecting the electrical conductivity of the soil. The measurement is taken before each scheduled irrigation event and the mechanism then bypasses the watering cycle if soil moisture is already above a user defined set point. Detection sensors identify the amount of water that a landscaped area requires. The amount of water saved is directly dependent on the weather and site conditions.

The reduction in unneeded landscape irrigation translates to reduced runoff resulting in a reduction in the overall burden placed on the stormwater conveyance system. As a result, fewer nutrients from fertilizers and chemicals from pesticides are carried off individual lots and landscaped areas.

Soil moisture sensor is considered to provide a more accurate representation of water requirements as the probe detects real time soil moisture. The soil moisture sensor can shut off the irrigation system when watering is not required.

The soil moisture sensor is not reliant on 'third-party' technologies. Also, the Hydrowise irrigation controller utilised in the front landscaping package is dependent on the homeowner having an available internet connection to provide the irrigation controls with weather information. In this regard, the soil moisture sensor would provide a contingency in the event of failed data readings or unavailability of an internet connection.

A compatible Soil Moisture Sensor can be installed on the Hydrowise Irrigation Control for \$280.00 plus GST. The soil moisture sensor would ensure that irrespective of weather forecast watering would not occur if the soil was adequately saturated.

Recommendation: SPG recommend the use of a soil moisture sensor in conjunction with Hydrowise 6 Zone Controller in front landscape packages to be delivered at a cost of \$280 per unit.

Smart Controllers

Smart Controllers are a device that relay water usage information back to the homeowner. This information is available via a number of options including via an application, the internet or a device installed within the home. All these options only require an internet connection to receive the data.

The Hydrowise Smart Irrigation Controller has a flow meter device that is installed onto the water meter on a property and wirelessly relays the water usage information to the Hydrowise application on the owner's smart phone or tablet. The application is simply downloaded from the app store and the owner logs in and views the water consumption. The flow meter alerts the owner to broken pipes, spray heads and faulty wiring or valves. The Hydrowise interface allows you to view the water usage for each watering cycle and set up app notifications or SMS alerts or email alerts when a zone's water usage is abnormal. The information is also available via a normal internet browser.

Recommendation: SPG recommends and advising residents of the application they may log in to monitor their water use for irrigation purposes through the Hydrowise Irrigation Controls.

Education

Educating the community is a necessary aspect of the proposed water conservation program. The key goals of a community education are to inform and educate the:

- reasons water conservation is necessary,
- benefits of conserving water,
- liabilities of not conserving water, and
- actions needed to achieve the water conservation goals.

Community education regarding water use may obtain immediate behavioral changes. The Alliance of Water Efficiency reports that some utilities report residual water savings in the order of than 20%, after alerting and educating the public. Education yields greater water savings in the short term due to behavioral changes (shorter showers, less lawn watering, etc.). These behavioral changes decrease over time if regular communication is not maintained.

Under the UDIA's EnviroDevelopment Accreditation cannot be achieved without communicating and educating the community regarding opportunities to conserve energy including water. An education program is essential to achieving EnviroDevelopment Accreditation.

Aquamonitor

The evolution of wireless household devices has resulted in a number of water usage monitors coming to the market. The Aquamonitor displays the water usage in real time inside the home or business on a display.

Mains water usage is monitored by attaching a Mains Sensor to an existing water meter. The sensor is powered by a single AA battery and sends flow information to the Display Screen every minute using a wireless connection.

It is designed for self-installation and does not need any plumbing changes for compatible meters. The sensor does not contact the water. It makes use of the 'pulse output' facility that is built-in to most water meters.

Aquamonitor are useful in the identification of water leaks around the house.

The Aquamonitor retails for \$249.00 and is available from New South Wales with delivery within 8 weeks from date of order.

Recommendation: SPG recommend supplying an AquaMonitor for the mandatory use by all future residences within the Catalina Estate at a cost of \$249.00 per unit.

Communication

TPRC continue to engage with the community through a number of means including community events and publications. It is recommended that behavioral changes that may reduce water consumption be communicated to residents through newsletters and at community events.

General Waste Recycling

In order to encourage recycling, minimise on-site pollution and promote occupancy aware regarding the need and benefits to recycle, it is recommended that TPRC install waste infrastructure in public spaces that facilitates recycling for example, separate waste receptacles for general and recyclable waste.

The UDIA have expressed environmental advantages in conducting a biannual green waste collection. The participation in green waste collection program will contribute towards the Catalina Project obtaining a 'Waste' EnviroDevelopment leaf. Given the extensive use of water wise plants within residential verges, and associated constraints for rubbish placement on verges, it is recommended that opportunities for a centralized green waste collection point be explored. The City of Wanneroo currently allow for one bulk collection of green waste per annum. It is proposed that discussion be conducted with the City to negotiate a second collection based on a centralized collection point.

