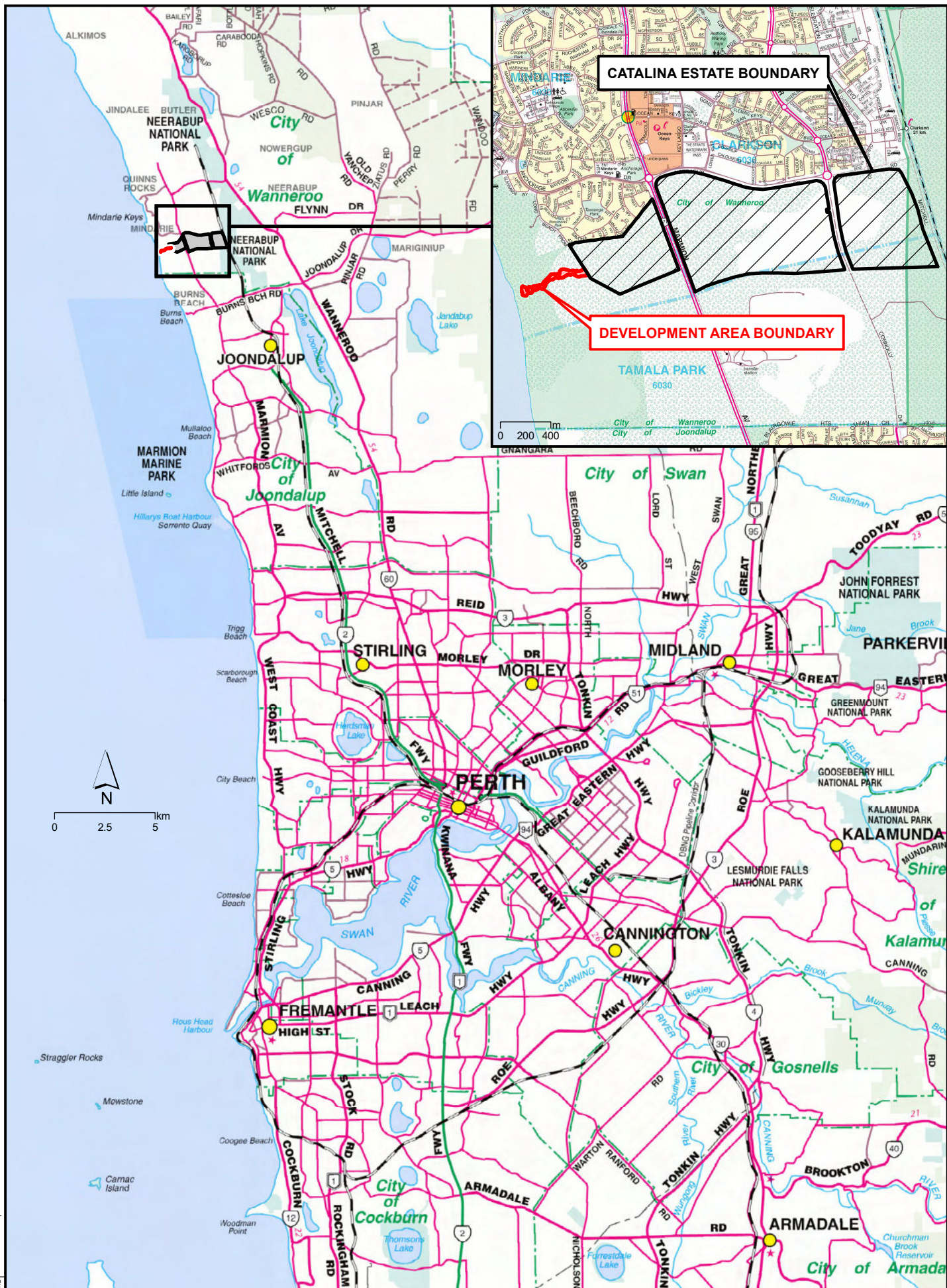


# **Appendix 9.1**



**COTERRA**  
ENVIRONMENT

Job: SATCAT07b  
Doc: 001  
Date: 8/03/2017  
Ph: (08) 9381 5513  
Fax: (08) 9381 5514  
E: info@coterra.com.au

Tamala Park Regional Council  
FORESHORE MANAGEMENT PLAN  
LOT 15448 & 3050 TAMALA PARK

**SITE LOCATION**

Appendix Page2

**Figure 1**



This plan has been prepared for general information purposes only and uses potentially uncontrolled data from external sources. CLE does not guarantee the accuracy of this plan and it should not be used for any detailed site design. This plan remains the property of CLE.

#### CARPARK

- 24 STANDARD BAYS (2.5m X 5.5m)
- 1 DISABLED BAY (2.5m X 5.5m)
- 1 DISABLED SHARED SPACE (2.5m X 5.5m)
- 6.0m WIDE AISLE

#### POSSIBLE LOCATION FOR PUBLIC AMENITIES. (BY OTHERS)

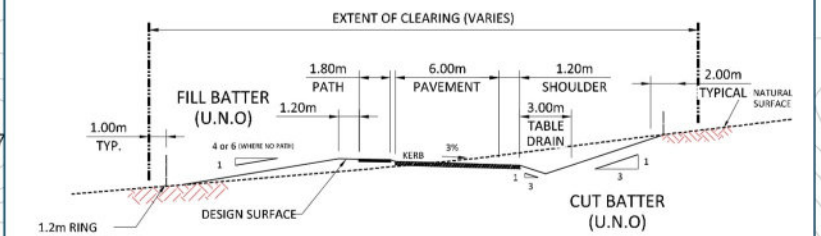
- approx 15m X 5m

#### POSSIBLE LOCATION FOR SURF LIFE SAVERS EQUIPMENT AND STORAGE. (BY OTHERS)

- approx 10m X 5m

#### LEGEND

- EXTENT OF CLEARING FOR ROAD, CARPARK AND ABLUTIONS.
- ROAD 'RESERVE' (13.2m approx.)
- PROPOSED PATH



All engineering detail shown on this plan by Cossill and Webley Consulting Engineers (6037-CB-SK02\_A).

**COTERRA**  
ENVIRONMENT

Job: SATCAT07b  
Doc: 002  
Date: 08.03.17  
Ph: (08) 9381 5513  
Fax: (08) 9381 5514  
E: info@coterra.com.au

Tamala Park Regional Council  
FORESHORE MANAGEMENT PLAN  
LOT 15448 & 3050 TAMALA PARK

**BEACH ACCESS INFRASTRUCTURE**  
**CONCEPT PLAN**

Figure Page3

Figure 2



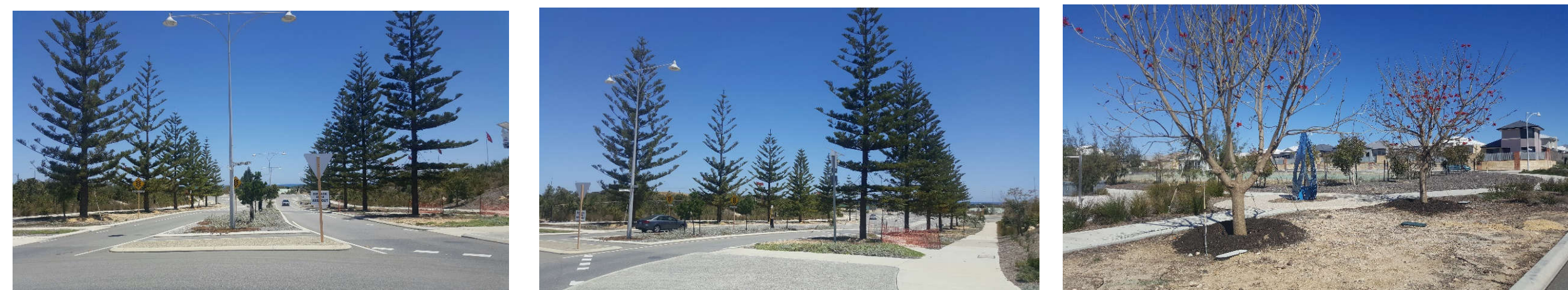
Landscape Works	FYE 2018 Budget	Detailed Design	City of Wanneroo Approval	Proposed Construction Commencement	Proposed Completion	Comments
Catalina Beach Landscaping Works Separable Portion A, B and E	\$2,655,357.00	Complete	15 May 2017	August 2017	January 2018	Contracts issued, works commenced in late August. Practical Completion of the Linear POS (including play tower), Green Link and Medians is anticipated in late January 2018
Catalina Beach Landscaping Works Separable Portion C		Complete	15 May 2017	January 2018	April 2018	Design to be reviewed in conjunction with proposed marketing signage on Marmion Avenue. Works anticipated to commence in January 2018.
Separable Portion D		Complete	15 May 2017	January 2018	May 2018	Works on the Marmion Avenue Verges West (North) are required to be coordinated with the installation of the pressure main. Landscaping works proposed to commence in January 2018.
Separable Portion F		Complete	15 May 2017	March 2018	October 2018	Works on the Sales Office car park are required to be coordinated with the construction of the Sales Office and car parking facilities.
Stage 11 POS Phase 2	\$750,000	Complete	12 April 2017	February 2018	Pending	SPG has reviewed budget to bring expenditure forward. TPRC has requested a review of the landscape design.
Aviator Boulevard Entry Statement	\$116,667.00	Complete	28 March 17	January 2018	March 2018	Phase 2 to be awarded and includes the installation of ground cover in the entry (acasia salinga 'green mulch') .
Biodiversity Conservation Area (South)	\$331,325.00	Complete	15 April 16	March 2018	June 2018	Southern BCA works to include path construction, minor revegetation works and installation of interpretive signage. SPG to provide recommendation to TPRC to commence works.
Biodiversity Conservation Area (North)	\$116,147.00	Complete	Feb 2015	March 2018	June 2018	Paths complete. Norther BCA works to include minor revegetation works and the installation of interpretive signage. SPG to provide recommendation to TPRC to commence works.



Catalina Beach Landscape Works – Under Construction



Aviator Boulevard Entrance Upgrades





# **Appendix 9.2**

**TAMALA PARK REGIONAL COUNCIL**  
**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2016 TO 31 OCTOBER 2017**

**TABLE OF CONTENTS**

Statement of Financial Activity	2
Notes to and Forming Part of the Statement	3 to 9

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2016 TO 31 OCTOBER 2017**

	NOTE	31 October 2017 Actual \$	31 October 2017 Y-T-D Budget \$	2017/18 Adopted Budget \$	Variances Budget to Actual Y-T-D %
<b><u>Operating</u></b>					
<b>Revenues</b>	1,2				
Interest Earnings		312,704	317,405	793,512	(1.48%)
Other Revenue		1,224	0	2,035	0.00%
		313,928	317,405	795,547	(1.10%)
<b>Expenses</b>	1,2				
Employee Costs		(183,535)	(255,281)	(751,838)	(28.10%)
Materials and Contracts Other		(49,151)	(159,361)	(482,916)	(69.16%)
Depreciation		0	0	(21,212)	0.00%
Utilities		0	(2,150)	(6,450)	0.00%
Insurance		(10,894)	(10,469)	(10,469)	4.06%
Other Expenditure		(38,927)	(45,998)	(181,955)	(15.37%)
		(282,507)	(473,259)	(1,454,840)	(40.31%)
<b><u>Adjustments for Non-Cash (Revenue) and Expenditure</u></b>					
Depreciation on Assets		0	0	21,212	0.00%
<b><u>Capital Revenue and (Expenditure)</u></b>					
Plant and Equipment	3	0	0	(26,250)	0.00%
<b>LESS MEMBERS EQUITY</b>					
<b>Development of Land for Resale</b>					
Income Sale of Lots - Subdivision		10,760,041	12,399,479	40,372,252	(13.22%)
Income other - Subdivision		0	1,000,000	1,761,500	100.00%
Development Costs - Subdivision		(4,910,615)	(13,120,485)	(55,659,496)	(62.57%)
Contribution Refund		(52,334)	0	(268,725)	0.00%
Profit Distributions		0	0	(4,000,000)	0.00%
<b>Change in Contributed Equity</b>	6	5,797,092	278,994	(17,794,469)	1977.86%
Net Current Assets July 1 B/Fwd	7	39,246,178	39,260,668	39,260,668	(0.04%)
Net Current Assets Year to Date	7	45,074,691	39,383,808	20,801,868	

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 2016 TO 31 OCTOBER 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Accounting**

This statement comprises a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement presented below and have been consistently applied unless stated otherwise. They been prepared on 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.

**Critical Accounting Estimates**

The preparation of the financial report in conformity with Australian Accounting Standards require management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**(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**

Revenues, expenses and assets are recognised net of the amount of GST, except for where the amount of GST incurred is not receivable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivable or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

**(f) Cash and Cash Equivalents**

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2016 TO 31 OCTOBER 2017**

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

***Land Held for Resale***

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. 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 to the buyer at this point. Land held for resale is classified as current except where it is held as non-current based on the 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 local government 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.



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2016 TO 31 OCTOBER 2017**

**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) Trade and Other Payables**

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

**(l) Employee Benefits**

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

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

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

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

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2016 TO 31 OCTOBER 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(m) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

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

**(n) 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.

**(o) 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 2016 TO 31 OCTOBER 2017**

**2. STATEMENT OF OBJECTIVE**

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

**3. ACQUISITION OF ASSETS**

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

	<b>31 October 2017 Actual \$</b>	<b>Adopted 2017/18 Budget \$</b>
<b><u>By Program</u></b>		
<b>Other Property and Services</b>		
Motor Vehicle	0	26,250
	<b>0</b>	<b>26,250</b>
<b><u>By Class</u></b>		
Plant and Equipment	0	26,250
	<b>0</b>	<b>26,250</b>

**4. DISPOSALS OF ASSETS**

There are no assets budgeted to be disposed during the financial year ended 30 June 2018.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2016 TO 31 OCTOBER 2017**

**5. INFORMATION ON BORROWINGS**

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2017-18 financial year.

**6. CONTRIBUTED EQUITY**

	<b>31 October 2017 Actual \$</b>	<b>30 June 2017 Actual \$</b>
Town of Victoria Park	3,918,497	3,432,788
City of Perth	3,918,497	3,432,788
Town of Cambridge	3,918,497	3,432,788
City of Joondalup	7,836,996	6,865,577
City of Wanneroo	7,836,996	6,865,577
Town of Vincent	3,918,497	3,432,788
City of Stirling	15,673,992	13,731,154
<b>TOTAL</b>	<b>47,021,973</b>	<b>41,193,460</b>
<b>Total Movement in equity</b>	<b>5,828,513</b>	

Movement in Contributed Equity Represented by:

	<b>Development Expenses 31 October 2017 \$</b>	<b>Land Sales 31 October 2017 \$</b>	<b>Return of Contribution 31 October 2017 \$</b>	<b>Rates Equivalent 31 October 2017 \$</b>
Town of Victoria Park	(409,218)	896,670	0	0
City of Perth	(409,218)	896,670	0	0
Town of Cambridge	(409,218)	896,670	0	0
City of Joondalup	(818,436)	1,793,340	0	(52,334)
City of Wanneroo	(818,436)	1,793,340	0	0
Town of Vincent	(409,218)	896,670	0	0
City of Stirling	(1,636,871)	3,586,681	0	0
	<b>(4,910,615)</b>	<b>10,760,041</b>	<b>0</b>	<b>(52,334)</b>
Members Contributed Equity Movements	5,797,092			
TPRC Net Result	31,421			
<b>Total Movement in equity</b>	<b>5,828,513</b>			



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2016 TO 31 OCTOBER 2017**

**7. NET CURRENT ASSETS**

Composition of Estimated Net Current Asset Position	31 October 2017 Actual \$	Brought Forward 1-Jul \$
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	44,895,088	39,213,368
Receivables	497,484	306,092
Settlement Bonds	16,600	4,800
	45,409,172	39,524,260
<b>LESS: CURRENT LIABILITIES</b>		
Payables and Provisions	(334,481)	(278,082)
<b>NET CURRENT ASSET POSITION</b>	45,074,691	39,246,178

**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 2016 TO 30 SEPTEMBER 2017**

**TABLE OF CONTENTS**

Statement of Financial Activity	2
Notes to and Forming Part of the Statement	3 to 9

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2016 TO 30 SEPTEMBER 2017**

	NOTE	30 September 2017 Actual \$	30 September 2017 Y-T-D Budget \$	2017/18 Adopted Budget \$	Variances Budget to Actual Y-T-D %
<b><u>Operating</u></b>					
<b>Revenues</b>	1,2				
Interest Earnings		229,661	238,054	793,512	(3.53%)
Other Revenue		941	0	2,035	0.00%
		230,602	238,054	795,547	(3.13%)
<b>Expenses</b>	1,2				
Employee Costs		(136,869)	(182,375)	(751,838)	(24.95%)
Materials and Contracts Other		(44,535)	(111,069)	(482,916)	(59.90%)
Depreciation		0	0	(21,212)	0.00%
Utilities		0	(1,075)	(6,450)	0.00%
Insurance		(7,189)	(6,906)	(10,469)	4.10%
Other Expenditure		(38,913)	(45,075)	(181,955)	(13.67%)
		(227,506)	(346,500)	(1,454,840)	(34.34%)
<b><u>Adjustments for Non-Cash (Revenue) and Expenditure</u></b>					
Depreciation on Assets		0	0	21,212	0.00%
<b><u>Capital Revenue and (Expenditure)</u></b>					
Plant and Equipment	3	0	0	(26,250)	0.00%
<b>LESS MEMBERS EQUITY</b>					
<b>Development of Land for Resale</b>					
Income Sale of Lots - Subdivision		6,016,317	9,835,786	40,372,252	(38.83%)
Income other - Subdivision		0	0	1,761,500	100.00%
Development Costs - Subdivision		(4,234,905)	(9,260,744)	(55,659,496)	(54.27%)
Contribution Refund		(52,334)	0	(268,725)	0.00%
Profit Distributions		0	0	(4,000,000)	0.00%
<b>Change in Contributed Equity</b>	6	1,729,078	575,042	(17,794,469)	200.69%
Net Current Assets July 1 B/Fwd	7	39,246,178	39,260,668	39,260,668	(0.04%)
Net Current Assets Year to Date	7	40,978,352	39,727,264	20,801,868	

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 2016 TO 30 SEPTEMBER 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Accounting**

This statement comprises a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement presented below and have been consistently applied unless stated otherwise. They been prepared on 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.

**Critical Accounting Estimates**

The preparation of the financial report in conformity with Australian Accounting Standards require management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**(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**

Revenues, expenses and assets are recognised net of the amount of GST, except for where the amount of GST incurred is not receivable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivable or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

**(f) Cash and Cash Equivalents**

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2016 TO 30 SEPTEMBER 2017**

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

***Land Held for Resale***

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. 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 to the buyer at this point. Land held for resale is classified as current except where it is held as non-current based on the 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 local government 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.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2016 TO 30 SEPTEMBER 2017**

**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) Trade and Other Payables**

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

**(l) Employee Benefits**

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

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

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

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

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



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2016 TO 30 SEPTEMBER 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(m) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

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

**(n) 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.

**(o) 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 2016 TO 30 SEPTEMBER 2017**

**2. STATEMENT OF OBJECTIVE**

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

**3. ACQUISITION OF ASSETS**

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

	<b>30 September 2017 Actual \$</b>	<b>Adopted 2017/18 Budget \$</b>
<b><u>By Program</u></b>		
<b>Other Property and Services</b>		
Motor Vehicle	0	26,250
	<b>0</b>	<b>26,250</b>
<b><u>By Class</u></b>		
Plant and Equipment	0	26,250
	<b>0</b>	<b>26,250</b>

**4. DISPOSALS OF ASSETS**

There are no assets budgeted to be disposed during the financial year ended 30 June 2018.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2016 TO 30 SEPTEMBER 2017**

**5. INFORMATION ON BORROWINGS**

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2017-18 financial year.

**6. CONTRIBUTED EQUITY**

	<b>30 September 2017 Actual \$</b>	<b>30 June 2017 Actual \$</b>
Town of Victoria Park	3,577,136	3,432,788
City of Perth	3,577,136	3,432,788
Town of Cambridge	3,577,136	3,432,788
City of Joondalup	7,154,273	6,865,577
City of Wanneroo	7,154,273	6,865,577
Town of Vincent	3,577,136	3,432,788
City of Stirling	14,308,545	13,731,154
<b>TOTAL</b>	<b>42,925,634</b>	<b>41,193,460</b>
<b>Total Movement in equity</b>	<b>1,732,174</b>	

Movement in Contributed Equity Represented by:

	<b>Development Expenses 30 September 2017 \$</b>	<b>Land Sales 30 September 2017 \$</b>	<b>Return of Contribution 30 September 2017 \$</b>	<b>Rates Equivalent 30 September 2017 \$</b>
Town of Victoria Park	(352,909)	501,360	0	0
City of Perth	(352,909)	501,360	0	0
Town of Cambridge	(352,909)	501,360	0	0
City of Joondalup	(705,817)	1,002,719	0	(52,334)
City of Wanneroo	(705,817)	1,002,719	0	0
Town of Vincent	(352,909)	501,360	0	0
City of Stirling	(1,411,635)	2,005,439	0	0
	<b>(4,234,905)</b>	<b>6,016,317</b>	<b>0</b>	<b>(52,334)</b>
Members Contributed Equity Movements	1,729,078			
TPRC Net Result	3,096			
<b>Total Movement in equity</b>	<b>1,732,174</b>			



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2016 TO 30 SEPTEMBER 2017**

**7. NET CURRENT ASSETS**

<b>Composition of Estimated Net Current Asset Position</b>	<b>30 September 2017 Actual \$</b>	<b>Brought Forward 1-Jul \$</b>
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	40,847,644	39,213,368
Receivables	416,755	306,092
Settlement Bonds	10,200	4,800
	<b>41,274,599</b>	<b>39,524,260</b>
<b>LESS: CURRENT LIABILITIES</b>		
Payables and Provisions	(296,247)	(278,082)
<b>NET CURRENT ASSET POSITION</b>	<b>40,978,352</b>	<b>39,246,178</b>
<b>NET CURRENT ASSET POSITION</b>	<b>40,978,352</b>	<b>39,246,178</b>

**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  
October 2017**

Date	Num	Name	Description	Amount
3/10/2017	CON-105	City of Wanneroo	GST owing August 2017	-2,328.49
5/10/2017	CH-200547	Western Power	VOID: Stage 25 Sewer Pump Station Energisation (MS016675)	0.00
12/10/2017		Employee Costs	Wages for period 28/09/2017 - 11/10/2017	-11,137.67
12/10/2017	ET-4325	Australian Super	Superannuation for period 28/09/2017 - 11/10/2017	-591.18
12/10/2017	ET-4326	National Australia Bank	Superannuation for period 28/09/2017 - 11/10/2017	-1,141.77
12/10/2017		Action Couriers	Courier charges for period 20/09/17 - 01/10/17	-47.36
12/10/2017		Burgess Rawson	GST Valuations (September 2017)	-440.00
12/10/2017		City of Stirling	TPRC office rent (November 2017)	-3,573.74
12/10/2017		City of Wanneroo	Connolly Drive Engineering Assessment Fee	-396.89
12/10/2017		Cossill & Webley	Engineering services	-50,114.31
12/10/2017		Kyocera Mita	Printing (September 2017)	-18.49
12/10/2017		LD Total	Landscaping services	-342,824.70
12/10/2017		LGIS Liability	Liability insurance for period June 2017 - June 2018 (Instalmen	-1,456.95
12/10/2017		LGIS Property	Property insurance for period 30/06/17 - 30/06/18 (Instalment 2	-2,307.04
12/10/2017		LGIS Workcare	Workers compensation insurance for period June 2017 - June :	-4,950.00
12/10/2017		Marketforce	Statutory advertising	-1,038.28
12/10/2017		McMullen Nolan Group	Surveying services	-6,369.55
12/10/2017		Moore Stephens	Accounting services (July & August 2017)	-5,095.20
12/10/2017		Neverfail	Bottled water x 2	-28.25
12/10/2017		New Living Cleaning	Sales Office Cleaning (September 2017)	-495.00
12/10/2017		Smit, Stephanus & Illanah	Solar Panel Rebate (Lot 296)	-2,000.00
12/10/2017		Treacy Fencing	Fencing services	-14,856.82
12/10/2017		Voysey, Paul	Solar Panel Rebate (Lot 781)	-2,000.00
12/10/2017	ET-4327	Water Corporation	Sales Office water charges for period 20/07/17 - 21/09/17	-976.90
12/10/2017	ET-4333	Westpac Bank	Payment of credit card charges (CEO & EA) - October 2017	-902.32
12/10/2017	CON-108	City of Perth	GST owing August 2017	-1,164.24
17/10/2017	ET-4334	National Australia Bank	Bank charges NAB At-Call AC - October 2017	-10.00
24/10/2017	CON-106	Town of Cambridge	GST owing September 2017	-2,943.17
26/10/2017		Employee Costs	Wages for period 12/10/17 - 25/10/17	-11,137.67
26/10/2017	ET-4328	Australian Super	Superannuation for period 12/10/17 - 25/10/17	-591.18
26/10/2017	ET-4329	National Australia Bank	Superannuation for period 12/10/17 - 25/10/17	-1,141.77
26/10/2017		Because We Care	Doggy bags	-1,881.00
26/10/2017		Burgess Rawson	Valuation fees	-440.00
26/10/2017		Chappell Lambert Everett	Agreed Planning Fee (July & August 2017)	-38,500.00
26/10/2017		Coterra Environment	Environmental services	-2,655.13
26/10/2017		Docushred	Security bin	-51.70
26/10/2017		Dominic Carbone & Assoc	Consultancy services (September 2017)	-528.00
26/10/2017		LD Total	Misc landscaping invoices	-488,116.67
26/10/2017		McPherson, E. & Mackle, N.	Solar Panel Rebate (Lot 926)	-2,000.00
26/10/2017		Neverfail	Bottled water x 1	-14.75
26/10/2017		R J Vincent & Co	Civil construction works	-5,603.29
26/10/2017		Reed, Lorraine & Ian Gordon	Solar Panel Rebate (Lot 911)	-2,000.00
26/10/2017		Treacy Fencing	Fencing (Lot 296)	-6,472.40
26/10/2017	ET-4330	Synergy	Sales Office & Stages 1, 4, 8 & 11 POS power	-1,096.85
26/10/2017	ET-4331	Telstra	Mobile Phones (CEO & PC) for period 14/10/17 - 13/11/17	-111.00
30/10/2017		Hollywood, Kerry	Reimbursement of parking expenses (City of Perth meeting)	-16.13
30/10/2017		Satterley Property Group	Community development services	-11,668.80
30/10/2017	ET-4332	Australian Taxation Office	BAS for quarter July - September 2017	-9,763.00
31/10/2017	CH-200548	Western Australian Planning C	Stages 16A & 16B Subdivision Application	-8,363.80
31/10/2017	CON-107	City of Wanneroo	GST owing September 2017	-5,886.33
<b>Total</b>				<b>-1,057,247.79</b>

**Tamala Park Regional Council**  
**Summary Payment List**  
**September 2017**

Date	Num	Name	Description	Amount
1/09/2017	ET-4318	Grant, Aaron & Nicole	Lot 171 (18th instalment over a 5 year period)	-2,887.50
6/09/2017	CH-200545	Western Power	Stage 17B Subdivision Energisation	-7,610.00
7/09/2017	ET-4317	Swan, Jeremy & Courtney	Lot 174 (18th instalment over a 5 year period)	-3,850.00
12/09/2017	CH-200546	Western Power	Stage 25 Sewer Pump Station Subdivision Energisation	-9,856.00
12/09/2017	ET-4326	Westpac Bank	Payment of credit card charges (CEO & EA) - September 2017	-273.03
14/09/2017		Employee Costs	Wages for period 31/08/17 - 13/09/17	-11,137.67
14/09/2017	ET-4314	Australian Super	Superannuation for period 31/08/17 - 13/09/17	-591.18
14/09/2017	ET-4315	National Australia Bank	Superannuation for period 31/08/17 - 13/09/17	-1,141.77
14/09/2017		Action Couriers	Courier charges for period 31/08/17 - 03/09/17	-25.60
14/09/2017		Burgess Rawson	Valuation fees	-1,430.00
14/09/2017		City of Joondalup	Rates equivalent payment for 2017/18 financial year	-52,334.44
14/09/2017		City of Stirling	Rent & Preparation of new lease	-5,278.74
14/09/2017		Clean City Group	Graffiti removal	-440.00
14/09/2017		Cossill & Webley	Engineering services	-45,229.07
14/09/2017		Dominic Carbone & Assoc	Accountancy services (July & August 2017)	-2,970.00
14/09/2017		hyd20 Hydrology	Western Cell UWMP Addendum	-792.00
14/09/2017		Kyocera Mita	Printing (August 2017)	-85.70
14/09/2017		LD Total	Misc. invoices (landscaping)	-234,719.64
14/09/2017		Lloyd George Acoustics	Display Village 3 Acoustic Assessment	-2,200.00
14/09/2017		Main Roads WA	Bus Underpass (June 2017)	-4,587.61
14/09/2017		Marketforce	Statutory advertising	-483.36
14/09/2017		McMullen Nolan Group	Stage 25 Sales Plan	-962.50
14/09/2017		Neverfail	Bottled water x 2	-28.25
14/09/2017		New Living Cleaning	Sales Office Cleaning (August 2017)	-495.00
14/09/2017		Realestate.com.au	Online advertising	-1,947.00
14/09/2017		Signs & Lines	Central Flag Rotation	-501.60
14/09/2017		SpecTerra Services	Grove Canopy Cover Analysis & May Layers	-886.60
14/09/2017		Treacy Fencing	Misc invoices (fencing)	-12,473.56
14/09/2017	ET-4316	Australian Taxation Office	IAS (August 2017)	-21,312.00
15/09/2017	CON-101	City of Joondalup	GST May - June 2017	-5,155.53
15/09/2017	ET-4325	National Australia Bank	Bank charges NAB At-Call AC - September 2017	-10.00
20/09/2017	CON-102	Town of Cambridge	GST June - July 2017	-2,700.25
22/09/2017	CH-200544	City of Wanneroo	Stage 18B Bond Substitution (original bond paid to be refunded in full)	-20,264.07
28/09/2017		Employee Costs	Wages for period 14/09/2017 - 27/09/2017	-11,137.67
28/09/2017	ET-4320	Australian Super	Superannuation for period 14/09/2017 - 27/09/2017	-591.18
28/09/2017	ET-4321	National Australia Bank	Superannuation for period 14/09/2017 - 27/09/2017	-1,141.77
28/09/2017		Burgess Rawson	Valuation fees	-3,905.00
28/09/2017		Butler Settineri	Audit fee (final) for FYE 2017	-1,833.37
28/09/2017		Cossill & Webley	Engineering services	-23,823.25
28/09/2017		Coterra Environment	Foreshore Management Plan (August 2017)	-584.38
28/09/2017		Emerge Associates	Landscaping architect services	-27,736.01
28/09/2017		Hughes, David & Eileen	Solar Panel Rebate (Lot 915)	-2,000.00
28/09/2017		Imagesource	Doggy bag dispenser decals	-291.50
28/09/2017		LD Total	Landscaping services	-214,385.54
28/09/2017		LO-GO Appointments	Admin temp.	-3,180.63
28/09/2017		Main Roads WA	Bus underpass (July 2017)	-41,942.36
28/09/2017		McLeods Barristers	Legal services	-5,258.29
28/09/2017		Officeworks	Office supplies	-222.68
28/09/2017		R J Vincent & Co	Civil engineering services	-25,986.34
28/09/2017		Rare Pty Ltd	Sign strategy & design - Part B	-4,445.58
28/09/2017		Realestate.com.au	Project profile access subscription (September 2017)	-254.76
28/09/2017		Town of Victoria Park	GST July & August 2017	-2,864.00
28/09/2017		Transcore	Traffic Engineering Services - Grove Structure Plan Review (August 2017)	-2,200.00
28/09/2017		Treacy Fencing	Fencing services	-8,170.36
28/09/2017	ET-4322	Alinta Energy	Sales Office gas supply for period 09/06/17 - 06/09/17	-220.90
28/09/2017	ET-4323	Telstra	Mobile Phones (CEO & PC) for period 14/09/17 - 13/10/17	-110.00
28/09/2017	ET-4324	Synergy	Sales Office & POS x 4	-1,693.05
28/09/2017	CON-104	Town of Cambridge	GST owing August 2017	-1,164.24
29/09/2017	CON-103	City of Perth	GST owing July 2017	-1,699.58
<b>Total</b>				<b>-841,502.11</b>



## **Appendix 9.4**



23 November 2017

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

Dear Tony

### Catalina Financial Report for October 2017

Please find attached the Catalina Financial Report for October 2017. This report has been prepared on a cash basis and compares actual income and expenditure to the August 2017 approved budget for the period 1 October 2017 to 31 October 2017.

Residential settlement revenue for the financial year to 31 October 2017 is \$10.9m which is \$1.5m behind the approved 'August 2017' budget with 8 less residential settlements for the year.

Sales for FYE2018 are \$7.6m unfavourable to budget due to 26 less residential lot sales for the year.

Overall FYE2018 expenditure is \$7.0m under budget per the approved 'August 2017' budget, with \$4.2m spent compared to a budget of \$11.2m. The main areas of variances are summarised below:

- Lot Production \$2.3m under budget, with invoices yet to be received for works undertaken within FYE18.
  - Stage 18A \$0.5m under budget due to savings;
  - Stage 18B \$0.7m under budget due to minor works still to be completed;
  - Stage 25 (\$0.5m) over budget due to timing of receiving invoices for payment;
  - Timing of bond payments \$1.1m under budget.
- Landscaping \$2.5m under budget, with invoices yet to be received for works undertaken within FYE18.
  - Stage 25 Greenlink Landscaping \$1.2m under budget (due to timing, works commenced);
  - Stage 11 Landscaping Phase 2 \$0.8m under budget (currently under review);
  - Central Landscape Upgrade (\$0.4m) over budget (due to timing of payment).
- Infrastructure \$0.7m under budget, with invoices yet to be received for works undertaken within FYE18.
  - Aviator Boulevard Extension \$0.3m under budget (Aviator/Connolly Round-a-bout not yet commenced, recommendation with TPRC for approval).
- P&L expenditure - \$1.2m under budget
  - Marketing \$230k under budget with \$35k spent against YTD budget of \$265k;
  - Rates and Taxes \$258k under budget as full provisional amount not yet required;
  - Contingency \$474k not required.