Further, the introduction of a community composting facility within the community garden will reap environmental benefits and facilitate the self-sufficiency of the community garden

Recommendation: Separate waste receptacles for general and recyclable waste to be provided in public spaces. It is recommended that opportunities for a biannual green waste collection be considered. It is recommended that TPRC approve the installation of a communal composting facility within the community garden.

Alternative Power Systems

Alkimos Beach project, is currently working with Synergy to store surplus PV energy and redraw at a lower cost than grid energy, through a community battery storage facility.

This trial has included liaison with Synergy, who are the electricity retailer for the site, project partners Lend Lease and LandCorp.

If successful, implementation of this system on a broader scale could result in significant savings to Developers by reducing grid connection costs and electrical infrastructure in addition to the savings experienced by consumers. Synergy has obtained \$3.3 million to contribute towards the trial through the Australian Renewable Energy Agency.

Catalina project Engineers Cossill and Webley are currently working on this project and this initiative has been identified to have potential to be incorporated into the Catalina project and utilise the MRC landholdings as storage facility. The project team will explore the potential for battery storage facility to be commercially viable for TPRC.

Recommendation: That the above civil design initiatives are further investigated.

Warm Asphalt

Utilising warm mix asphalt, to reduce the temperature asphalt is manufactured, delivered and placed, thereby reducing carbon dioxide emissions and fume emissions. SPG would recommend a trial in a small stage of development and if successful, continue to provide in future stages, including red asphalt for cycle paths in the Greenlink.

Recommendation: That the above civil design initiatives are further investigated.

Drainage

The existing strategy for management of stormwater runoff from public road reserves includes collection through kerbed roads and formal drainage entry pits with conveyance via a network of pipes to low point swales in areas of public open space. At the swale the stormwater is discharged through a gross pollutant trap structure into a vegetated swale which takes all runoff from a 1 in 1 year recurrence interval storm, the 1 in 1 area is planted with more tolerant plant species for frequent inundation, no POS credit is provided for this land. All runoff from site is infiltrated through the 1 in 1 year swale and adjoining public open space which together are designed to manage up to the 1 in 100 year recurrence storms.

An innovation the Catalina Team will progress is to replace the 1 in 1 year storm component of the swale in POS with alternative below ground storage structures, likely to be culverts with permeable bases to be located in road verges or under areas of public open space. This will reduce the land in POS areas given up as drainage swales for which no POS credit is given. This strategy will assist infiltration of stormwater runoff being provided higher in the catchment closer to the source, it will likely require less formal gross pollutant trap structures and reduce the area of land given up in POS which has limited public access and can be detrimental in appearance. The proposed strategy is more closely aligned to WSUD principles and best management practice. There will be additional cost in the provision of formal below ground structures however this can be offset with the land saving and increase in net residential yield.

Recommendation: That the above civil design initiatives are further investigated.

Recommendations

To facilitate the achievement of TPRC's objectives to balance economic, social and environmental issues; and to produce a quality development demonstrating the best urban design and development practice.

The Satterley Property Group recommend the following sustainability initiatives.

- SPG recommends the introduction of a \$1,000 WaterWise Rebate premised on residents implementing the following:
 - Installing minimum 6 Star WELS rated taps as mandated within the Design Guidelines.
 - Installing minimum 3 Star WELS rated showerhead as mandated within the Design Guidelines.
 - Installing minimum 4 Star WELS rated toilet as mandated within the Design Guidelines.
 - Installing a minimum 6 Star WELS rated Dishwasher as mandated within the Design Guidelines.
 - Installing a minimum 4 Star WELS rated washing machine as mandated within the Design Guidelines.
 - SPG recommend amended the Design Guidelines to mandate minimum WELS rated appliances fixtures and fittings.
 - SPG recommend trialing rubber mulch throughout POS and streetscapes.
 - SPG recommend continuing front landscaping packages including Hydrowise 6 Zone Controller a compatible soil moisture sensor at a cost of \$280.00 per unit.
 - SPG recommends providing all homes an AquaMonitor for connection to the water meter \$249.00 per unit.
 - SPG recommends that the solar rebate of \$2,000 per lot is maintained for future stage releases.
 - SPG Recommends that a new agreement to be entered into with NBN Co. for Catalina Beach
 - SPG recommends that over the next 12 months community development initiatives are continued with a greater focus on large scale and inclusive events with a broad appeal.
 - SPG recommends that the Catalina Waste Management Program is continued.
 - SPG recommends that separate guidelines be created for the Catalina Beach precinct to ensure a higher standard of housing and Catalina Grove to create a unique sense of place to be reviewed by a qualified architect.
 - SPG recommends that TPRC continue to provide small lot and Medium Density Housing opportunities in accordance with the Catalina Built Form and Housing Strategy (September 2013) and continue to investigate new product types and builder partnerships.
 - SPG Recommends that Alternative Power Systems, Warm Asphalt and Sub-Surface Drainage Systems be further investigated.
 - SPG Recommends that the existing landscape design and construction initiatives are continued
 - SPG recommends that TPRC continue to pursue a six leaf EnviroDevelopment accreditation
 - SPG recommends that nesting boxes and artificial hollows be installed throughout BCA's and POS areas.
- SPG also recommends the installation of dog and cat control signage.