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

Yours faithfully

**Ross Carmichael**  
General Manager - Finance

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

T 08 9368 9000  
F 08 9368 9003

ABN 38 009 054 979

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

Appendix Page 29 **SATTERLEY.COM.AU**

**CATALINA**
**FINANCE REPORT  
OCTOBER 2017**
**1.0 Management Accounts**
**1.1 KEY STATISTICS**
**1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS**

	<u>Lots Produced (titles)</u>		<u>Sales</u>		<u>Settlements</u>		<u>Distributions</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Prior Years	872	872	848	848	815	815	67,000,000	67,000,000
Jul-2017	-	57	8	13	7	6	-	-
Aug-2017	58	-	-	22	4	17	-	-
Sep-2017	-	-	14	13	8	9	-	-
<b>Sep-17 Qtr</b>	<b>58</b>	<b>57</b>	<b>22</b>	<b>48</b>	<b>19</b>	<b>32</b>	<b>-</b>	<b>-</b>
Oct-2017	-	-	6	6	14	9	-	-
Nov-2017	-	-	-	8	-	12	-	-
Dec-2017	-	-	-	5	-	18	-	-
<b>Dec-17 Qtr</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>19</b>	<b>14</b>	<b>39</b>	<b>-</b>	<b>-</b>
Jan-2018	-	-	-	8	-	11	-	-
Feb-2018	-	-	-	9	-	4	-	-
Mar-2018	-	38	-	8	-	7	-	-
<b>Mar-18 Qtr</b>	<b>-</b>	<b>38</b>	<b>-</b>	<b>25</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>
Apr-2018	-	36	-	9	-	10	-	-
May-2018	-	-	-	8	-	10	-	-
Jun-2018	-	-	-	9	-	14	-	4,000,000
<b>Jun-18 Qtr</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>26</b>	<b>-</b>	<b>34</b>	<b>-</b>	<b>4,000,000</b>
<b>PTD</b>	<b>930</b>	<b>929</b>	<b>876</b>	<b>902</b>	<b>848</b>	<b>856</b>	<b>67,000,000</b>	<b>67,000,000</b>
<b>Full 2017/18 Year</b>	<b>58</b>	<b>131</b>	<b>28</b>	<b>118</b>	<b>33</b>	<b>127</b>	<b>-</b>	<b>4,000,000</b>
<b>2018/19</b>		<b>105</b>		<b>152</b>		<b>96</b>		<b>2,000,000</b>
<b>2019/20</b>		<b>136</b>		<b>171</b>		<b>176</b>		<b>27,000,000</b>

- 14 residential lots settled in October comprising:

	<u>Lots</u>
Stage 15	1
Stage 17A	2
Stage 18B	3
Stage 25	8

**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>
<b>Residential</b>						
- Sales #	6	6	28	54	876	902
- Sales \$	2,134,000	2,020,271	10,085,000	17,648,818	226,243,500	233,807,318
- Sales \$/lot	355,667	336,712	360,179	326,830	258,269	259,210
- Settlements #	14	9	33	41	848	856
- Settlements \$	4,798,000	2,563,693	10,882,000	12,399,479	217,159,500	218,676,979
- Settlements \$/lot	342,714	284,855	329,758	302,426	256,084	255,464
<b>Special Sites</b>						
- 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
<b>Lots Under Contract</b>						
- Unsettled sales #	29		{ Unconditional		4	Titled 935 incl. Spec sites
- Unsettled sales \$	9,084,000		{ Conditional		25	
- Unsettled sales \$/lot	313,241					

## 1.3 Cashflow - MTD Actuals to budget

	MTD Act	MTD Bgt	Variance
<b>Income</b>			
Settlement Revenue	4,798,000	2,563,693	2,234,307
Margin GST	(54,274)	(40,909)	(13,365)
Direct selling costs	(213,836)	(159,021)	(54,815)
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	909,091	(909,091)
Rebate Allowance	(27,390)	(306,477)	279,087
	<u>4,502,500</u>	<u>2,966,377</u>	<u>1,536,124</u>
<b>Development costs</b>			
Lot production	(402,644)	298,660	701,304
Landscaping	742,177	1,920,866	1,178,689
Consultants	43,565	56,653	13,088
Infrastructure	21,476	679,563	658,088
Sales office building	-	-	-
	<u>404,574</u>	<u>2,955,742</u>	<u>2,551,169</u>
<b>Overheads</b>			
Sales & marketing	944	66,250	65,306
Community Develop.	10,608	16,042	5,434
Administration	19,901	62,550	42,649
Finance/Contingency	-	155,841	155,841
	<u>31,452</u>	<u>300,682</u>	<u>269,230</u>
<b>Net Cashflow</b>	<b><u>4,066,474</u></b>	<b><u>(290,048)</u></b>	<b><u>4,356,522</u></b>

## 1.4 Cashflow - YTD Actuals to budget

	YTD Act	YTD Bgt	Variance
<b>Income</b>			
Settlement Revenue	10,882,000	12,399,480	(1,517,480)
Margin GST	(123,776)	(186,364)	62,588
Direct selling costs	(485,428)	(599,677)	114,249
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	909,091	(909,091)
Rebate Allowance	(234,866)	(1,083,010)	848,143
	<u>10,037,929</u>	<u>11,439,520</u>	<u>(1,401,591)</u>
<b>Development costs</b>			
Lot production	1,014,336	3,345,722	2,331,386
Landscaping	2,272,275	4,819,857	2,547,581
Consultants	165,622	274,355	108,733
Infrastructure	515,825	1,257,431	741,606
Sales office building	-	49,657	49,657
	<u>3,968,059</u>	<u>9,747,022</u>	<u>5,778,964</u>
<b>Overheads</b>			
Sales & marketing	35,500	265,000	229,500
Community Develop.	21,047	64,167	43,120
Administration	140,909	574,063	433,154
Finance/Contingency	25,811	500,079	474,268
	<u>223,267</u>	<u>1,403,308</u>	<u>1,180,042</u>
<b>Net Cashflow</b>	<b><u>5,846,604</u></b>	<b><u>289,189</u></b>	<b><u>5,557,415</u></b>

The YTD revenue variance comprises:

- Settlement revenue is \$1.5m unfavourable to budget on 8 less residential settlements than the budget for FY2018.

## 1.5 Bonds

	Last Year	Last Month	This Month
City of Wanneroo	539,029	701,918	263,132
	<u>539,029</u>	<u>701,918</u>	<u>263,132</u>

Bonds relate to stages 18B & 25 early clearances and are all expected to be returned within 12 months.



**CATALINA**
**FINANCE REPORT  
OCTOBER 2017**
**2.0 PROFIT & LOSS**

	<b>MTH Act</b>	<b>MTH Bgt</b>	<b>Var</b>	<b>YTD Act</b>	<b>YTD Bgt</b>	<b>Var</b>	<b>PTD Act</b>	<b>PTD Bgt</b>
- Revenue \$ (Stlmts)	4,798,000	2,563,693	2,234,307	10,882,000	12,399,479	(1,517,479)	217,159,500	218,676,979
- Revenue \$/lot	342,714	284,855		329,758	302,426		256,084	255,464
- Selling & GST \$	585,268	255,675	(329,593)	1,239,272	1,194,657	(44,615)	22,683,940	22,639,325
- Selling & GST \$/lot	41,805	28,408		37,554	29,138		26,750	26,448
- Cost of sales \$	1,631,127	893,670	(737,457)	3,653,214	4,262,991	609,777	79,878,854	80,488,632
- Cost of sales \$/lot	116,509	99,297		110,703	103,975		94,197	94,029
- Gross profit \$	2,581,605	1,414,348	1,167,257	5,989,514	6,941,831	(952,317)	114,596,705	115,549,022
- Gross profit \$/lot	184,400	157,150		181,500	169,313		135,138	134,987
- Gross profit Mgn %	53.81%	55.17%		55.04%	55.98%		52.77%	52.84%
- Special Sites \$	-	472,138	(472,138)	-	472,138	(472,138)	1,284,073	1,756,211
- Other income \$	-	-	-	-	-	-	230,717	230,717
- Sales & Marketing \$	11,406	86,019	74,613	32,003	344,076	312,073	1,557,286	1,869,360
- Administration \$	27,255	86,537	59,282	144,058	382,322	238,264	2,540,821	2,796,085
- Finance \$	-	-	-	-	-	-	-	-
- Contingency \$	-	155,906	155,906	17,788	500,278	482,490	62,872	520,642
- Net profit \$	2,542,944	1,558,024	984,920	5,795,665	6,187,293	(391,628)	111,950,515	112,349,863
- Net profit \$/lot	181,639	173,114		175,626	150,910		132,017	131,250

- YTD Gross profit is \$952k behind budget due to 8 unfavourable settlements.
- YTD Marketing costs are \$312k below budget due to Signage \$81k below budget (Strategy & authority approval delays), Community Development \$61k under budget (Payment approval delays) and lower general marketing activity and advertising \$170k.
- YTD net profit is unfavourable against budget by \$392k, due to the unfavourable gross profit variance \$952k, partly offset by unused contingency \$482k and favourable marketing and admin costs of \$550k.

**YEAR TO DATE VERSUS FULL YEAR BUDGET**

	<b>YTD Act</b>	<b>FY18 Full Year Bgt</b>	<b>Var</b>
- Revenue \$ (Stlmts)	10,882,000	40,372,249	(29,490,249)
- Revenue \$/lot	329,758	317,892	
- Selling & GST \$	1,239,272	3,785,523	2,546,250
- Selling & GST \$/lot	37,554	29,807	
- Cost of sales \$	3,653,214	14,887,619	11,234,405
- Cost of sales \$/lot	110,703	117,225	
- Gross profit \$	5,989,514	21,699,107	(15,709,593)
- Gross profit \$/lot	181,500	170,859	
- Gross profit Mgn %	55.04%	53.75%	
- Special Sites \$	-	651,463	(651,463)
- Other income \$	-	-	-
- Sales & Marketing \$	32,003	1,032,228	1,000,225
- Administration \$	144,058	1,074,618	930,560
- Finance \$	-	-	-
- Contingency \$	17,788	2,461,148	2,443,360
- Net profit \$	5,795,665	17,782,576	(11,986,911)
- Net profit \$/lot	175,626	140,020	

## 2.1 GROSS PROFIT ANALYSIS

## Actual

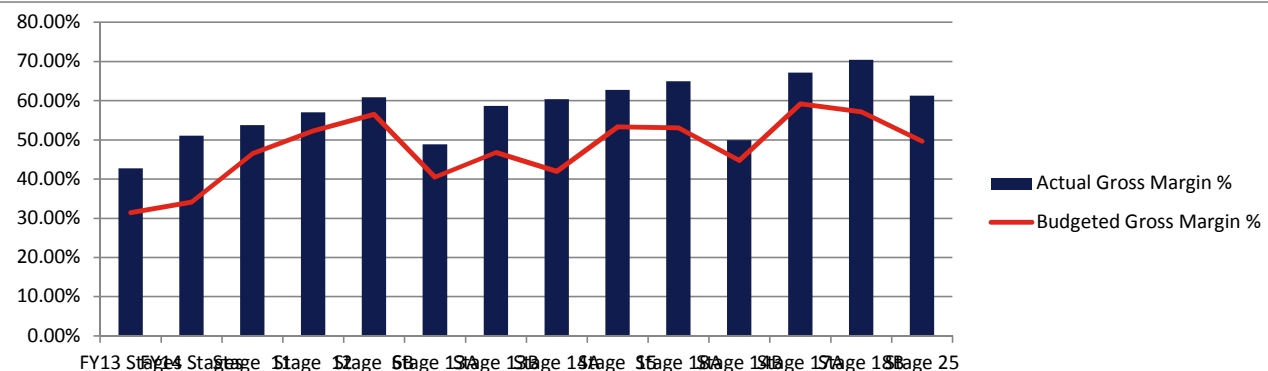
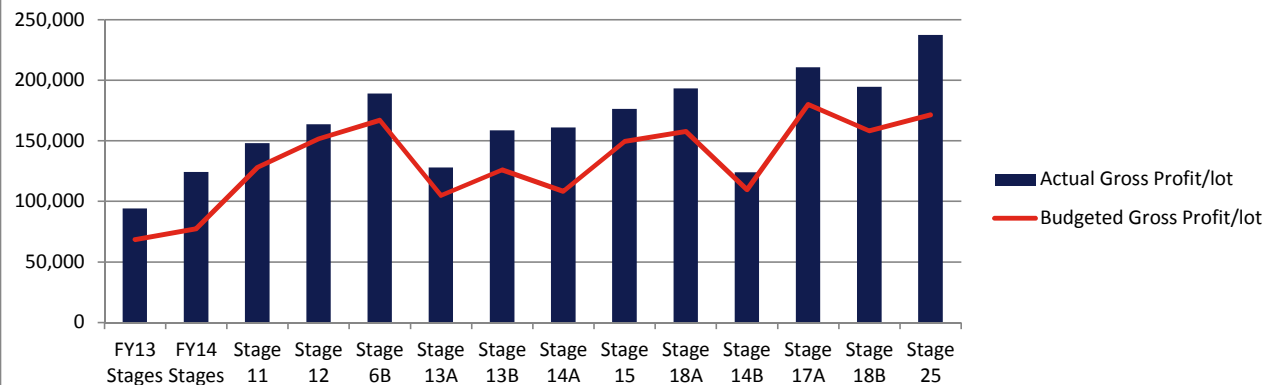
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Actual Gross	Actual Gross	Actual Gross
							Profit	Profit/lot	Margin %
FY13 Stages	2012 / 2013	51,375,500	220,496	29,448,888		126,390	21,926,612	94,106	42.68%
FY14 Stages	2013 / 2014	50,325,000	243,116	24,635,745		119,013	25,689,255	124,103	51.05%
Stage 11	1-Oct-14	17,611,000	275,172	8,143,826		127,247	9,467,174	147,925	53.76%
Stage 12	3-Dec-14	13,768,000	286,833	5,922,162		123,378	7,845,838	163,455	56.99%
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	11,893,000	270,295	4,922,480		111,875	6,970,520	158,421	58.61%
Stage 14A	4-Jun-15	16,784,000	266,413	6,653,009		105,603	10,130,991	160,809	60.36%
Stage 15	15-Dec-15	15,164,000	280,815	5,651,366		104,655	9,512,634	176,160	62.73%
Stage 18A	27-May-16	7,731,000	297,346	2,709,553		104,214	5,021,447	193,133	64.95%
Stage 14B	28-Oct-16	1,985,000	248,125	994,567		124,321	990,433	123,804	49.90%
Stage 17A	20-Feb-17	5,648,000	313,778	1,857,698		103,205	3,790,302	210,572	67.11%
Stage 18B	13-Jun-17	1,934,000	276,286	571,771		81,682	1,362,229	194,604	70.44%
Stage 25	8-Aug-17	5,814,000	387,600	2,254,565		150,304	3,559,435	237,296	61.22%
		217,159,500		101,629,988			115,529,512		

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

## Budget

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Budgeted Gross	Budgeted Gross	Budgeted Gross
							Profit	Profit/lot	Margin %
FY13 Stages	May-12	51,358,953	217,623	35,200,675		149,155	16,158,278	68,467	31.46%
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421		149,360	16,014,514	77,365	34.12%
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	4,048,854		139,616	4,577,146	157,833	53.06%
Stage 14B	Jun-16	2,448,087	244,809	1,352,232		135,223	1,095,855	109,585	44.76%
Stage 17A	Jun-16	9,427,756	304,121	3,845,430		124,046	5,582,326	180,075	59.21%
Stage 18B	Jun-16	8,584,690	276,925	3,677,414		118,626	4,907,276	158,299	57.16%
Stage 25	Aug-17	19,696,448	345,552	9,915,141		173,950	9,781,307	171,602	49.66%
		238,673,958		136,629,937			102,044,021		

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

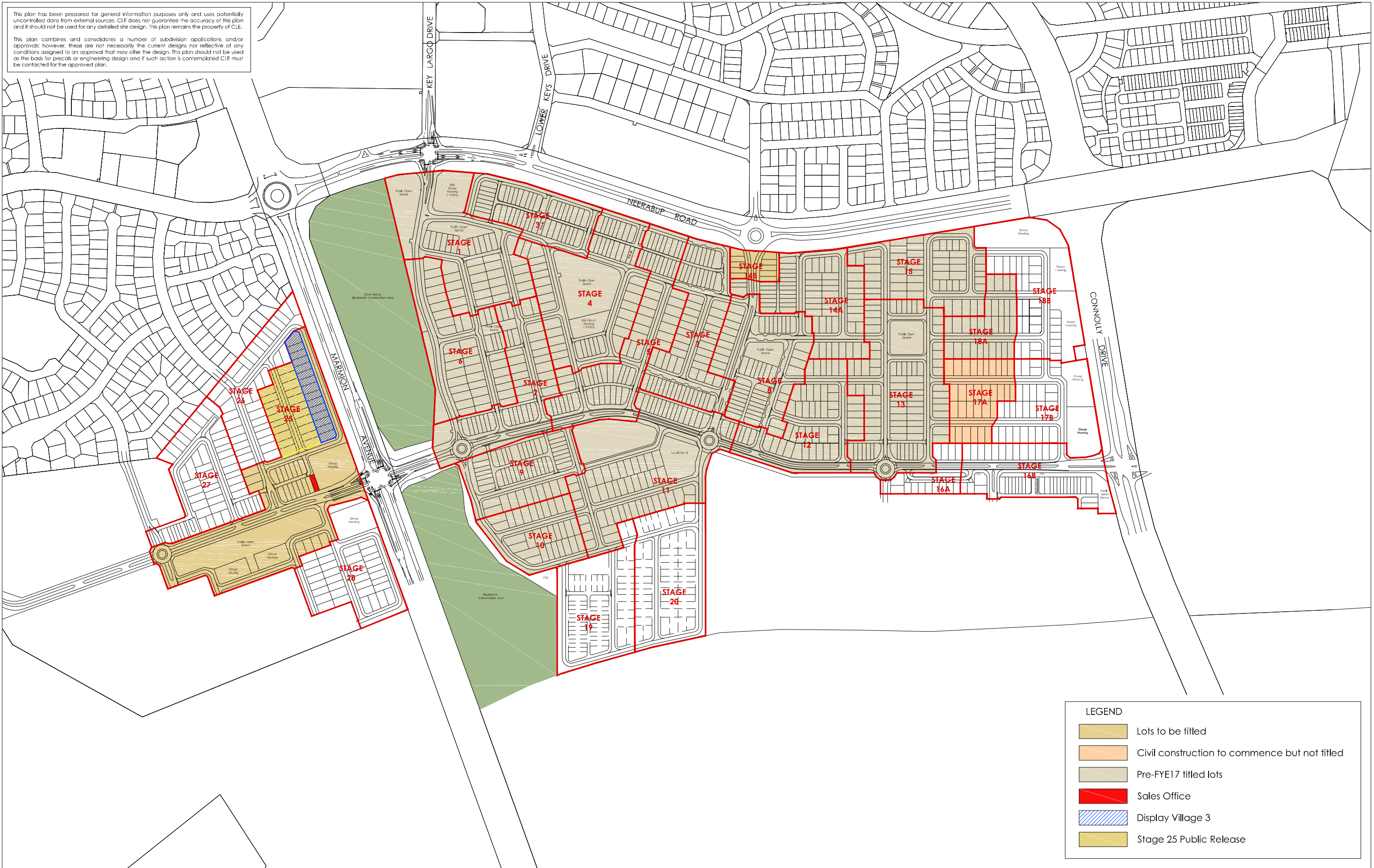


- Stage 25 project to date gross profit is \$66k above budget primarily due to lot mix (revenue/lot \$42k over budget)

# **Appendix 9.5**

This plan has been prepared for general information purposes only and uses potentially uncontrolled data from external sources. CLE does not guarantee the accuracy of this plan and it should not be used for any detailed site design. This plan remains the property of CLE.