- SPG recommends separate waste receptacles for general and recyclable waste to be provided in public spaces. It is recommended that opportunities for a biannual green waste collection be considered. It is recommended that TPRC approve the installation of a communal composting facility within the community garden.
- SPG recommends that the Design Guidelines be amended to recommend the use of energy monitors
- SPG recommends amending the Design Guidelines to mandate the use of Solar Water Heating
- SPG recommends amending the design guidelines to manage the use energy efficient appliances.

It has also been recommended that the Tamala Park Regional Council lodge the EnviroDevelopment application with the Urban Development Institute of Australia. Preliminary assessments undertaken by the UDIA indicate that Catalina Central is currently on target to achieve a four leaf accreditation. The UDIA can review the leaves awarded to a project and increase the environmental accreditation as further initiatives are rolled out that would qualify the project for additional credentials. In this regard, the EnviroDevelopment application would superseded the Sustainability Initiatives Paper. SPG would continue the review the EnviroDevelopment status, recommending new sustainability measures that may improve the EnviroDevelopment score.

Appendix 9.8

AUDIT PLAN ~~20152016~~/20162017

	Statutory Date	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Appoint Auditor													
Note: Auditor appointed until June 2017													
Compliance Return									<u>Audit</u>	<u>Audit</u>			
- To be completed by	31 December									Council			
- To Audit Committee and Council Before	31 March												
- To Director General DLGRD Before	31 March												
Annual Financials													
- To Council to refer to Audit			Audit	Council									
- To Auditor by	30 September												
- Auditor to report to Council by	31 December						Audit	Council					
- To DLGRD within 30 days of receipt of Audit Report													
- Council to accept Annual Report by	31 December												
Budget													
- Draft Budget			Audit										
- Earliest date for adoption	1 July												
- Budget adoption by	31 August			Council									
- To DLGRD within 30 days of adoption													
Budget Review													
- Required by LG between 1 January and 31 March													
- Considered by Council within 30 days of review									Audit	Council			
- To DLGRD within 30 days of Council review													
Delegations to CEO													
- Annual Review Required							Audit	Council					
Investment Policy			Audit	Council									
Procurement Policy			Audit	Council									
Audit Charter / Plan			Audit	Council									
Payment of Accounts & Security of Payment			Audit	Council									
Credit Card Policy			Audit	Council									
Petty Cash Policy			Audit	Council									
Financial Management – Significant Accounting Policies			<u>Audit</u>	<u>Council</u>			<u>Audit</u>	<u>Council</u>					
Councillor Returns and General Council Interests									Audit	Council			
Code of Conduct					Audit	Council							
Records Management Policy					Audit	Council							

POLICY MANUAL

Audit Charter (Terms of Reference) (July 20165)

Background

Section 7.1A of the *Local Government Act* requires each local government to appoint an Audit Committee comprising of at least 3 persons.

Included in the responsibilities of the Committee, as set out by the Regulations are the following:

- a. The development of a process for appointment of an external auditor.
- b. The recommendation of an appointment of an external auditor to the Council.

Additionally, the Audit Committee may recommend to the Council good management practices and guidelines relating to financial control and (generally) matters covered by part 6 (Financial Management) of the *Local Government Act*.

Comment

Although it is possible for the Council to delegate functions to the Audit Committee, it is generally considered good governance practice to have the Committee operate in a review and recommendation role to allow input of independent opinion on Council actions and policies from a risk management and probity perspective.

The scope of activity for the Audit Committee can be changed from time to time.

Scope of Activity – Audit Committee

1. Recommending adoption of an audit charter
2. Recommending appointment of an external auditor
3. Review of statutory documents
 - Annual budget
 - Statutory budget review 1 January – 30 March (yearly)
 - Annual financial statement
 - Compliance audit
4. Review of statutory processes
 - Quarterly financial reporting format
 - Annual financial reporting format
5. Review of guidelines and policies relating to *Local Government Act* part 6
 - Purchasing Policy
 - Investment Policy
 - Procurement Policy
 - Payment of Accounts & Security of Payments Policy
 - Credit Card Policy
 - Records Management Policy
 - Financial Management – Significant Accounting Policies

POLICY MANUAL

Audit Charter (Terms of Reference) (July 20165)

The Council has adopted the following as the Audit Charter Terms of Reference for the Audit Committee.

1. Objectives of Audit Committee

The primary objective of the Audit Committee is to accept responsibility for the annual external audit and liaise with the local government's auditor so that Council can be satisfied with the performance of the local government in managing its financial affairs.

Reports from the Committee will assist Council in discharging its legislative responsibilities of controlling the local government's affairs, determining the local government's policies and overseeing the allocation of the local government's finances and resources. The Committee will ensure openness in the local government's financial reporting and will liaise with the CEO to ensure the effective and efficient management of local government's financial accounting systems and compliance with legislation.