This plan combines and consolidates a number of subdivision applications and/or approvals; however, these are not necessarily the current designs nor reflective of any conditions assigned to an approval that may alter the design. This plan should not be used as the basis for pre-cuts or engineering design and if such action is contemplated CLE must be contacted for the approved plan.



# CATALINA FYE 2017 OPERATIONS

Catalina Estate, Tamala Park  
City of Wanneroo



plan no: 2228-351C-02  
scale: 1:6,000 @ A3  
date: 26.05.2016



## **Appendix 9.6**



13 November 2017

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

Dear Tony

### **CATALINA ESTATE - REVIEW OF PURCHASER TERMS AND CONDITIONS**

SPG have reviewed the terms and conditions currently being implemented for the sale of lots at Catalina. The Council of the TPRC adopted the recommended terms and conditions prepared by SPG in December 2016.

### **CATALINA CENTRAL DEPOSIT, FINANCE APPROVALS AND SETTLEMENT**

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

- Deposit - \$2,000
- Period for finance approval > 3 months before title - 60 days
- Period for finance approval < 3 months before title - 60 days
- Period for finance extensions - 28 days
- Settlement within 21 days of issue of titles and / or acceptance / formal finance approval.

It is proposed that the above terms are maintained for Catalina Central.

#### Finance Approval Period

Current sales at Catalina Central are comparatively slow with a regular supply of lots now available to the market. Many sales are being sourced through builder contracts on the basis of the purchaser obtaining finance for a house and land package.

The current finance approval terms have had the effect of attracting builders to sell house and land packages at Catalina. Builders are generally requesting up to 90 day finance approval period based on an 8 week period to prepare and finalise building plans and a further 4 weeks to obtain finance approval.

#### Deposit

The \$2,000 deposit in Catalina Central has been well received by prospective purchasers and key stakeholders since the TRPC approved a reduction from \$5,000 at the 15 August 2015 Council meeting.

The reduced deposit has brought Catalina into line with a number of competing estates. The \$2,000 facilitates entry level purchasers securing a lot. It is recommended the \$2,000 deposit continues for Catalina Central and be applied at Catalina Grove.

#### Settlement Period

Following the August 2013 TPRC Management Committee meeting, the settlement period was reduced from 28 days after the issue of titles or finance approval (whichever is the later) to 21 days after the issue of titles or finance approval (whichever is the later). This revised settlement period has worked well and resulted in quicker settlements, improving the TPRC's cashflow. It is proposed this settlement period remains unchanged.

#### **CATALINA BEACH**

##### **DEPOSIT, FINANCE APPROVALS AND SETTLEMENT**

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

- Deposit - \$5,000
- Period for finance approval > 3 months before title - 45 days
- Period for finance approval < 3 months before title - 45 days
- Period for finance extensions - 28 days
- Settlement within 21 days of issue of titles and / or acceptance / formal finance approval.

It is proposed that the above terms are maintained for Catalina Beach.

#### Finance Approval Period

SPG consider that Catalina Beach sales should remain subject to a 45 day finance term. 45 day finance terms are comparative to other premium coastal estates, including Beaumaris, who offer 28 day finance terms. The timeframes for obtaining finance approval will assist in identifying qualified and finance ready purchasers. The Catalina Beach Estate appeals to a different buyer profile than lots available within Catalina Central. The median house and land value in Catalina Beach is considerably higher than in Catalina Central with purchasers having greater finance capacity.

#### Deposit

The \$5,000 deposit has been well received by prospective purchasers. The \$5,000 deposit within the Catalina Beach Estate will ensure that committed and qualified purchasers with sufficient finance capacity will register for lots and mitigate risk of prospective purchasers with insufficient borrowing capacity registering for lots and subsequently being unable to obtain finance approvals.

#### Settlement Period

The revised settlement period from 28 days to 21 days after the issue of titles or finance approval (whichever is the later) has worked well at Catalina Central and resulted in quicker settlements,

improving the TPRC's cashflow. It is proposed this settlement period remains the same at 21 days for Catalina Beach.

## **SALES INCENTIVES – CATALINA CENTRAL, BEACH AND GROVE**

### Public and Builder Release

The following sales incentives are available to purchasers of lots sold by via public release and through builder releases who build a single storey house within 18 months or a double storey house within 24 months of settlement:

- Colourbond side (behind the front building line) and rear fencing to all lots, with brushwood fencing (Catalina Central and Grove) and brushwood or solid masonry fencing (Catalina Beach) to the side boundary of lots abutting a road;
- Water wise landscaping to front garden and verge areas, including the side boundary of lots abutting a road;
- \$2,000 rebate to all purchasers who install a minimum 1.5 kw solar PV system.
- \$1,000 WEL's rebate to all purchasers within Catalina Beach and Grove who install WEL's fixtures, fittings and appliances with the following minimum WEL's ratings to qualify for the rebate:
  - a. 3 star rated shower head/s
  - b. 4 star rated toilet/s
  - c. 4 star rated taps
  - d. 4 star rated dishwasher
- \$8,000 Early Construction rebate for aged stock as approved by the Council and subsequently by the CEO – valid until 30 December 2017 and as varied / extended.

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

The continuation of the solar rebate, WEL's rebate and water wise landscaping rebate was considered and supported by Council during the June 2017 Council meeting as part of the Sustainability Initiatives Plan (15<sup>th</sup> June 2017).

Should you wish to discuss further please contact the undersigned.

Yours sincerely



**Antonina Lazzara**  
Development Director

# **Appendix 9.7**

---

## Management Committee Terms of Reference/Delegations (November 2017)

---

1. Recommending to Council the Project Annual Plan, Project Budget and Project Milestones.
2. The establishment and variation of key performance indicators which will be used to measure the performance of the Development Manager.
3. Monitoring the Approved Project budget (including any proposed variations to the Approved Project Budget).
- 3.4. Approval of variations to the approved Project Budget, providing the variations are consistent with TPRC objectives and do not impact on Budget Cashflow by more than 10%
- 4.5. Stage-by-stage cost determination and review.
- 5.6. Monitoring the Project's strategy, plans or concepts.
- 6.7. Monitoring the marketing and sales program for the Project.
- 7.8. Approval of sales schedules (including pricing) prior to the release of a stage of the Project.
- 8.9. Contracts to be entered into by any party with a value less than \$3,000,000.
10. Monitoring the Approved Project Program (including any proposed variations to the Approved Project Program).
- 9.11. Approval of variations to the approved Project Program, providing the variations are consistent with TPRC objectives and do not impact on Budget Cashflow by more than 10%
- 10.12. The appointment of Project consultants and contractors with a value less than \$3,000,000.
- 11.13. The location of Stages of subdivision including the number of lots, Display Village(s) lot sizes and configuration, mix and locations.
- 12.14. Approval to the lodgement of Subdivision Applications with the Western Australian Planning Commission.
- 13.15. Approval of the Annual Marketing Strategy and Program.
- 14.16. Monitoring the implementation of TPRC objectives.
- 14.16.1 Generally monitor the performance of the Development Manager.



---

## Management Committee Terms of Reference/Delegations (November 2017)

---

~~14~~16.2 Generally progress the Project.

~~15-17.~~ Providing regular confidential updates on progress to the Council.

~~16-18.~~ Approval to change the sales process ~~methods for the sale of project stages,~~  
from the sales procedures approved by the Council.

~~17-19.~~ Approval of Tenders with a value less than \$3,000,000, providing consistent  
with TPRC objectives and have a Budget allocation.

# **Appendix 9.8**

8 November 2017

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

Dear Tony

**CATALINA: Early Construction Rebate Recommendation**

During the Tamala Park Regional Council meeting in October 2015, the TPRC approved the application of an \$8,000 early construction rebate to eligible aged stock as incentive to purchasers to facilitate the sale of aged, and in most instances constrained, lots.

Following this, subsequent extensions have been provided. The Tamala Park Regional Council meeting held on 15 June 2017, resolved to:

***“APPROVES the extension of the payment of an Early Construction Rebate to the value of \$8,000 per lot for selected lots on the market for more than 6 months for contracts entered into after 30 June 2017 and until 30 December 2017, subject to the purchaser providing a copy of a signed Building Contract prior to settlement, with the rebate being paid to the purchaser(s) nominated builder within 6 months of the settlement of the lot.”***

The Satterley Property Group (SPG), consider that the early construction rebate has been effective and provided incentive to confidently compete with competitor estates. With the increase in competitive offers over the last six month the SPG is seeking approval for an increase in the Early Construction Rebate to generate renewed market interest in aged stock and ensure the Estate remains competitive. In this regard, SPG recommend an amendment to the ‘Early Construction Rebate’ for aged stock after 30 December 2017.

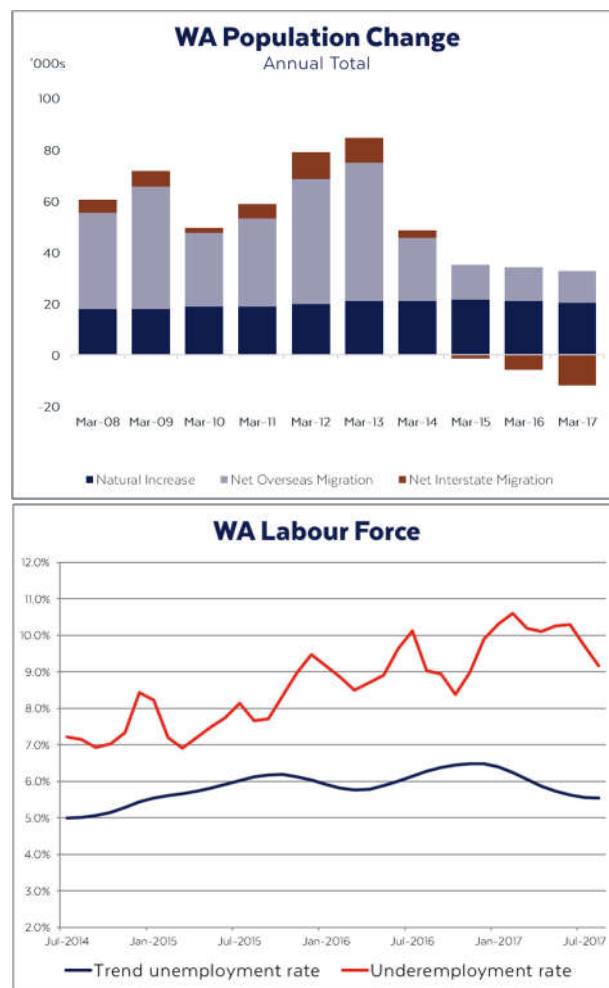
From 31 December 2017 SPG propose to introduce a variation to the Early Construction Rebate by way of introducing a tiered rebate system as follows:

- Early Construction Rebate of \$8,000 per lot for selected lots on the market for more than 5 months; and
- Early Construction Rebate to increase to \$12,000 per lot for selected lots on the market for more than 10 months.



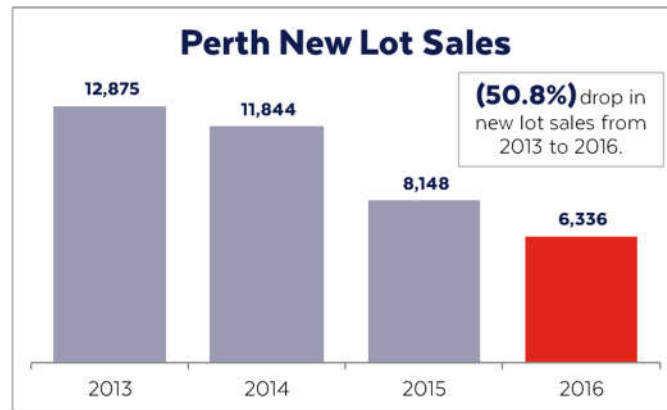
## WA Property Market Overview

Despite interest rates remaining at historically low levels, the WA property market remains affected by concerns over job security as the transition of the economy from the mining construction boom continues. As workers relocate to find jobs, population growth in WA has slowed considerably with high negative net interstate migration. Whilst the exodus to other states helps mitigate a rise in the unemployment rate that might be otherwise expected, high underemployment ensures people remain concerned about job security and are cautious about making large financial purchases including new homes.



Source: ABS

The significant fall in population growth and concerns over employment has directly affected new lot sales over recent years.



Source: UDIA State of the Land Report

In tackling affordability, the broader market trend for smaller lot sizes continues, with the median new lot size for 2016 standing at 375m<sup>2</sup>. The median price per square metre fell sharply in 2016, despite a reduction in lot sizes that would normally attract higher rates.



Source: UDIA State of the Land Report

The Urban Development Institute of Australia WA (UDIA WA) suggests there is over eight months' stock on the market for land in the North-West corridor, providing plenty of choice for prospective purchasers and ensuring strong competition between developers. Sales volumes for the Jun-17 quarter were down 12% from the previous quarter, and down 20% in year-on-year terms. Reflecting an increase in the share of sales from more expensive coastal lots in the City of Joondalup over inland lots in the City of Wanneroo, both the average price of lots sold and price per square metre rose in the June 2017 quarter.



## North-West Metropolitan Corridor Snapshot

DESCRIPTION	THIS QTR (JUN-17)	LAST QTR (MAR-17)	% CHANGE FROM LAST QTR	YOY	% CHANGE YOY
Share of sales	214%	238%	(10%)	29.0%	(26%)
Lots sold (# of lots)	359	408	(12%)	447	(20%)
Lots sold (\$ millions)	\$90.2	\$91.1	(1%)	\$104.7	(14%)
Avg. size of lots sold (sqm)	395	371	6%	381	4%
Avg. price of lots sold	\$251,213	\$223,302	12%	\$234,281	7%
Avg. rate per sqm of lots sold	\$637	\$601	6%	\$615	3%
Lots on the market	968	981	(1%)	1105	(12%)
Stock on the market (months)	8.1	7.2	12%	7.4	9%
Avg. price of lots on the market	\$223,691	\$224,842	(1%)	\$224,589	-
Avg. size of lots on the market (sqm)	381	353	8%	359	6%
Lots NOT on the market	531	616	(14%)	411	29%
Lots under construction (release within 12 months)	862	1038	(17%)	983	(12%)
Avg. size of lots under construction (sqm)	376	364	3%	387	(3%)

Source: UDIA

Overall market conditions are tough and are expected to remain so for some time.

### Catalina Sales

Sales activities at Catalina Estate since July this year has yielded 32 sales and 33 settlements.

Competition amongst developer estates operating in the northern corridor remains highly competitive. There is a lack of urgency from prospective buyers and visitations to the sales office and display villages remain consistently low.

Buyers remain sensitive to any increases in block prices and are looking for a 'sharp' price and in many cases, a retail incentive, to proceed with a purchase. The sales team continues to actively promote the estate with a significant focus on networking and partnering with key project home builders through home and land packaging. Consistent sales service is being provided to builder sales reps through visits to local display villages and group presentations.

The current FYE18 sales budget of 118 lots is based on achieving an average of approximately 10 net sales per month (including the sale of 15 display village lots in Catalina Beach). Sales during September and October were adversely affected by the limited availability of unconstrained lots with desirable land areas. During this period, SPG have sought to clear aged and constrained lots. Based on limited availability of lots, SPG have contracted 11 aged stock lots, with the \$8,000 Early Construction Rebate in place.

To assist in achieving sales Stage 17B, comprising 38 predominantly regularly shaped lots with sought after lot typologies and areas is expected to yield an increase in market interest following the first release of 18 lots on the 11<sup>th</sup> November 2017.

### Current Competitor Rebates

In addition to the standard landscaping and fencing rebates offered by most estates to varying degrees, there are currently numerous offerings in the northern corridor that Catalina Estate is not currently able to compete with.





A summary of these rebates are outlined below:

<b>Estate</b>	<b>Offering</b>	<b>Available</b>
Catalina	\$8,000 early construction rebate	After 6 months
Eden Beach	\$10,000 spring campaign.	Immediately
Burns Beach	\$10,000 spring campaign. \$10,000 flight centre gift voucher. Builder points referral program – 5 points = gift card \$1,000.	Immediately
Alkimos	\$10,000 rebate. \$5,000 builder referral point based.	Immediately
Allara	\$10,000 spring campaign. \$11,000 Clever Lifestyle Bundle.	Immediately
Capricorn Estate	Cash rebates being offered on the Explorer Release of varying amounts. \$10,000 to \$15,000 discount on select lots. \$20,000 homebuyers centre house and land discount.	Immediately
Trinity	\$15,000 builders rebate. Heavy discounts on pricelist.	Immediately
Shorehaven	Seal the Deal Campaign. Up to \$56,000 builders only pricelist discounts. This applied to many lots on a separate pricelist not provided to the public.	Immediately

As the above shows, the discount offering is a minimum of \$10,000, with additional offers being made in conjunction with or direct to builders. Catalina does not run any additional campaign or offer builders incentives or rebates, so it is difficult to compete within this area.