The Committee is to facilitate:

- The credibility and objectivity of internal and external financial reporting.
- Effective management of financial and other risks and the protection of Council assets.
- Compliance with laws and regulations as well as use of best practice guidelines relative to auditing.
- The coordination of the internal audit function with the external audit.
- The provision of an effective means of communication between the external auditor, internal auditor, the CEO and the Council.

2. Powers of the Audit Committee

The Committee is a formally appointed Committee of Council and is responsible to that body. The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The Committee does not have any management functions and cannot involve itself in management processes or procedures.

The Committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its term of reference in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the local government that have not been delegated to the CEO.

POLICY MANUAL

Audit Charter (Terms of Reference) (July 20165)

3. Membership

The Committee will consist of a minimum of five members.

The CEO and employees are not members of the Committee.

The CEO or his/her nominee is to attend all meetings to provide advice and guidance to the Committee.

The local government shall provide secretarial and administrative support to the Committee.

4. Meetings

The Committee shall meet at least three times in each calendar year.

At least one meeting per annum is required to meet with the external auditor.

Additional meetings shall be convened at the discretion of the presiding person.

5. Reporting

Reports and recommendations of each Committee shall be presented to the next ordinary meeting of the Council.

6. Duties and Responsibilities

The duties and responsibilities of the Committee will be:

- a) Provide guidance and assistance to the Council as to the carrying out the functions of the local government in relation to audits.
- b) Develop and recommend to Council an appropriate process for the selection and appointment of a person as the local government's auditor.
- c) Develop and recommend to Council:
 - A list of those matters to be audited; and
 - The scope of the audit to be undertaken.
- d) Recommend to Council the person or persons to be appointed as auditor.
- e) Develop and recommend to Council a written agreement for the appointment of the auditor. The agreement is to include:
 - The objectives of the audit.
 - The scope of the audit.

POLICY MANUAL

Audit Charter (Terms of Reference) (July 201~~6~~⁵)

- A plan of the audit.
 - Details of the remuneration and expenses to be paid to the auditor.
 - The method to be used by the local government to communicate with, and supply information to, the auditor.
- f) Meet with the auditor once in each year and provide a report to Council on the matters discussed and outcome of those discussions.
- g) Liaise with the CEO to ensure that the local government does everything in its power to:
- Assist the auditor to conduct the audit and carry out his or her other duties under the *Local Government Act 1995*; and
 - Ensure that audits are conducted successfully and expeditiously.
- h) Examine the reports of the auditor after receiving a report from the CEO on the matters and:
- Determine if any matters raised require action to be taken by the local government; and
 - Ensure that appropriate action is taken in respect of those matters.
- i) Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and presenting to Council for adoption prior to the end of the next financial year or 6 months after the last report prepared by the auditor is received, whichever is the latest in time.
- j) Review the scope of the audit plan and program and its effectiveness.
- k) Review the appropriateness of special internal audit assignments undertaken at the request of Council or CEO.
- l) Review reports of any special internal audits by monitoring the implementation of recommendations made by the audit and reviewing the extent to which Council and management reacts to matters raised.
- m) Facilitate liaison between the internal and external auditor to promote compatibility, to the extent appropriate, between their audit programs.
- n) Review the local government's draft annual financial report, focusing on:
- Accounting policies and practices.
 - Changes to accounting policies and practices.
 - The process used in making significant accounting estimates.
 - Significant adjustments to the financial report (if any) arising from the audit process.

POLICY MANUAL

Audit Charter (Terms of Reference) (July 201~~6~~⁵)

- Compliance with accounting standards and other reporting requirements.
 - Significant variances from prior years.
- o) Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the annual financial report is signed.
- p) Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference.
- q) Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council.
- r) Review the Statutory Compliance Return and make a recommendation on its adoption to Council.

This Audit Charter (Terms of Reference) is authorised by the Chief Executive Officer on ~~13-11~~ August ~~2015~~²⁰¹⁶.

Signature:

Name: JOHN ANTHONY ARIAS

Date: ~~13-11~~ August ~~2015~~²⁰¹⁶

Appendix 9.9

POLICY MANUAL

Credit Card Policy (July 2016⁵)

1. POLICY

This policy is to ensure effective controls, policies and procedures are in place with respect to the use of corporate credit cards.

2. PRINCIPLES

- Ensure transparency in Council's operations concerning the use of corporate credit cards.
- Ensure Council's resources are managed with integrity and diligence.

3. OBJECTIVES

- Fulfil all statutory requirements of the Local Government Act with respect to the use of corporate credit cards.
- To adopt best practice in developing a clear and comprehensive policy on the use of corporate credit cards.

4. STRATEGIES

Purpose of Corporate Credit Cards

Corporate credit cards have been implemented to allow the Council to transact its business in an efficient manner and, at the same time, provide Council officers with a more convenient method to meet costs they incur on Council's behalf.

Corporate credit cards should be recognised as a valuable tool for the efficient and effective operation of Council's daily business and not as a benefit assigned to specific individuals. The use of corporate credit cards will create savings in staff administration time in matters such as arranging transport, accommodation and registration for attendance at conferences and by eliminating the need for overseas bank drafts for certain purchases. It will also reduce the number of creditor creations that are required for one-off purchases.

It is intended to save time and paperwork in making purchases while still maintaining control of purchase through a monthly reconciliation process as well as reducing the need for Council staff to use their private credit card to conduct Council business.

Staff members are not to use their private credit card to conduct Council business over the amount of \$100 in any one transaction, without CEO approval.

POLICY MANUAL

Credit Card Policy (July 2016⁵)

Issuing of Cards

The Chief Executive Officer has delegated authority to authorise the issuing of corporate credit cards to staff.

The Chief Executive Officer will be responsible for maintaining a register of the individual corporate credit cards including their associated limits and expiry dates.

The Chief Executive Officer will be responsible for obtaining approval of the ~~Chief Executive Officer~~Chairman for the issue of a card and this will be recorded on a 'Cardholder Approval and Acknowledgement' form. Each cardholder will be required to sign this form on receipt of the corporate credit card and acknowledge these policies and procedures.

Monthly Limit and Authorisations

Each corporate credit card will have a monthly limit on expenditure and the expenditure is to be authorised by the person as indicated in the following table.

	<i>Monthly Limit</i>	<i>Expenditure Authorisation</i>
Chief Executive Officer	5,000	Chairman
Project Co-Coordinator	2,000	Chief Executive Officer
Executive Assistant	1,000	Chief Executive Officer

Restrictions

Corporate credit cards are not to be used for personal expenses under any circumstances.

Corporate credit cards are not to be used for purchases of fuel unless authorised by the Chief Executive Officer.

Use of the corporate credit cards for purchases over the internet should be restricted to trusted secure sites.

The cardholder will be personally liable for expenditure that cannot be shown to be related to the business of TPRC.

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Credit Card Policy (July 2016⁵)

Use of Cards

Corporate credit cards are to be used as a normal credit card, with the valid PIN required to make any purchase.

No cash advances are available from ATM's or over the counter and BPay facilities are not available.

The card is for official Council business only and may not be used for personal items under any circumstances. The card is not linked to any form of award points and any personal award card or membership should not be used in conjunction with the use of the corporate credit card.

A tax invoice is required to be obtained for every purchase made by the credit card holder. This is required in reconciliations of the corporate credit card statement at the end of each month.

If a transaction is done by telephone or by mail order, the cardholder will need to ensure that an appropriate tax invoice is obtained from the supplier and included with the monthly reconciliation.

Tax invoices must contain the following components in order to comply with taxation law and allow Council to claim an input tax credit for the GST paid:

- Name of creditor
- The ABN of the creditor
- Date of issue
- The quantity and a brief description of what is being supplied
- The name Tamala Park Regional Council (being the recipient)
- The words 'tax invoice'
- The GST as a separate component OR the invoice total with a statement that 'Total includes GST'

All details of the purchase, including tax invoices are required to be obtained and retained to support the appropriate allocation of purchases at the end of each month.

Use of a corporate credit card will require the user to abide by Council's Code of Conduct and purchasing policies including purchasing from Council's preferred suppliers wherever possible.

Where any expenditure is incurred relating to business hospitality or other purposes involving staff the cardholder must write on the receipt, or a receipt attached statement, the names of employees and non-employees, detail of

POLICY MANUAL

Credit Card Policy (July 2016⁵)

expenditures and other sufficient information to make an assessment of fringe benefits tax payable in total and per employee.

The credit limit of the individual cards is not being exceeded.

Payment of Monthly Account

The outstanding balance of each corporate credit card will be automatically debited to Council's bank account around the 14th day of each month.

Reconciling Monthly Statements

1. Each cardholder will be issued with a monthly statement listing all their transactions. It is the responsibility of the cardholder to match their supporting documentation to the monthly statement.
2. Monthly statements must be reconciled and returned to the Executive Assistant within seven days of receiving the statement.
3. When the monthly statement is received, a check is required to ensure all purchases are supported by invoices.
4. Record next to each transaction:
 - The reason for the purchase.
 - The account number the purchase is to be allocated to.
5. Attach tax invoices for all the purchases with GST and normal invoices for purchases without GST.
6. For FBT purposes, expenses relating to the provision of entertainment must provide details of the function, the total number of staff who attended, and the total number of attendees.
7. Sign and date the monthly corporate credit card statement at completion of the reconciliation.
8. The monthly corporate credit card statement, with all invoices attached, should then be authorised by the appropriate person as described in the Monthly Limit and Authorisation section of this policy.
9. The corporate credit card statement and all attachments are then to be provided to the Chief Executive Officer.