SPG consider that approval of this strategy is required to generate renewed interest in the lots that are genuinely constrained as they are perceived above market value when compared to other unencumbered lots within the estate as well as within competing estates.

Offering this rebate for lots that have been on the market for over 10 months will provide the Sales Team with greater opportunity to convert aged stock to a sale in the current market, and provides the purchaser with increased opportunity / ability to purchase.

The Mid Year Budget update has sufficient funds to allow for the increase to \$12,000 to be applied on approved lots.

Below is a summary of current aged stock, along with a comparison against the proposed rebate system:



Stage	Lot Number	Release Date	Months on Market	Current Rebate Offering available on approved lots after 6 months	Proposed Rebate Offering after 5 and 10 months	Price	M <sup>2</sup>	Comment
14B*	775	July 2016	16	\$8,000*	\$12,000	\$252,000	290	Cottage lot – rear loaded, 10.1m frontage, quiet house requirements
15D*	835	Aug 2016	14	\$8,000*	\$12,000	\$288,000	376	Regular lot abutting Neerabup Road, Quiet house requirements
17A	948	October 2016	12	\$8,000	\$12,000	\$335,000	450	Regular Lot, 15m frontage
17A	951	October 2016	12	\$8,000	\$12,000	\$335,000	450	Regular Lot, 15m frontage
17A	953	October 2016	12	\$8,000	\$12,000	\$335,000	450	Regular Lot, 15m frontage
17A*	979	October 2016	12	\$8,000*	\$12,000	\$335,000	450	Regular Lot, 15m frontage
18B	869	March 2017	7	\$8,000	\$8,000	\$348,000	474	Regular lot, 15m frontage
18B	870	March 2017	7	\$8,000	\$8,000	\$308,000	395	Regular Lot, 12.5m frontage
18B	873	March 2017	7	\$8,000	\$8,000	\$308,000	395	Regular Lot, 12.5m frontage
18B	895	March 2017	7	\$8,000	\$8,000	\$298,000	375	Regular Lot, 12.5m frontage
18B	897	March 2017	7	\$8,000	\$8,000	\$308,000	395	Regular Lot, 12.5m frontage
18B	898	March 2017	7	\$8,000	\$8,000	\$335,000	447	Regular Lot, 14.9m frontage
18B	979	March 2017	7	\$8,000	\$8,000	\$335,000	450	Regular Lot, 15m frontage
18B*	899	March 2017	7	\$8,000*	\$8,000	\$260,000	291	Corner Lot, Quiet house requirements
18B*	902	March 2017	7	\$8,000*	\$8,000	\$260,000	295	Corner Lot, Quiet house requirements



18B	903	March 2017	7	\$8,000	\$8,000	\$335,000	447	Regular Lot, 14.9m frontage
18B*	930	March 2017	7	\$8,000*	\$8,000	\$335,000	447	Regular Lot, 14.9m frontage
18B*	931	March 2017	7	\$8,000*	\$8,000	\$245,000	245	Corner Lot, Quiet house requirements

- \* Denotes that the rebate is currently available for this lot.



### **Recommendation**

The Satterley Property Group provides the following recommendation with effect from 31 December 2017 for six months, to maintain a minimum of aged stock as more lots become eligible and to assist the FYE18 sales target:

- Approve the proposed variation to the extension of the Early Construction Rebate of \$8,000 on lots that are older than five months; and
- Approve the increase of the Early Construction Rebate to \$12,000 on lots that are older than 10 months.

Should you require any further clarification please contact the undersigned.

Yours sincerely

**Antonina Lazzara**  
Project Director

# Appendix 9.9

# Annual Report

## 2016/17





## Contents

Contents .....	2
Message from the Chairman .....	4
Message from the Chief Executive Officer .....	5
Governance .....	7
Committee Membership .....	9
Attendance at Meetings by Council Members.....	11
Year 2016/17 Under Review .....	12
Council Activity.....	12
Distribution to Participating Councils.....	13
Infrastructure & Land Use Changes in 2016/17 Impacting Tamala Park Planning & Development .....	14
TPRC Local Structure Plan .....	15
Key Activities 2017/18.....	19
Annual Financial Report (including Audit Report).....	20

## Background

The Tamala Park Regional Council (TPRC) is a local government formed in 2006 specifically to implement the urban development of 180 hectares of land situated in the City of Wanneroo. The land is jointly owned by 7 local governments.

Tamala Park Regional Council comprises the following 7 local government members:

- Town of Cambridge
- City of Joondalup
- City of Perth
- City of Stirling
- Town of Victoria Park
- City of Vincent
- City of Wanneroo

The purpose of the Tamala Park Regional Council is to undertake the rezoning, subdivision, development, marketing and sale of the Tamala Park land.

The objectives of the TPRC are:

- to develop and improve the value of the Land;
- to maximise, within prudent risk parameters, the financial return to the Participants;
- to balance economic, social and environmental issues; and
- to produce a quality development demonstrating the best urban design and development practice.



The Tamala Park Project, marketed as Catalina, is a new urban development in the suburbs of Clarkson and Mindarie and will comprise around 2,500 lots. It is anticipated to be developed at a rate of approximately 120-150 lots per annum.

The Tamala Park Project will facilitate a range of housing types and densities to meet the emerging needs of the Perth Metropolitan Region with respect to lifestyle, accessibility and changing demography. It is intended to create a community having a sense of place, which takes advantage of prevailing natural features, a well-planned built environment and relationship with existing and future retail, business and community services.

When the land is fully developed the TPRC will have completed its Charter and will cease to exist.

The life of the Council is currently projected to extend to 2029.

## Message from the Chairman

This is the ninth annual report of the Tamala Park Regional Council (TPRC).

The Council comprises 12 members nominated by the 7 owner local governments according to ownership shares. The Regional Council operates under the Local Government Act in the same manner as other local governments. An Establishment Agreement between the local government participants deals with equity issues and Council decision-making.

The focus over the last 12 months has been to consolidate the Tamala Park Project, known as the Catalina Estate, as a significant urban project in Perth's northern coast by continued construction, marketing and sale of residential lots.



There has been less construction activity at Catalina during financial year 2016/17 than previous years as a result of economic conditions in Western Australia and a soft property market. However, there was still a number of stages of civil construction, landscape works and housing construction undertaken. The Project continues to be a local employment centre for the region.

The Catalina Project achieved a further milestone during the year with the construction of the first stage in Catalina Beach, comprising Stage 25. Agreement has also been reached on a new Builders Display Village within Catalina Beach, which will comprise 15 modern and contemporary display homes due to open in October 2018.

The Sales and Marketing program for the Project has been successful with 848 lots sold to 30 June 2017 with a value of over \$216M, which I consider an excellent result.

Importantly the Council continues to cover all operating expenses through investment and land sales income. During the year the Council made a \$11M distribution of income from land sales to participant local governments.

A handwritten signature in black ink, appearing to read 'Giovanni Italiano JP'.

Cr Giovanni Italiano JP  
**CHAIRMAN**

## Message from the Chief Executive Officer

2016/17 was a difficult year for the land development industry in Western Australia as a result of continued low economic confidence. The TPRC still undertook significant planning, construction, landscaping, marketing and sales programs at Catalina. The works undertaken were consistent with approved risk minimization strategies and expenditure prudently managed to minimize financial exposure to the TPRC. The first stage of residential lots in Catalina Beach, were completed which marked another milestone for the Project. Within the first stage of Catalina Beach a Home Display Builders Village is to be built which will showcase some of Perth finest builders and generate significant interest and activity to Catalina.



The Sales and Marketing program for 2016/17 resulted in 78 residential lot sales at an average sale price of \$282,619 and 69 lot settlements with a value of \$22.2M.

The marketing strategy included a refresh to the Catalina brand and the promotion of the Catalina Builders Display Village and Land Sales Office.

The first public art was installed at Catalina creating points of interest and local landmarks within the Stage 4 and Stage 11 parks.

A number of community programs and events took place during the year, including:

- Residents Welcome Event;
- Tree Planting/Clean Up Australia event;
- Get Fit WA @ Catalina (exercise event extended due to popularity);
- Tree Planting/Clean Up Australia Day;
- Residents Meet and Greet.



The Council also continued to implement the following important environmental programs during 2016/17:

- Fauna relocation from Bulk Earthworks areas;
- Grass tree and Zamia Palms relocation;
- Rehabilitation of Biodiversity Conservation Area;
- Seed collections from significant flora areas; and
- Builders Waste Recycling Program.



Mr Tony Arias  
**CHIEF EXECUTIVE OFFICER**





## **Governance**

### **Audit Committee**

The Audit Committee is formally appointed by the Council and assists in ensuring that there are effective and best practice accounting, auditing, internal control, business risk management, compliance and reporting systems, processes and practices. The Audit Committee did not identify any adverse findings for the financial year.

### **Council Appointed Auditor**

The Council appointed Independent Auditors (Butler Settineri) is required to report on the financial position of the local government and the operations of the local government. The Council appointed Auditor did not make any adverse comments in its report.

### **Local Government Compliance Audit Report**

All local governments are required to carry out an annual compliance audit for the period 1 January to 31 December as required by the Department of Local Government and Communities. The 2016 Compliance Audit Return was approved by Council on 23 February 2017 and a certified copy of the return was submitted to the Director General of the Department of Local Government and Communities.

### **Competition Policy**

The TPRC has met its obligations with regard to competition policy. The Council has no local laws or policies that reflect anti-competitive practice. No complaints have been received by the TPRC in 2016/17 in relation to anti-competitive practices.

### **Recordkeeping Plan Required under the State Records Act**

A Recordkeeping Plan meeting the requirements of the State Records Office was developed in 2016/2017. The Plan was approved at a meeting of the State Records Commission on 17 March 2017 and is required to be reviewed in 2022.

The Recordkeeping Policy was approved by Council on 17 August 2017.

### **Disability Services Plan**

Local governments are required to prepare a Disability Services Plan in accordance with prescribed standards for public access and infrastructure. The Plan is required to be submitted to the Disability Services Commission with project timetables that must be approved by the Commission.

The Tamala Park Regional Council does not currently have responsibilities that require reporting under the Disability Services Act. In consequence, there has been no Plan prepared or required.

Disability access matters will be incorporated in the design of the TPRC urban development and will become the responsibility for the City of Wanneroo as the local authority responsible for the area covering the Catalina development.

### **Financial Budget Review**

A formal review of the TPRC budget is required in the manner prescribed under the Local Government Act 1995 between 1 January and 31 March each year. The review was undertaken in February 2017 and



no adverse findings or matters of consequence were found during the review. The Council considered the review and resolved to adopt the review at its meeting on 23 February 2017.

### **Strategic Community Plan 2013-2023**

The Department of Local Government's Integrated Planning and Reporting Framework, requires all local governments to prepare a Strategic Community Plan. The TPRC approved the Strategic Community Plan 2013-2023 at its meeting held on the 20 June 2013.

The TPRC has commenced a review of the Strategic Community Plan 2013-2023, which is expected to be reported to Council in 2018.

### **Corporate Business Plan 2013-2017**

The Department of Local Government's Integrated Planning and Reporting Framework, requires all local governments to prepare a Corporate Business Plan in consultation with its community and stakeholders. The TPRC approved the Corporate Business Plan 2013-2017 at its meeting held on 20 June 2013.

The TPRC has commenced a review of the Corporate Business Plan which is expected to be reported to Council in 2018.

### **Local Government (Rules of Conduct) Regulations 2007**

These regulations require reporting various offences by Council Members. Council Members must comply with their obligations under the Local Government Act 1995. In 2016/17 no complaints were received concerning Council Members.

### **Code of Conduct**

The Council's Code of Conduct prescribes the standard of conduct and behaviour expected of the Council Members and all Employees. The Code is required to be reviewed annually and was re-adopted on 23 February 2017.

### **Register of Financial Interests for Council Members and Senior Employees**

The requirements of the Local Government Act 1995 in reporting the financial interests of Council Members and Senior Staff were complied with. This register was implemented on 1 July 1997 in accordance with the requirements of the Local Government Act 1995 and is available for viewing by the public.

### **Freedom of Information Act**

The Council is subject to the provisions of the Freedom of Information Act 1994. The Act gives individuals and organisations a general right of access to information held by the Council. The Council has not received any requests under the Freedom of Information Act during 2016/2017.

### **Complaints Register**

Section 5.121 of the Local Government Act 1995 requires a local government to maintain a register of complaints that result in an action under Section 5.110(6)(b) or (c).

There were no complaints reported to the Local Government Standards Panel during 2016/2017.

## Committee Membership



**Chairman**  
*Cr Giovanni Italiano*  
**City of Stirling**

CEO Performance Review  
Committee  
Management Committee



**Deputy Chairman**  
*Cr Dianne Guise*  
**City of Wanneroo**

Management Committee



*Cr Karen Caddy*  
**City of Stirling**

Audit Committee



*Cr Louis Carr*  
**Town of Cambridge**

Audit Committee



*Cr John Chester*  
**City of Joondalup**

Management Committee



*Cr Emma Cole*  
**City of Vincent**  
(Joined March 2017)



*Cr Janet Davidson*  
**City of Perth**

Audit Committee



*Cr Keith Hayes*  
**Town of Victoria Park**

Management Committee



*Cr Kerry Hollywood*  
**City of Joondalup**

CEO Performance Review  
Committee



*Cr Keith Sargent*  
**City of Stirling**  
(Joined March 2017)

Audit Committee

**Committee Membership (continued)**

*Cr Brett Treby*  
**City of Wanneroo**

CEO Performance Review  
Committee  
Management Committee



*Cr Rod Willox*  
**City of Stirling**

Audit Committee  
CEO Performance Review  
Committee

**Retired January 2017**

*Cr John Carey*  
**City of Vincent**

CEO Performance Review  
Committee

**Retired March 2017**

*Cr David Michael*  
**City of Stirling**

Audit Committee

## Attendance at Meetings by Council Members

Meeting attendances by Council members for 2016/17 are shown in the table below:

Councillor	Council (6)	Audit (3)	CEO Performance Review (4)	Management (5)
Cr Karen Caddy	4 (6)	3 (3)		
Cr John Carey	2 (3)			
Cr Louis Carr	5 (6)	1 (3)		
Cr John Chester	5 (6)			4 (5)
Cr Emma Cole	2 (2)			
Cr Janet Davidson	5 (6)	2 (3)		
Cr Dianne Guise	6 (6)			4 (5)
Cr Keith Hayes	6 (6)			4 (5)
Cr Kerry Hollywood	6 (6)		3 (4)	
Cr Giovanni Italiano	6 (6)		4 (4)	4 (5)
Cr David Michael	2 (4)	3 (3)		
Cr Keith Sargent	2 (2)			
Cr Brett Treby	6 (6)		4 (4)	5 (5)
Cr Rod Willox	3 (6)	2 (3)	3 (4)	
Cr Jimmy Murphy (as alternate member)	2 (2)			
Cr Terry Tyzack (as alternate member)	1 (2)			

### Notes

- Cr John Carey retired from the TPRC in January 2017.
- Cr David Michael retired from the TPRC in March 2017.
- Crs Emma Cole and Keith Sargent were appointed to the TPRC in March 2017.
- Cr Jimmy Murphy was alternate member for Cr John Carey at the ordinary meetings of Council on 8 December 2016 and 23 February 2017.
- Cr Terry Tyzack was alternate member for Cr Karen Caddy at the ordinary meeting of Council on 15 June 2017.

## Year 2016/17 Under Review

### Council Activity

The current Council comprises 12 members who are elected by constituent local authorities following the ordinary bi-annual Council elections. There were 4 changes in Council membership during the year.

During the year the Council held 6 ordinary bi-monthly Council meetings and the following Committee meetings:

- Audit Committee — 3 meetings
- CEO Performance Committee — 4 meetings
- Management Committee — 5 meetings



### Member Local Governments' Equity

The following reflects the member local governments' equity in the Tamala Park Project.

	2013/14	2014/15	2015/16	2016/17
TOC Contributed Equity	3,535,548	4,007,856	4,103,229	3,295,632
COP Contributed Equity	3,535,548	4,007,856	4,103,229	3,295,632
TOVP Contributed Equity	3,535,548	4,007,856	4,103,229	3,295,632
COV Contributed Equity	3,535,548	4,007,856	4,103,229	3,295,632
COJ Contributed Equity	7,071,097	8,015,711	8,206,459	6,591,260
COW Contributed Equity	7,071,097	8,015,711	8,206,459	6,591,260
COS Contributed Equity	14,142,194	16,031,422	16,412,917	13,185,333
<b>TOTAL EQUITY</b>	<b>42,426,580</b>	<b>48,094,266</b>	<b>49,238,752</b>	<b>39,550,381</b>

## Employee Remuneration

The *Local Government Act 1995* requires that the Council provides information relating to the number of employees entitled to a salary of \$100,000 or more.

This information is presented below:

Salary Range	No.
100-110K	1
300-310K	1
<b>TOTAL</b>	<b>2</b>



## Distribution to Participating Councils

The TPRC made an \$11M distribution (Return of Contribution) from land sales income to the seven participating local governments.

The TPRC has not exercised its option under the Establishment Agreement to require Councils to transfer their shares in the landholding jointly held by Councils at Tamala Park. Individual Councils continue to pay municipal rate levies to City of Wanneroo and the TPRC has decided to reimburse the Councils for an amount equivalent to rates paid from retained earnings.

Distributions for 2015/16 and 2016/17 are shown below:

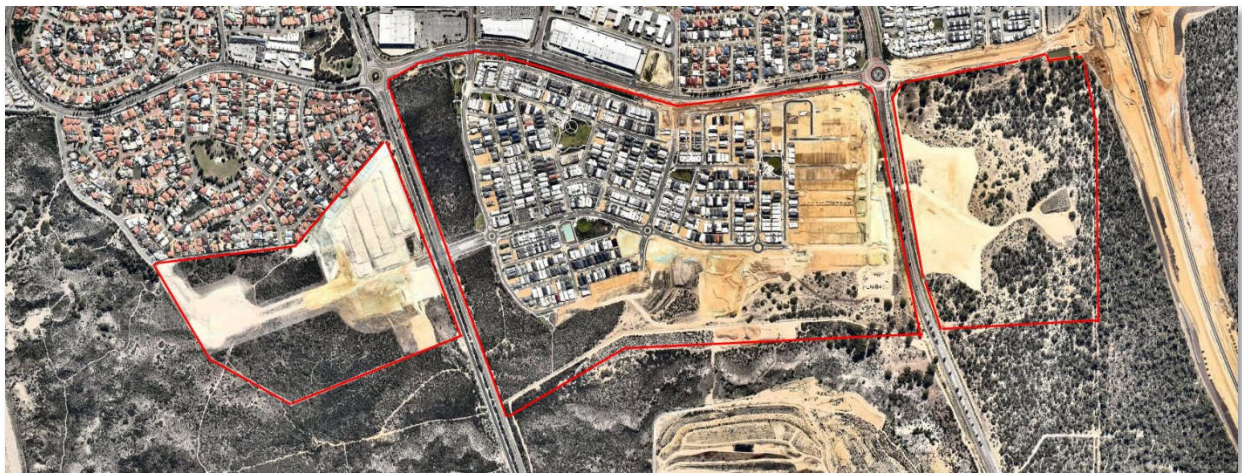
Participant Council	Rates Reimbursement		Return of Contribution	
	2015/16	2016/17	2015/16	2016/17
Town of Cambridge	25,838	23,714	1,249,999	916,666
City of Perth	25,838	23,714	1,249,999	916,666
Town of Victoria Park	25,838	23,714	1,249,999	916,666
City of Vincent	25,838	23,714	1,249,999	916,666
City of Joondalup	51,676	47,427	2,500,001	1,833,334
City of Wanneroo	51,676	47,427	2,500,001	1,833,334
City of Stirling	103,352	94,855	5,000,002	3,666,668
<b>TOTAL</b>	<b>310,056</b>	<b>284,565</b>	<b>15,000,000</b>	<b>11,000,000</b>



## Infrastructure & Land Use Changes in 2016/17 Impacting Tamala Park Planning & Development

The land is surrounded by the residential areas of Burns Beach, Kinross, Clarkson and Mindarie and is within one of the fastest growing regions in Western Australia.

The residential lot market continued to be slow over the last 12 months with a decline in sales and buyers' interest when compared to the previous 12 months. Consumer confidence remained low, with perspective buyers continuing to remain cautious, taking considerable time prior to making a purchase. Lot sales have continued within the Peet & Co Burns Beach subdivision to the south-west with substantial new housing under construction.



The infrastructure from the surrounding suburbs to the Clarkson rail and bus station is now well defined and there continues to be consolidation of commercial and business activity within the Clarkson rail station precinct.

Works on the extension of the Mitchell Freeway, from Burns Beach Road to Hector Avenue, commenced in May 2015 and were completed in August 2017.

The Freeway extension works included the construction of Neerabup Road between Connolly Drive and Wanneroo and provides a number of significant benefits to the Catalina Project such as improved access to the Joondalup and Wanneroo City Centres and to the future employment opportunities within the Neerabup Industrial Park.

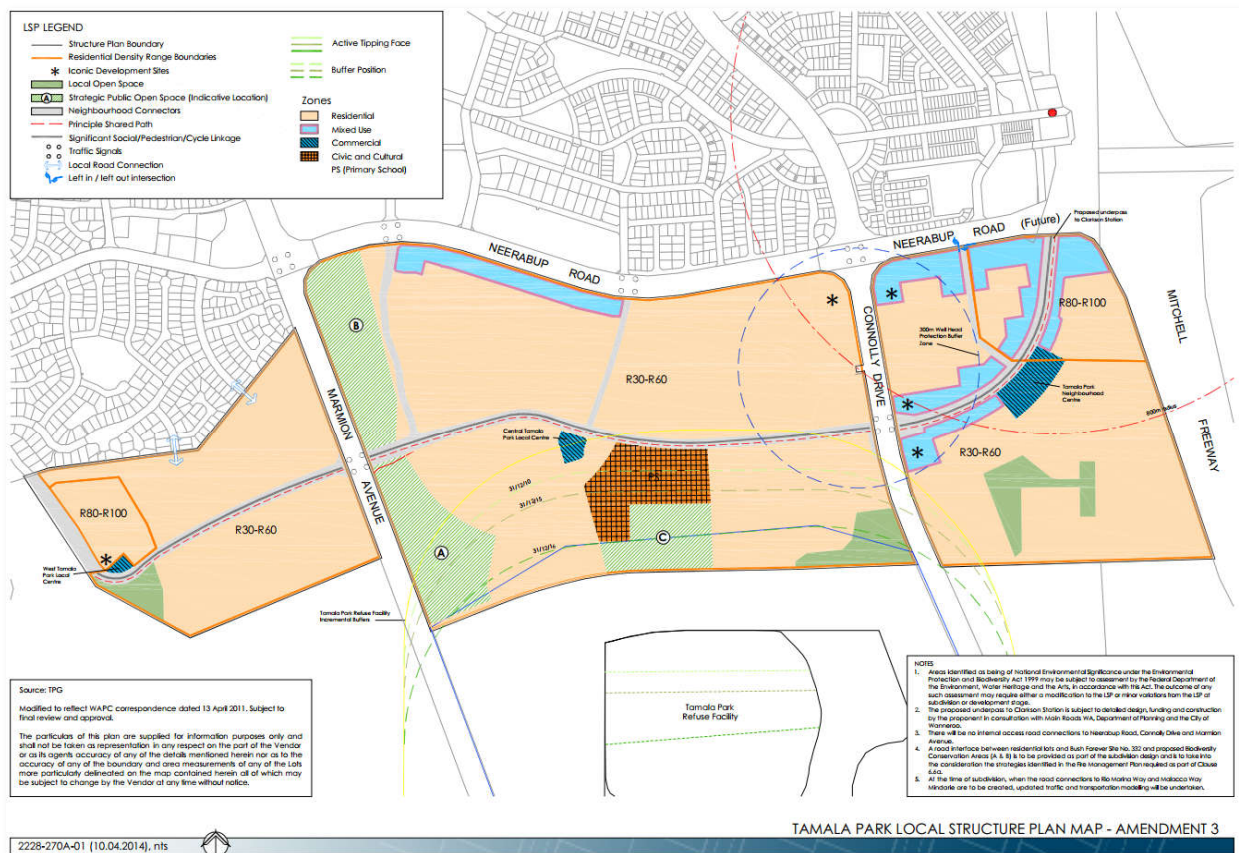
The Freeway extension works also included the construction of an underpass at Neerabup Road, near the Freeway, connecting residents to the Clarkson Train Station. The Neerabup Road Underpass was fully funded by the TPRC and is significant strategic infrastructure that will provide an important connection for the Catalina Project from the Clarkson train station to the coastline.

## TPRC Local Structure Plan

In 2013 the Tamala Park Local Structure Plan was formally approved. The land subject of the Structure Plan is shown in the diagram below.

Key aspects of the Local Structure Plan include:

- Providing for the orderly distribution of residential density and a range of housing types that address changing demographics and the needs of future populations within the north-west sector of the Perth Metropolitan Region.
- Providing for sustainable environmental outcomes with respect to such matters as water use, energy efficiency, conservation and transport, while taking advantage of natural features and views.
- Providing active commercial centres and community hubs that meet the daily and weekly needs of residents and provide employment opportunities that are co-located with local recreation and community facilities.
- Providing an appropriate urban design response in recognition of adjoining public transport infrastructure.
- A high level of linkage both within and beyond the boundaries of the Tamala Park landholding to commercial centres, coastal reserves and transport nodes via cycle and pedestrian access, public transport and private vehicle.
- Addressing the forecast demand for a variety of community services and social infrastructure.





The major land use elements of the Local Structure Plan are set out as follows:-

Precincts	West	Central West	Central East	Eastern Precinct	Total	
Area	HA	HA	HA	HA	HA	%
Residential	21.03	22.33	21.03	23.89	88.28	49.54%
Mixed use			2.50	5.71	8.21	4.61%
Centre	0.16	0.70		0.90	1.76	0.99%
Business		2.08			2.08	1.17%
Active/Passive POS	1.02	0.91	3.28	3.27	8.48	4.76%
School			5.0		5.00	2.81%
Greenlink	1.38	1.2	0.61	0.92	4.11	2.31%
Conservation Reserves		11.57			11.57	6.49%
Roads	8.82	11.67	15.09	13.14	48.72	27.34%
<b>Total (inc Roads)</b>	<b>32.41</b>	<b>50.46</b>	<b>47.51</b>	<b>47.83</b>	<b>178.21</b>	<b>100%</b>

The Local Structure Plan envisages a central link connecting the Clarkson rail and bus stations under Neerabup Road through the entire east/west extent of the development. All residential land in the development will be within 400m of the central Greenlink which will connect to public amenities including a primary school.



In 2016/17 a review of the Local Structure Plan was undertaken for the Catalina Grove Precinct, bounded by Connolly Drive, Neerabup Road and the Mitchell Freeway. As a result of the review a Concept Plan for Catalina Grove is being progressed which demonstrates the following planning, environmental and economic characteristics and satisfies Council's objectives. It is based on the following important principles:

- Enhanced pedestrian and public transport movement and connection options to the Clarkson Train Station;
- Road network and connections have been designed to enhance the connection to the Clarkson Train Station with density sites proposed in the north-eastern corner of the site;
- Mixed Use Zone has been rationalised consistent with market conditions and positioned in locations with higher activity to complement the Neighbourhood Centre;
- The Neighbourhood Centre has been positioned at the intersection of Aviator Boulevard and Connolly Drive to frame the western entry to Catalina Grove;
- A main street proposed off the Neighbourhood Centre to provide a focal point for residents of Catalina Grove. The main street is framed by the Neighbourhood Centre and mixed-use land;
- Larger focus on locating density in areas with amenity, allowing for pockets of higher density housing/apartments;
- Small pocket parks distributed throughout including:
  - Strategically positioned POS within 400 metres walkable catchment of the Clarkson Train Station to maximise canopy retention and retain very high retention value trees.
  - Greenlink aligned to maximise retention of the high retention value trees.
  - POS in the north-west corner of the site to accommodate high retention value trees and drainage.
- Greenlink and public open space have been positioned to maximise the retention of canopy and significant trees;
- A best practice tree canopy target of 20% by 2028 for Catalina Grove.

An amendment to the Local Structure Plan is anticipated to be lodged with the City of Wanneroo in FYE 2018.

## Environmental Management

A Mitigation and Offset Management Plan was approved by the Department of Sustainability, Environment, Water, Population and Communities (SEWPAC) under the EPBC Act. The TPRC was required to prepare a mitigation strategy outlining measures to avoid or reduce impacts to Carnaby's Black Cockatoo. The TPRC has been progressively implementing the SEWPAC conditions, which includes the following:

- Purchase of an Offset site for Carnaby's Black Cockatoo foraging, habitat and breeding (fully completed);
- Rehabilitation and fencing of Biodiversity Conservation Area (well advanced, to be completed in 2018);
- Seed collection and storage from prescribed areas (undertaken in 2015 and 2016, additional to be undertaken in 2018); and
- Preparation of Audit and Compliance report (completed annually and submitted to SEWPAC).



An Environmental Management Plan (EMP) has been approved by the EPA which provides management and mitigation measures for impacts of the proposed Tamala Park Development on biodiversity assets and values of the area.

The EMP is intended to accompany the Local Structure Plan and to address the specific Ministerial Conditions set for the development. These conditions are summarized as follows:

- Management of remnant vegetation whilst strengthening links between the coast and the Neerabup National Park;
- Specially protected fauna species;
- Fire management;
- Management of public access to the areas reserved for conservation and recreation;
- Recommendations for revegetation; and
- Recommendations for public education and awareness of the natural environment.

## Key Activities 2017/18

Project	Timeframe
<b>Implementation of Environmental Approval Conditions - Environmental Protection &amp; Biodiversity Conservation Act (EPBC Act)</b> The EPBC Act approval stipulates a number of conditions. These conditions are at an advanced stage of implementation and will continue to be implemented as the Project progresses.	2017-2018 and ongoing
<b>Implementation of Subdivision Approvals</b> The Council will progressively implement the Subdivision Application approvals for Stages 14C - 18 (195 lots) in the Central Precinct, and the subdivision of Stages 25 - 27 (189 lots) in Catalina Beach. A further Subdivision Application for 200 lots is to be prepared for the first stages of the Catalina Grove Precinct.	2017-2018
<b>Project Marketing and Branding</b> Various initiatives are to be implemented throughout the year to promote the Catalina Project and the sales releases. Key marketing initiatives will be the upgrade of Estate signage and promotion of Catalina Beach.	2017-2018 and ongoing
<b>Bulk Earthworks</b> Completion of bulk earthworks for the Central Precinct, including the Primary School Site and Public Open Space, and Catalina Grove Precinct bulk earthworks are to be undertaken.	2017-2018
<b>Civil Construction Works</b> In the Central Precinct civil construction of Stages 17B (36 Lots) is expected to be undertaken during the year. The second civil construction stage (Stage 26) in the Catalina Beach Precinct is also expected to commence (38 lots).	2017-2018
<b>Catalina Beach Builders Display Village</b> A new Builders Display Village comprising 15 homes has been approved and will attract significant interest to Catalina. Construction of the Display Village Homes is to be undertaken in 2017/18 with the Display Village to open in October 2018.	2017-2019
<b>Catalina Beach Sales Office</b> A new Sales Office is to be constructed in the first stage of Catalina Beach in 2017/18 and is anticipated to open in October 2018 to coincide with the opening of the Catalina Beach Builders Display Village.	2017 - 2018
<b>Landscaping Works</b> Significant landscape works are to be undertaken during 2017/18 including further upgrades to Catalina Central and works within Catalina Beach, comprising the Catalina Beach POS, Marmion Avenue landscaping and the Marmion Avenue entrance statement.	2017-2018
<b>Sale of Residential Lots</b> The current forecast is 118 lot sales for 2017/18.	2017-2018



## Annual Financial Report (including Audit Report)



**TAMALA PARK REGIONAL COUNCIL**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**TABLE OF CONTENTS**

Statement by Chief Executive Officer	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Comprehensive Income by Program	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Rate Setting Statement	8
Notes to and Forming Part of the Financial Report	9
Independent Audit Report	41
Supplementary Ratio Information	45

Principal place of business:  
Tamala Park Regional Council  
PO Box 655  
INNALOO  
WA 6918

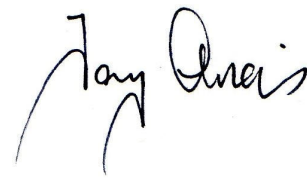
**TAMALA PARK REGIONAL COUNCIL  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Regional Council being the annual financial report and supporting notes and other information for the financial year ended 30 June 2017 are in my opinion properly drawn up to present fairly the financial position of the Regional Council at 30th June 2017 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the 5th day of September 2017.

A handwritten signature in black ink, appearing to read 'Tony Arias', is written over a horizontal line.