POLICY MANUAL

Credit Card Policy (July 2016⁵)

10. After processing, all corporate credit card statements will be kept by the Executive Assistant.
11. The CEO's corporate credit card statements are to be presented to the Audit Committee every four months.
12. Copies of all statements and supporting documents are to be filed for audit review.
13. The Council Auditor will include as part of the annual work plan, a periodic review of the supporting documentation in respect of the monthly corporate credit card statement.

Disputed Purchases

The Chief Executive Officer is to be notified of all disputed transactions. The cardholder must complete the 'disputed transactions' form and include it with the monthly reconciliation.

When a dispute occurs, the cardholder should attempt to correct the situation with the merchant. If unable to correct the situation, the matter is to be referred to the Chief Executive Officer. The Chief Executive Officer will attempt to resolve the matter and may have to contact the bank for assistance.

The bank can assist with resolving some disputes with merchants, particularly those involving duplicated charges, non receipt of goods ordered or credits not processed after refund vouchers have been issued.

Terminating or Ceasing Employment

Any cardholder, who is leaving the services of Council, should return any Cards, no later than 5 working days prior to the last day of employment.

Reporting Lost or Stolen Cards

If a card is lost or stolen it is the cardholder's responsibility to immediately to report the loss to the relevant bank.

The Chief Executive Officer should be contacted immediately and advised by the next business day and the cardholder should then complete a 'Lost or Stolen Cards' form and forward it to the Chief Executive Officer.

POLICY MANUAL

Credit Card Policy (July 201~~65~~)

Replacement Cards

The card is valid for the period shown on the face of the card and the relevant Bank will automatically reissue replacement cards to the Chief Executive Officer one month prior to the expiry date. The Executive Assistant will then update the register details in regard to the replacement card and issue it to the cardholder.

The cardholder will need to complete a 'Replacement Cards' form and sign the form on receipt of the new card.

This Credit Card Policy is authorised by the Chief Executive Officer on ~~43-11~~ August ~~2015~~2016.

Signature:

Name: JOHN ANTHONY ARIAS

Date: ~~43-11~~ August ~~2015-2016~~

Appendix 9.10

POLICY MANUAL

Petty Cash Policy (July ~~2015~~2016)

POLICY

1. Objective

To provide a cash advance to pay authorised expenditure of a minor nature.

2. Local Government Reference

- Local Government Act 1995 – Section 6.10
- Local Government (Financial Management) Regulation 11

3. Petty Cash

- Sum advanced shall be limited to \$100.
- Officers who have received an advance to use such funds to pay for authorised expenditure for each item shall be limited to \$100 (excluding GST).
- Expenditure for each advance shall be recouped by the QuickBooks accounting system software.
- Annual audit of all cash advances to be conducted.

This Petty Cash Policy is authorised by the Chief Executive Officer on 11 August ~~2015~~2016.

Signature:

Name: JOHN ANTHONY ARIAS

Date: 13-11 August ~~2015~~2016

Appendix 9.11

POLICY MANUAL

Procurement Policy (~~October 2015~~July 2016)

BACKGROUND

Part 6 of the Local Government Act together with the Financial Management Regulations and Functions and General Regulations provide an outline of specific requirements and probity guidelines in respect of purchase of goods and tendering on behalf of local governments.

The State Supply Commission has an extensive series of policies and guidelines that are available for use by local governments.

The West Australian Local Government Association purchasing service negotiates contracts for the supply of goods and services for local government.

The State Supply Commission and the Commonwealth Supply agencies also have contracts for the supply of goods and services that are accessible by local governments.

All of the accessible supply contracts and the policies of WALGA and the State Supply Commission provide a framework for best practice procurement.

The West Australian Local Government Association has produced a purchasing and tender guide that refers specifically to good procurement practices in reference to the Local Government Act and Regulations.

Wherever possible and appropriate, the contracts and guidelines mentioned above will be used by the Tamala Park Regional Council following objectives for best practice and probity in all procurement activity.

TPRC OBJECTIVES – PROCUREMENT

To provide guidelines for adopting a value for money approach in procuring goods or services through quotes or public tender.

PROCUREMENT POLICY AND GUIDELINES

1. Value for money is the basis for comparing conforming bids so that the optimal offer can be selected. Achieving user requirements, quality standards and service benchmarks is considered to be more important than obtaining the lowest price.

An assessment of the best value for money outcome for any procurement should take into account:

- All relevant whole-of-life costs and benefits;
- Technical merits of the goods or services being offered in terms of compliance with specifications and contractual conditions; and

POLICY MANUAL

Procurement Policy (~~October 2015~~ July 2016)

- Financial viability and capacity to supply without risk of default.

In this context, the value for money principle embraces:

- Cost related factors; and
- Non-cost factors.