Tony Arias  
Chief Executive Officer

**TAMALA PARK REGIONAL COUNCIL**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 \$	2017 Budget \$	2016 \$
<b>Revenue</b>				
Interest earnings	2(a)	1,245,826	959,170	1,435,795
Other revenue		<u>4,940</u>	<u>1,985</u>	<u>5,700</u>
		1,250,766	961,155	1,441,495
<b>Expenses</b>				
Employee costs		(593,777)	(752,311)	(593,993)
Materials and contracts		(193,542)	(492,112)	(138,115)
Utility charges		0	(18,000)	(457)
Depreciation on non-current assets	2(a)	(17,942)	(21,024)	(17,259)
Insurance expenses		(10,227)	(17,756)	(10,152)
Other expenditure		<u>(155,148)</u>	<u>(177,517)</u>	<u>(160,023)</u>
		<u>(970,636)</u>	<u>(1,478,720)</u>	<u>(919,999)</u>
		280,130	(517,565)	521,496
Profit on asset disposals	19	0	1,602	0
Fair value adjustments to financial assets at fair value through profit or loss		<u>0</u>	<u>0</u>	<u>(21,651)</u>
<b>Net result</b>		<b>280,130</b>	<b>(515,963)</b>	<b>499,845</b>
<b>Other comprehensive income</b>				
Changes on revaluation of non-current assets	11	<u>0</u>	<u>0</u>	<u>(1,164)</u>
<b>Total other comprehensive income</b>		<b>0</b>	<b>0</b>	<b>(1,164)</b>
<b>Total comprehensive income</b>		<b><u>280,130</u></b>	<b><u>(515,963)</u></b>	<b><u>498,681</u></b>

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

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF COMPREHENSIVE INCOME  
BY PROGRAM  
FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 \$	2017 Budget \$	2016 \$
<b>Revenue</b>				
General purpose funding		1,245,826	959,170	1,435,795
Other property and services		4,940	1,985	5,700
		<u>1,250,766</u>	<u>961,155</u>	<u>1,441,495</u>
<b>Expenses</b>				
Governance		(155,101)	(177,517)	(158,354)
Other property and services		(815,535)	(1,301,203)	(761,645)
		<u>(970,636)</u>	<u>(1,478,720)</u>	<u>(919,999)</u>
		280,130	(517,565)	521,496
Profit on disposal of assets	19	0	1,602	0
Fair value adjustments to financial assets at fair value through profit or loss	4.	0	0	(21,651)
<b>Net result</b>		<u>280,130</u>	<u>(515,963)</u>	<u>499,845</u>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	11	0	0	(1,164)
<b>Total other comprehensive income</b>		<u>0</u>	<u>0</u>	<u>(1,164)</u>
<b>Total comprehensive income</b>		<u>280,130</u>	<u>(515,963)</u>	<u>498,681</u>

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

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE 2017**

	NOTE	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	39,213,368	47,135,952
Trade and other receivables	4	310,892	404,508
<b>TOTAL CURRENT ASSETS</b>		<b>39,524,260</b>	<b>47,540,460</b>
<b>NON-CURRENT ASSETS</b>			
Inventories	5	1,800,000	1,800,000
Property, plant and equipment	6	149,880	131,368
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,949,880</b>	<b>1,931,368</b>
<b>TOTAL ASSETS</b>		<b>41,474,140</b>	<b>49,471,828</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	54,337	73,175
Provisions	9	223,745	121,431
<b>TOTAL CURRENT LIABILITIES</b>		<b>278,082</b>	<b>194,606</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	9	2,597	56,652
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,597</b>	<b>56,652</b>
<b>TOTAL LIABILITIES</b>		<b>280,679</b>	<b>251,258</b>
<b>NET ASSETS</b>		<b>41,193,461</b>	<b>49,220,570</b>
<b>EQUITY</b>			
Retained surplus		1,636,727	1,356,597
Reserves - cash backed	10	39,550,381	47,857,620
Revaluation surplus	11	6,353	6,353
<b>TOTAL EQUITY</b>		<b>41,193,461</b>	<b>49,220,570</b>

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



**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	RETAINED SURPLUS \$	CONTRIBUTED EQUITY \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2015</b>		<b>856,752</b>	<b>47,229,995</b>	<b>7,517</b>	<b>48,094,264</b>
Comprehensive income					
Net result		499,845	0	0	499,845
Changes on revaluation of assets	11	<u>          </u>	<u>          </u>	<u>(1,164)</u>	<u>(1,164)</u>
Total comprehensive income		499,845	0	(1,164)	498,681
Members Contributions		0	15,627,625	0	15,627,625
Return of Contribution		<u>          </u>	<u>(15,000,000)</u>	<u>          </u>	<u>(15,000,000)</u>
<b>Balance as at 30 June 2016</b>		<b>1,356,597</b>	<b>47,857,620</b>	<b>6,353</b>	<b>49,220,570</b>
Comprehensive income					
Net result		<u>280,130</u>	<u>          </u>	<u>          </u>	<u>280,130</u>
Total comprehensive income		280,130	0	0	280,130
Members Contributions		0	2,692,761	0	2,692,761
Return of Contributions		<u>          </u>	<u>(11,000,000)</u>	<u>          </u>	<u>(11,000,000)</u>
<b>Balance as at 30 June 2017</b>		<b><u>1,636,727</u></b>	<b><u>39,550,381</u></b>	<b><u>6,353</u></b>	<b><u>41,193,461</u></b>

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

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 Actual \$	2017 Budget \$	2016 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Interest earnings		1,245,826	959,170	1,422,836
Goods and services tax		25,767	0	143,158
Other revenue		98,347	1,985	6,068
		<u>1,369,940</u>	<u>961,155</u>	<u>1,572,062</u>
<b>Payments</b>				
Employee costs		(543,306)	(752,311)	(547,427)
Materials and contracts		(214,592)	(492,112)	(258,998)
Utility charges		0	(18,000)	(457)
Insurance expenses		(10,227)	(17,756)	(10,152)
Goods and services tax		(25,558)	0	(145,951)
Other expenditure		(155,148)	(177,517)	(160,023)
		<u>(948,831)</u>	<u>(1,457,696)</u>	<u>(1,123,008)</u>
<b>Net cash provided by (used in) operating activities</b>	12(b)	<u>421,109</u>	<u>(496,541)</u>	<u>449,054</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment		(79,181)	(90,016)	(1,317)
Proceeds from sale of fixed assets		42,727	42,727	0
<b>Net cash provided by (used in) investment activities</b>		<u>(36,454)</u>	<u>(47,289)</u>	<u>(1,317)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Receipts from sale of land		19,933,119	31,077,779	38,540,354
Payment for development of land		(16,955,793)	(32,546,354)	(22,602,670)
Contributions returned		(11,284,565)	(11,327,714)	(15,310,059)
<b>Net cash provided by (used in) financing activities</b>		<u>(8,307,239)</u>	<u>(12,796,289)</u>	<u>627,625</u>
<b>Net increase (decrease) in cash held</b>		(7,922,584)	(13,340,119)	1,075,362
Cash at beginning of year		47,135,952	47,135,952	46,060,590
<b>Cash and cash equivalents at the end of the year</b>	12(a)	<u><u>39,213,368</u></u>	<u><u>33,795,833</u></u>	<u><u>47,135,952</u></u>

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

**TAMALA PARK REGIONAL COUNCIL  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 Actual \$	2017 Budget \$	2016 Actual \$
<b>Net current assets at start of financial year - surplus/(deficit)</b>		<u>47,345,854</u> 47,345,854	<u>47,345,854</u> 47,345,854	<u>46,155,070</u> 46,155,070
<b>Revenue from operating activities (excluding rates)</b>				
General purpose funding		1,245,826	959,170	1,435,795
Other property and services		<u>4,940</u>	<u>3,587</u>	<u>5,700</u>
		1,250,766	962,757	1,441,495
<b>Expenditure from operating activities</b>				
Governance		(155,101)	(177,517)	(158,354)
Other property and services		<u>(815,535)</u>	<u>(1,301,203)</u>	<u>(761,645)</u>
		(970,636)	(1,478,720)	(941,650)
<b>Operating activities excluded from budget</b>				
Fair value adjustment to non current assets		0	0	21,651
(Profit) on disposal of assets	19	0	(1,602)	0
Movement in employee benefit provisions (non-current)		(54,055)	0	25,721
Depreciation and amortisation on assets	2(a)	<u>17,942</u>	<u>21,024</u>	<u>17,259</u>
<b>Amount attributable to operating activities</b>		<u>47,589,871</u>	<u>46,849,313</u>	<u>46,719,546</u>
<b>INVESTING ACTIVITIES</b>				
Proceeds from disposal of assets	19	42,727	42,727	0
Purchase of property, plant and equipment	6(b)	<u>(79,181)</u>	<u>(90,016)</u>	<u>(1,317)</u>
<b>Amount attributable to investing activities</b>		<u>(36,454)</u>	<u>(47,289)</u>	<u>(1,317)</u>
<b>FINANCING ACTIVITIES</b>				
Proceeds of sale of member land	10	19,933,119	31,077,779	38,540,354
Return of members contribution and rates equivalent	10	(11,284,565)	(11,327,714)	(15,310,059)
Land development expenses	10	<u>(16,955,793)</u>	<u>(32,546,354)</u>	<u>(22,602,670)</u>
<b>Amount attributable to financing activities</b>		<u>(8,307,239)</u>	<u>(12,796,289)</u>	<u>627,625</u>
<b>Surplus(deficiency) before general rates</b>		<u>39,246,178</u>	<u>34,005,735</u>	<u>47,345,854</u>
<b>Total amount raised from general rates</b>	21	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net current assets at June 30 c/fwd - surplus/(deficit)</b>	22	<u><u>39,246,178</u></u>	<u><u>34,005,735</u></u>	<u><u>47,345,854</u></u>

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) BASIS OF PREPARATION**

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

All amounts are disclosed in Australian Dollars.

Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**CRITICAL ACCOUNTING ESTIMATES**

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**THE LOCAL GOVERNMENT REPORTING ENTITY**

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

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 financial statements. A separate statement of those monies appears at Note 18 to these financial statements.

**(b) Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of GST receivable or payable.

The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

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

**(c) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) 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.

**(e) Inventories**

***General***

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

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

***Land held for sale***

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 the Regional Council's intentions to release for sale.

**(f) Fixed Assets**

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

***Mandatory requirement to revalue non-current assets***

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.

During the year ended 30 June 2013, the Regional Council commenced the process of adopting Fair Value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Regional Council revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Fixed Assets (Continued)**

***Land under control***

In accordance with Local Government (Financial Management) Regulation 16(a)(ii), the Regional Council was 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 were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

***Initial recognition and measurement between mandatory revaluation dates***

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, 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 Tama includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets 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.

***Land under roads***

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

Effective as at 1 July 2008, Council elected 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 governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an 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 the Regional Council.



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Fixed Assets (Continued)**

***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

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.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Fair Value of Assets and Liabilities**

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

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

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

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

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

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

**Market approach**

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Fair Value of Assets and Liabilities (Continued)**

**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 Regional 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 are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

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 in accordance with the regulatory framework.

**(h) Financial Instruments**

***Initial recognition and measurement***

Financial assets and financial liabilities are recognised when the Regional Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Tamala Park Regional Council commits itself to either the purchase or sale of the asset (i.e. 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 at cost.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments and any reduction for impairment; and
- (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.

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 instrument 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.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Financial Instruments (Continued)**

***Classification and subsequent measurement (continued)***

*(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.

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Regional 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 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.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Financial Instruments (Continued)**

***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 Regional Council no longer has any significant 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.

**(i) Impairment of Assets**

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

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

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) 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.

**(j) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Regional Council prior to the end of the financial year that are unpaid and arise when the Regional Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Employee Benefits**

**Short-term employee benefits**

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

The Regional Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Regional Council 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 Regional Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Regional Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**(l) 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.

**(m) Provisions**

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

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

**(n) 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 Regional 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.



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(o) 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. Tamala Park Regional 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 15.

**(p) 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.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(b). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

**(q) Superannuation**

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

**(r) 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 Regional Council's operational cycle.

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

**(s) Rounding Off Figures**

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

**(t) Comparative Figures**

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

The comparative information relating to the Contributed Equity and Retained Surplus has been restated in the current year. Distributions of the retained surplus as previously reported was allocated according to the budget but not actually distributed to the members and as such, retained by the Regional Council. The reclassification has been made to correctly reflect the retained surplus held by the Regional Council for the year ended 30 June 2017.

**(u) Budget Comparative Figures**

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to Tamala Park Regional Council.

Management's assessment of the new and amended pronouncements that are relevant to Tamala Park Regional Council, applicable to future reporting periods and which have not yet been adopted are set out as follows:

	<b>Title</b>	<b>Issued / Compiled</b>	<b>Applicable <sup>(1)</sup></b>	<b>Impact</b>
(i)	AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Regional Council, it is not anticipated the Standard will have any material effect.
(ii)	AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2018	<p>This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.</p> <p>The effect of this Standard will depend upon the nature of future transactions the Regional Council has with those third parties it has dealings with. It may or may not be significant.</p>
(iii)	AASB 16 Leases	January 2016	1 January 2019	<p>Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted.</p> <p>Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Regional Council, the impact is not expected to be significant.</p>

Notes:

<sup>(1)</sup> Applicable to reporting periods commencing on or after the given date.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

	<b>Title</b>	<b>Issued / Compiled</b>	<b>Applicable <sup>(1)</sup></b>	<b>Impact</b>
(iv)	AASB 1058 Income of Not-for-Profit Entities (incorporating AASB 2016-7 and AASB 2016-8)	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> <li>- Assets received below fair value;</li> <li>- Transfers received to acquire or construct non-financial assets;</li> <li>- Grants received;</li> <li>- Prepaid rates;</li> <li>- Leases entered into at below market rates; and</li> <li>- Volunteer services.</li> </ul> <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Regional Council's operations.</p>

Notes:

<sup>(1)</sup> Applicable to reporting periods commencing on or after the given date.

**(w) Adoption of New and Revised Accounting Standards**

During the current year, the Regional Council adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

Whilst many reflected consequential changes associate with the amendment of existing standards, the only new standard with material application is as follows:

<p>(i) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities</p> <p>[AASB 10, 124 &amp; 1049]</p>	<p>The objective of this Standard was to extend the scope of AASB 124 <i>Related Party Disclosures</i> to include not-for-profit sector entities.</p> <p>The Standard has had a significant disclosure impact on the financial report of the Regional Council as both Elected Members and Senior Management are deemed to be Key Management Personnel and resultant disclosures in accordance to AASB 124 have been necessary.</p>
--	--

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

<b>2. REVENUE AND EXPENSES</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Net Result</b>		
The Net result includes:		
(i) Charging as an expense:		
<b>Auditors remuneration</b>		
- Audit of the Annual Financial Report	8,327	7,736
<b>Depreciation</b>		
Improvements to Leasehold Property	5,539	5,539
Furniture and equipment	3,910	1,915
Plant and equipment	8,493	9,805
	<u>17,942</u>	<u>17,259</u>
(ii) Crediting as revenue:		

	<b>2017 Actual \$</b>	<b>2017 Budget \$</b>	<b>2016 Actual \$</b>
<b>Interest earnings</b>			
- Other funds	<u>1,245,826</u>	<u>959,170</u>	<u>1,435,795</u>
	<u>1,245,826</u>	<u>959,170</u>	<u>1,435,795</u>

**(b) Statement of Objective**

In order to discharge its responsibilities to the community, the Regional Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Council's Community Vision, and for each of its broad activities/programs.

**COMMUNITY VISION**

The Regional Council will endeavour to provide high quality services to the community through the various service orientated programs which it has established.

Council operations are disclosed in these financial statements encompass the following service orientated activities/programs.

**GENERAL PURPOSE FUNDING**

**Objective:**

To collect interest in investments.

**Activities:**

Interest revenue.

**OTHER PROPERTY AND SERVICES**

**Objective:**

To monitor and control council's overheads on operating accounts.

**Activities:**

Other unclassified activities.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

	Note	2017 \$	2016 \$
<b>3. CASH AND CASH EQUIVALENTS</b>			
Unrestricted		39,213,368	47,135,952
		<u>39,213,368</u>	<u>47,135,952</u>
<b>4. TRADE AND OTHER RECEIVABLES</b>			
<b>Current</b>			
Sundry debtors		127,267	201,815
GST receivable		2,584	2,793
Accrued Interest		176,241	188,350
Settlement Bonds		4,800	11,550
		<u>310,892</u>	<u>404,508</u>
<b>5. INVENTORIES</b>			
<b>Non-current</b>			
Land Held for resale - Cost of acquisition		1,800,000	1,800,000
		<u>1,800,000</u>	<u>1,800,000</u>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

	2017 \$	2016 \$
<b>6 (a). PROPERTY, PLANT AND EQUIPMENT</b>		
Improvements to Leasehold Property at:		
- Management valuation 2016 - level 3	101,260	101,260
Improvements to Leasehold property - Less: accumulated depreciation	<u>(22,156)</u>	<u>(16,617)</u>
	79,104	84,643
 Furniture and equipment at:		
- Management valuation 2016- level 3	9,085	9,085
- Additions after valuation - cost	14,165	0
Furniture and equipment - Less: accumulated depreciation	<u>(8,997)</u>	<u>(5,087)</u>
	14,253	3,998
 Plant and equipment at:		
- Management valuation 2016 - level 3	0	42,727
- Additions after valuation - cost	65,016	0
Plant and equipment - Less: accumulated depreciation	<u>(8,493)</u>	<u>0</u>
	56,523	42,727
	<u>149,880</u>	<u>131,368</u>

The fair value of property, plant and equipment is determined at least every three years in accordance with the regulatory framework. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires property, plant and equipment to be shown at fair value.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**6. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(b) Movements in Carrying Amounts**

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

	Balance at the Beginning of the Year \$	Additions \$	(Disposals) \$	Revaluation Increments/ (Decrements) Transferred to Revaluation \$	Revaluation (Losses)/ Reversals Through to Profit or Loss \$	Impairment (Losses)/ Reversals \$	Depreciation (Expense) \$	Transfers \$	Carrying Amount at the End of Year \$
Improvements to Leasehold Property	84,643	0	0	0	0	0	(5,539)	0	79,104
Furniture and equipment	3,998	14,165	0	0	0	0	(3,910)	0	14,253
Plant and equipment	42,727	65,016	(42,727)	0	0	0	(8,493)	0	56,523
<b>Total property, plant and equipment</b>	<b>131,368</b>	<b>79,181</b>	<b>(42,727)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(17,942)</b>	<b>0</b>	<b>149,880</b>



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**6. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(c) Fair Value Measurements**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of valuation</b>	<b>Date of last Valuation</b>	<b>Inputs used</b>
<b>Improvements to Leasehold Property</b>	Level 3	Management	Depreciated replacement cost	June 2016	Level 3 inputs in the fair value hierarchy
<b>Furniture and equipment</b>	Level 3	Management	Observable open market value	June 2016	Level 3 inputs in the fair value hierarchy
<b>Plant and equipment</b>	Level 3	Management	Observable open market value	June 2016	Level 3 inputs in the fair value hierarchy

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

	2017	2016
	\$	\$
<b>7. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Sundry creditors	21,211	42,318
Accrued salaries and wages	12,591	10,851
ATO liabilities	14,188	13,716
FBT Liabilities	1,622	1,490
Accrued expenses	4,725	4,800
	<u>54,337</u>	<u>73,175</u>

**8. LONG-TERM BORROWINGS**

Tamala Regional Council did not have any long term borrowings at the reporting date.