2. Value for Money assessment involves the comparison and evaluation of suitable conforming offers.

Factors to be considered in making this decision include the following:

- Value for money is not necessarily about selecting the successful bidder based on price alone, although the lowest total priced, conforming offer can be used as an initial benchmark for comparing value for money. Where a higher priced conforming offer is recommended, there should be clear and demonstrable benefits over and above the lowest total priced, conforming offer;
- All offers should be evaluated in a consistent manner against the evaluation criteria for the procurement. The use of weighted matrix analysis is a recommended method for analysing and comparing bids in a detailed and consistent manner, particularly for high value purchases; and
- A due diligence investigation of the preferred or shortlisted bidders should be undertaken for all high value or complex purchases to ensure that bidders have the financial stability and technical capacity to comply with the requirements of the contract.

Value for money considerations are not only relevant to the selection of a successful supplier and the purchase of goods or services. Value for money should also be applied to the ongoing contract management over the life of the procurement.

3. The exclusion provisions contained in the functions and general regulations relating to procurement for a value greater than \$50,000 will also apply to procurement for values less than \$50,000.
4. The Local Government legislation does not require local governments to tender for purchases under the value of \$150,000.

Purchases under \$150,000 are categorised as simple purchases but nevertheless require controls and appropriate accounting and probity support practices.

5. The following should apply to purchases of value less than \$150,000.

POLICY MANUAL

Procurement Policy (~~October 2015~~ July 2016)

5.1. Direct Purchasing – less than or equal to \$2,000

Purchases to \$2,000 may be made on a single quotation, however, best practice will require that market testing be undertaken from time to time and that consideration be given to value for money purchasing.

5.2. Non-Formalised Quotations – Over \$2,000 and less than \$10,000

At least 3 quotations should be obtained except where impractical due to availability of suppliers.

A record of quotations obtained must be maintained.

All quotations are to be obtained prior to a supply order being authorised.

Where there is a waiver of the requirement for 3 quotations the reason for the waiver must be noted and approved by the CEO.

5.3. Formalised Quotations – Over \$10,000 and less than \$150,000

A formalised quotation must be obtained in writing, by fax or email. Email submissions must contain an electronic signature or the image of a signature of a person authorised to provide the quotation.

Quotations must be made in reference to a specification setting out the details of supply, the pricing required, delivery requirements and other relevant matters.

5.4. Special Provisions with respect to Consultancy Services - More than \$10,000 and less than \$150,000

- Quotations must be made in reference to:
 - A written brief defining the services required;
 - The deliverables from the consultancy;
 - The start and end time;
 - The fee basis i.e. fixed, hourly, component completion;
 - The basis for any variation fees; and
 - Provisions for termination of services.
- Completion of a contract for consultancy services must be subject of a written agreement signed by the consultant and TPRC.
- If it is expected that the Council will enter into 2 or more contracts with one supplier which may exceed \$150,000 then Council should invite tenders in accordance with Section 6 of the Policy.

POLICY MANUAL

Procurement Policy (~~October 2015~~ July 2016)

6. Tendering for Goods – Value \$150,000+

All supply of goods and services to a value greater than \$150,000 will proceed in reference to the provisions of the Local Government Act and specifically the requirements of Part 4 of the Functions and General Regulations made pursuant to the Act.

Before tendering for the supply of goods for an amount greater than \$150,000 an authorisation to proceed with the tender must be obtained from the Council.

Tenders must be subject of a tender brief setting out, in appropriate detail, at least the following:

- The goods or services required;
- The deliverables from the procurement;
- The start and end time for supply;
- The fee basis i.e. fixed, hourly, component completion;
- The basis for any variation fees; and
- Provisions for termination of services.

Evaluation criteria are to be stipulated in tender invitation documents.

The basis for contracts must be stipulated in tender invitations i.e. any Australian Standard contract proposed to be used.

Where a specifically designed contract is proposed, the details of the contract are to be provided with the tender invitation.

Where variations are proposed to Australian Standard contracts, a schedule of variations is to be included in the tender invitation.

An evaluation matrix is to be used in advising prospective tenderers of the evaluation criteria and the method for scoring tender responses.

Evaluation matrix's may consist of either:

- A weighted cost criteria; or
- A non-weighted cost criteria.

a) Weighted Cost Criteria

The use of a weighted cost criteria method is suited to acquisitions where price is considered to be crucial to the outcome of the contract. Price is assessed as a selection criteria item with a predetermined weighting, together with quality criteria.

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b) Non-Weighted Cost Criteria

The use of a non-weighted cost criteria method is suited to acquisitions where functional considerations such as capacity or quality, are considered crucial to the outcome of the contract.

A weighted selection criteria containing items addressing the qualitative requirements of the contract are comprised and assessed prior to considerations of price within the evaluation.

Once tenders have been ranked against the qualitative items of the selection criteria, a value judgment of cost differences is able to be made, with judgment as to whether qualitative advantages of a tender justify cost differences.

The allocation of evaluation points available in conducting evaluation of tender responses must be made in accordance with criteria set prior to the issue of tender invitations. The allocation would typically be made over a range of items such as those shown in the following table:

Rate	Description
0	Inadequate or non appropriate offer, many deficiencies, does not meet criterion
2	Marginal offer, some deficiencies, partly meets criterion
4	Fair offer, few deficiencies, almost meets criterion
6	Good offer, no deficiencies, meets criterion
8	Very good offer, exceeds criterion
10	Outstanding offer, greatly exceeds criterion

The table showing the evaluation of points is not to be published with the tender invitation or to be made otherwise available to prospective or actual tenderers.

Tenders may be lodged to a secure tender box or secure email tender box.

The use of an email tender box will be decided by the CEO in each instance having regard for the nature of the tender, the size of the likely tender response and such other factors as may relate to each tender invitation. Where an email tender is permitted, the full details of how the tender should be submitted should be included in the tender invitation.

When tenders are opened there must be at least two employees of Council, or one Council employee and one person authorised by the CEO, present.

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7. Use of Probity Auditor

In all cases where tenders are valued at an amount greater than \$150,000, consideration shall be given to the use of a probity auditor.

A proposal to engage/not engage services of a probity auditor will be included in the report to the Council under section (6) above proposing the issue of an invitation for supply of goods or services.

8. Environmental Procurement Policy

The TPRC will consider the environmental impact in the procurement process when undertaking the purchase of goods and services and disposal of goods.

The governing principle for goods and services procurement is the achievement of value for money. However, when determining value for money, the environmental impact issues to be considered may include:

- Use of recycled or recovered materials;
- Product reusability;
- Product recyclability;
- Durability;
- Energy efficiency and consumption;
- Water efficiency;
- Waste prevention;
- End of life disposal method; and
- Environmental health issues.

9. Environmental Purchasing

Environmental purchasing generally refers to the inclusion of relevant environmental factors in any decision to procure goods and/or services in order to maintain the quality of the environment, conserve resources, minimise waste and protect human health.

The aim of considering environmental factors in procurement is to:

- Managing risks to the broader environment by procuring goods and services that have a reduced impact on the natural environment and human health compared with competing products or services that serve the same purpose.
- Promote the achievement of better value for money on a whole-of-life cycle basis.
- Fostering the development of products and processes that have a positive environmental impact.

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- Reducing costs for addressing the effects of environmental health impacts and pollution to the community over the long term.

The focus of environmental purchasing may vary, depending on the nature of the good or service being procured.

10. Environmental Procurement and Value for Money

Value for money is the core principle governing goods and services procurement. In this context, the lowest price is not necessarily an indicator of best value for money.

The environmental impact of a good or service is also a major consideration in the Value for Money Assessment.

Environmentally friendly products will usually involve reduced risks and more efficient use of energy, water and materials leading to lower costs, particularly on a whole of life basis. Therefore, even where an environmentally friendly product or service initially costs more than a conventional product or service, consideration of value for money requires purchasers to give due regard to the benefits obtained from good environmental performance.

It is also essential that the environmental impacts and/or value-add in all procurements are considered across the lifecycle of a product.

Value for Money is assessed on a whole of life basis so that all costs and benefits across the procurement cycle can be adequately considered. For example, in the case of a good, the environmental impact should be assessed at each stage of production, use and disposal. Therefore, to ensure effective Value for Money decisions, the environmental assessment also needs to factor in the impacts and costs created when a product is used, particularly during the evaluation stage when comparing products. These costs electrical power, water, fuel and requirements for other consumables.

11. Environmental Considerations in Contracting Process

The level of effort expended to minimise the environmental impact of procurement should be commensurate with the nature of the purchase and should be applied in all phases of the procurement process as follows:

Contract Planning (pre-tender)

- Is the proposed purchase necessary.
- Identify and address environmental impact issues in all procurement plans.
- Develop specifications that give consideration to environmental standards, codes or legislation, where appropriate.

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- Consider options for quotation and tender design, including selection criteria that provide positive advantage to goods, services and/or processes that minimise environmental impact.
- Consider options for quotation and tender design that provide positive advantage to innovative goods, services and/or processes that minimise environmental impact.
- Develop selection criteria that provide positive advantage to goods, services and/or processes that minimise environmental impact.
- Where appropriate consider quality assurance, environmental standards, codes or legislation for inclusion in specifications.
- Where appropriate, seek information from suppliers through the offer document on the environmental impact of goods, services and processes tendered (e.g. accreditation, practices, recycled content, durability and reuse options, hazardous material content, energy efficiency, waste prevention, water efficiency).
- Consider options for, and where appropriate specify methods for end of life disposal of product and/or packaging.

The Guidelines provided in:

- The State Sustainability Strategy; and
- The State Supply Commission Environmental Purchasing Guide may be accessed as appropriate to achieve the stated policy outcomes, operational and cost efficiency.

This Procurement Policy is authorised by the Chief Executive Officer on ~~45-11~~October-August 20152016.

Signature:

Name: JOHN ANTHONY ARIAS

Date: ~~45-11~~October-August 20152016