**9. PROVISIONS**

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
<b>Opening balance at 1 July 2016</b>			
Current provisions	121,431	0	121,431
Non-current provisions	<u>0</u>	<u>56,652</u>	<u>56,652</u>
	121,431	56,652	178,083
 Additional provision	 <u>19,984</u>	 <u>28,275</u>	 <u>48,259</u>
<b>Balance at 30 June 2017</b>	<u>141,415</u>	<u>84,927</u>	<u>226,342</u>
 <b>Comprises</b>			
Current	141,415	82,330	223,745
Non-current	<u>0</u>	<u>2,597</u>	<u>2,597</u>
	<u>141,415</u>	<u>84,927</u>	<u>226,342</u>

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	2017 \$	2017 Budget \$	2016 \$
<b>10. MEMBERS CONTRIBUTIONS</b>			
<b>(a) Town of Victoria Park</b>			
Opening Balance	3,987,901	3,987,901	3,935,599
Land development expenses	(1,412,982)	(2,712,196)	(1,883,556)
Proceeds of sale of member land	1,661,093	2,589,815	3,211,696
Return of contribution	(916,666)	(916,667)	(1,250,000)
Rates equivalent	(23,714)	(27,310)	(25,838)
	<u>3,295,632</u>	<u>2,921,543</u>	<u>3,987,901</u>
<b>(b) City of Perth</b>			
Opening Balance	3,987,901	3,987,901	3,935,599
Land development expenses	(1,412,982)	(2,712,196)	(1,883,556)
Proceeds of sale of member land	1,661,093	2,589,815	3,211,696
Return of contribution	(916,666)	(916,667)	(1,250,000)
Rates equivalent	(23,714)	(27,310)	(25,838)
	<u>3,295,632</u>	<u>2,921,543</u>	<u>3,987,901</u>
<b>(c) Town of Cambridge</b>			
Opening Balance	3,987,901	3,987,901	3,935,599
Land development expenses	(1,412,982)	(2,712,196)	(1,883,556)
Proceeds of sale of member land	1,661,093	2,589,815	3,211,696
Return of contribution	(916,666)	(916,667)	(1,250,000)
Rates equivalent	(23,714)	(27,310)	(25,838)
	<u>3,295,632</u>	<u>2,921,543</u>	<u>3,987,901</u>
<b>(d) City of Joondalup</b>			
Opening Balance	7,975,801	7,975,801	7,871,197
Land development expenses	(2,825,966)	(5,424,392)	(3,767,111)
Proceeds of sale of member land	3,322,186	5,179,630	6,423,392
Return of contribution	(1,833,334)	(1,833,333)	(2,500,000)
Rates equivalent	(47,427)	(54,619)	(51,677)
	<u>6,591,260</u>	<u>5,843,087</u>	<u>7,975,801</u>
<b>(e) City of Wanneroo</b>			
Opening Balance	7,975,801	7,975,801	7,871,197
Land development expenses	(2,825,966)	(5,424,392)	(3,767,111)
Proceeds of sale of member land	3,322,186	5,179,630	6,423,392
Return of contribution	(1,833,334)	(1,833,333)	(2,500,000)
Rates equivalent	(47,427)	(54,619)	(51,677)
	<u>6,591,260</u>	<u>5,843,087</u>	<u>7,975,801</u>

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**10. MEMBERS CONTRIBUTIONS (continued)**

	2017 \$	2017 Budget \$	2016 \$
<b>(f) City of Vincent</b>			
Opening Balance	3,987,901	3,987,901	3,935,599
Land development expenses	(1,412,982)	(2,712,196)	(1,883,556)
Proceeds of sale of member land	1,661,093	2,589,815	3,211,696
Return of contribution	(916,666)	(916,667)	(1,250,000)
Rates equivalent	(23,714)	(27,310)	(25,838)
	<u>3,295,632</u>	<u>2,921,543</u>	<u>3,987,901</u>
<b>(g) City of Stirling</b>			
Opening Balance	15,954,414	15,954,414	15,745,205
Land development expenses	(5,651,933)	(10,848,785)	(7,534,223)
Proceeds of sale of member land	6,644,375	10,359,261	12,846,785
Return of contribution	(3,666,668)	(3,666,667)	(5,000,000)
Rates equivalent	(94,855)	(109,238)	(103,353)
	<u>13,185,333</u>	<u>11,688,985</u>	<u>15,954,414</u>
<b>TOTAL MEMBERS CONTRIBUTIONS</b>	<u><u>39,550,381</u></u>	<u><u>35,061,331</u></u>	<u><u>47,857,620</u></u>
 Total Opening balance	 47,857,620	 47,857,620	 47,229,995
Land development expenses	(16,955,793)	(32,546,354)	(22,602,670)
Proceeds of sale of member land	19,933,119	31,077,779	38,540,354
Return of Contribution	(11,000,000)	(11,000,000)	(15,000,000)
Rates equivalent	(284,565)	(327,714)	(310,059)
<b>TOTAL MEMBERS CONTRIBUTIONS</b>	<u><u>39,550,381</u></u>	<u><u>35,061,331</u></u>	<u><u>47,857,620</u></u>

Comparative balances have been restated in accordance with note 1 (t) Comparative information.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**11. REVALUATION SURPLUS**

	<b>2017 Opening Balance \$</b>	<b>2017 Revaluation Increment \$</b>	<b>2017 Total Movement on Revaluation \$</b>	<b>2017 Closing Balance \$</b>	<b>2016 Opening Balance \$</b>	<b>2016 Revaluation Decrement \$</b>	<b>2016 Closing Balance \$</b>
Revaluation surplus - Improvements to leasehold property	6,353	0	0	6,353	6,353	0	6,353
Revaluation surplus - Plant and equipment	0	0	0	0	1,164	(1,164)	0
	<u>6,353</u>	<u>0</u>	<u>0</u>	<u>6,353</u>	<u>7,517</u>	<u>(1,164)</u>	<u>6,353</u>

Movements on revaluation of fixed assets are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**12. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

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

	2017 \$	2017 Budget \$	2016 \$
Cash and cash equivalents	<u>39,213,368</u>	<u>33,795,833</u>	<u>47,135,952</u>

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

Net result	280,130	(515,963)	499,845
Non-cash flows in Net result:			
Depreciation	17,942	21,024	17,259
(Profit)/Loss on sale of asset	0	(1,602)	0
Loss on revaluation of fixed assets	0	0	3,469
Changes in assets and liabilities:			
(Increase)/Decrease in receivables	93,616	18,350	(15,384)
(Increase)/Decrease in inventories	0	0	18,182
Increase/(Decrease) in payables	(18,838)	(38,375)	(118,563)
Increase/(Decrease) in provisions	48,259	0	44,246
Net cash from operating activities	<u>421,109</u>	<u>(516,566)</u>	<u>449,054</u>

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

The Regional Council did not have any undrawn borrowing facilities at the reporting date.

**13. CONTINGENT LIABILITIES**

There were no known contingent liabilities at the reporting date.

**14. CAPITAL AND LEASING COMMITMENTS**

**(a) Operating Lease Commitments**

Non-cancellable operating leases contracted for but not capitalised in the accounts.

Payable:

- not later than one year	35,000	38,986
- later than one year but not later than five years	<u>140,000</u>	<u>0</u>
	<u>175,000</u>	<u>38,986</u>

**(b) Capital Expenditure Commitments**

The Regional Council did not have any future capital expenditure commitments at the reporting date.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**15. JOINT VENTURE ARRANGEMENTS**

Tamala Park Regional Council is not involved in any joint venture arrangements.

**16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Governance	0	4,596
Other property and services	149,880	176,747
Unallocated	41,324,260	49,290,485
	<u>41,474,140</u>	<u>49,471,828</u>

**17. FINANCIAL RATIOS**

	<b>2017</b>	<b>2016</b>	<b>2015</b>
Current ratio	142.13	244.29	157.65
Asset sustainability ratio	1.60	0.08	1.67
Debt service cover ratio	0.00	0.00	0.00
Operating surplus ratio	0.23	0.35	0.35
Own source revenue coverage ratio	1.28	1.56	1.51

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

**Notes:**

Information relating to the **asset consumption ratio** and the **asset renewal funding ratio** can be found at Supplementary Ratio Information on Page 45 of this document.



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**18. TRUST FUNDS**

The Regional Council holds no funds in trust for other entities.

**19. DISPOSALS OF ASSETS - 2016/17 FINANCIAL YEAR**

The following assets were disposed of during the year.

	<b>Actual Net Book Value \$</b>	<b>Actual Sale Proceeds \$</b>	<b>Actual Profit \$</b>	<b>Actual Loss \$</b>	<b>Budget Net Book Value \$</b>	<b>Budget Sale Proceeds \$</b>	<b>Budget Profit \$</b>	<b>Budget Loss \$</b>
<b>Plant and Equipment</b>								
Governance								
Motor Vehicle	42,727	42,727	0	0	41,125	42,727	1,602	0
	<u>42,727</u>	<u>42,727</u>	<u>0</u>	<u>0</u>	<u>41,125</u>	<u>42,727</u>	<u>1,602</u>	<u>0</u>

**20. INFORMATION ON BORROWINGS**

(a) Repayments - Debentures

The Regional Council did not have any borrowings during the year ended 30 June 2017.

(b) New Debentures - 2016/17

The Regional Council did not take up any new debentures during the year ended 30 June 2017.

(c) Unspent Debentures

The Regional Council did not have any unspent debentures as at 30 June 2017.

(d) Overdraft

The Regional Council does not have an overdraft facility.

**21. RATING INFORMATION - 2016/17 FINANCIAL YEAR**

The Regional Council did not impose any rates on property during the reporting period.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**22 NET CURRENT ASSETS**

Composition of net current assets

	2017	2017	2016
	(30 June 2017	(1 July 2016	(30 June 2016
	Carried	Brought	Carried
	Forward)	Forward)	Forward)
	\$	\$	\$
<b>Surplus/(Deficit) 1 July 16 brought forward</b>	<u>39,246,178</u>	<u>47,345,854</u>	<u>47,345,854</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents			
Unrestricted	39,213,368	47,135,952	47,135,952
Receivables			
Sundry debtors	127,267	201,815	201,815
GST receivable	2,584	2,793	2,793
Accrued Interest	176,241	188,350	188,350
Settlement Bonds	4,800	11,550	11,550
<b>LESS: CURRENT LIABILITIES</b>			
Trade and other payables			
Sundry creditors	(21,211)	(42,318)	(42,318)
Accrued salaries and wages	(12,591)	(10,851)	(10,851)
ATO liabilities	(14,188)	(13,716)	(13,716)
FBT Liabilities	(1,622)	(1,490)	(1,490)
Accrued expenses	(4,725)	(4,800)	(4,800)
Provisions			
Provision for annual leave	(141,415)	(121,431)	(121,431)
Provision for long service leave	(82,330)	0	0
<b>Unadjusted net current assets</b>	<u><b>39,246,178</b></u>	<u><b>47,345,854</b></u>	<u><b>47,345,854</b></u>
<b>Net current assets - surplus/(deficit)</b>	<u><b>39,246,178</b></u>	<u><b>47,345,854</b></u>	<u><b>47,345,854</b></u>

**Difference**

There was no difference between the surplus/(deficit) 1 July 2016 brought forward position used in the 2017 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2016 audited financial report.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**23. SPECIFIED AREA RATE - 2016/17 FINANCIAL YEAR**

No specified area rates were imposed by the Regional Council during the year ended 2017.

**24. SERVICE CHARGES - 2016/17 FINANCIAL YEAR**

No service charges were imposed by the Regional Council during the year ended 2017.

**25. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS  
- 2016/17 FINANCIAL YEAR**

The Regional Council did not offer any discounts, provide any concessions or allow any write offs during the reporting period.

**26. INTEREST CHARGES AND INSTALMENTS - 2016/17 FINANCIAL YEAR**

The Regional Council did not impose any interest charges during the reporting period.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**27. FEES & CHARGES**

There were no fees and charges applied during the reporting period.

**28. GRANT REVENUE**

The Regional Council did not receive any Grant revenue during the reporting period.

**29. EMPLOYEE NUMBERS**

The number of full-time equivalent employees at balance date

3	3
---	---

**30. ELECTED MEMBERS REMUNERATION**

	2017 Budget	2016
	\$	\$

The following fees, expenses and allowances were paid to council members and/or the president.

Meeting Fees	127,778	132,687	129,262
President's allowance	19,815	19,864	19,570
Deputy President's allowance	4,954	4,966	4,890
	152,547	157,517	153,722

**31. RELATED PARTY TRANSACTIONS**

**Key Management Personnel (KMP) Compensation Disclosure**

**2017**  
**\$**

The total of remuneration paid to KMP of the Tamala Park Regional Council during the year are as follows:

Short-term employee benefits	424,827
Post-employment benefits	39,047
Other long-term benefits	39,600
	503,474

**Short-term employee benefits**

This amount includes all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found at Note 30.

**Post-employment benefits**

This amount is the current-year's estimated cost of providing for the Regional Council's superannuation contributions made during the year.

**Other long-term benefits**

This amount represents long service benefits accruing during the year.

**Termination benefits**

This amount represents termination benefits paid to KMP.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**31. RELATED PARTY TRANSACTIONS (Continued)**

**Related Parties**

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

*i. Key management personnel*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

*ii. Entities subject to significant influence by the Regional Council*

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

*iii. Joint venture entities accounted for under the equity method*

The Regional Council is not involved in any joint venture arrangements.

**Transactions with related parties**

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

The following transactions occurred with related parties during the year:

**Amounts paid to related parties:**

	2017 \$
Rent	38,666

The following balances are owing to or by related parties:

**Amounts outstanding from related parties:**

Trade and other receivables	127,267
-----------------------------	---------

**Amounts payable to related parties:**

Trade and other payables	18,317
--------------------------	--------

Note: Transitional provisions contained within AASB 2015-6 do not require comparative related party disclosures to be presented in the period of initial application. As a consequence, only disclosures in relation to the current year have been presented.

**32. MAJOR LAND TRANSACTIONS**

The Regional Council did not participate in any major land transactions during the 2016/17 financial year.

**33. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

The Regional Council did not participate in any trading undertakings or major trading undertakings during the 2016/17 financial year.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**34. FINANCIAL RISK MANAGEMENT**

The Regional Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Regional Council's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Regional Council.

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

Financial risk management is carried out by the finance area under policies approved by the Council.

*The Regional Council held the following financial instruments at balance date:*

	<b>Carrying Value</b>		<b>Fair Value</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>				
Cash and cash equivalents	39,213,368	47,135,952	39,213,368	47,135,952
Receivables	310,892	404,508	310,892	404,508
	<u>39,524,260</u>	<u>47,540,460</u>	<u>39,524,260</u>	<u>47,540,460</u>
<b>Financial liabilities</b>				
Payables	54,337	73,175	54,337	73,175
	<u>54,337</u>	<u>73,175</u>	<u>54,337</u>	<u>73,175</u>

Fair value is determined as follows:

- Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**34. FINANCIAL RISK MANAGEMENT (Continued)**

**(a) Cash and Cash Equivalents**

The Regional Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the Regional Council.

The Regional Council manages these risks by diversifying its portfolio and only investing in investments authorised by *Local Government (Financial Management) Regulation 19C*. Council also seeks advice from independent advisers (where considered necessary) before placing any cash and investments.

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% <sup>(1)</sup> movement in interest rates on cash		
- Equity	392,134	507,412
- Statement of Comprehensive Income	392,134	507,412

**Notes:**

<sup>(1)</sup> Sensitivity percentages based on management's expectation of future possible market movements.



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**34. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Receivables**

The Regional Council's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Regional Council manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the Regional Council to recover these debts as a secured charge over the land – that is, the land can be sold to recover the debt. The Regional Council ii. Entities subject to significant influence by the Regional Council which further encourages payment.

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

The Regional Council makes suitable provision for doubtful receivables as required and carries out credit most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Regional Council's credit risk at balance date was:

	<b>2017</b>	<b>2016</b>
Percentage of other receivables		
- Current	43.00%	51.00%
- Overdue	0%	2%

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**34. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Payables**

**Borrowings**

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

The contractual undiscounted cash flows of the Regional Council's Payables are set out in the Liquidity Sensitivity Table below:

	<b>Due within 1 year \$</b>	<b>Due between 1 &amp; 5 years \$</b>	<b>Due after 5 years \$</b>	<b>Total contractual cash flows \$</b>	<b>Carrying values \$</b>
<b><u>2017</u></b>					
Payables	54,337	0	0	54,337	54,337
	<u>54,337</u>	<u>0</u>	<u>0</u>	<u>54,337</u>	<u>54,337</u>
<b><u>2016</u></b>					
Payables	73,175	0	0	73,175	73,175
Borrowings				0	0
	<u>73,175</u>	<u>0</u>	<u>0</u>	<u>73,175</u>	<u>73,175</u>

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAMALA PARK REGIONAL COUNCIL

### Report on the Financial Report

#### Opinion

We have audited the financial report of Tamala Park Regional Council ("Regional Council"), which comprises the statement of financial position as at 30 June 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by the Chief Executive Officer.

In our opinion, the financial report of Tamala Park Regional Council is in accordance with the underlying records of the Council, including:

- a) giving a true and fair view of the Regional Council's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australia Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

#### Basis for Opinion

We have conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Regional Council in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical requirements in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter – Supplementary Ratio Information

Without modifying our opinion, we draw attention to page 45 of the financial report "Supplementary Ratio Information", which describes certain ratio information relating to the financial report. Management's calculation of these ratios includes assumptions about future capital expenditure and hence falls outside our audit scope. We do not therefore express an opinion on these ratios.

However, we have reviewed the calculations as presented and in our opinion these are based on verifiable information and appear reasonable.

### **Other Information**

Regional Council is responsible for the other information. The other information comprises the information in the Council's annual report for the year ended 30 June 2017 but does not include the financial report and the auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Regional Council's Responsibility for the Financial Report**

Regional Council is responsible for the preparation of the financial report which gives a true and fair view in accordance with Australian Accounting Standards (including Australia Accounting Interpretations), the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and for such internal control as the Regional Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australia Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors.
- Conclude on the appropriateness of Regional Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Regional Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Regional Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Regional Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Regional Council with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


## **Reporting on Other Legal and Regulatory Requirements**

We did not, during the course of our audit, become aware of any instances where the Regional Council did not comply with the statutory requirements of the Local Government Act (1995) (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

In accordance with the Local Government (audit) Regulations 1996, we also report that:

- a) There are no material matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Regional Council.
- b) The Regional Council substantially complied with Part 6 of the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).
- c) All information and explanations required were obtained by us.
- d) All audit procedures were satisfactorily completed in conducting our audit.

BUTLER SETTINERI (AUDIT) PTY LTD

A handwritten signature in black ink, appearing to read 'Marius van der Merwe', written in a cursive style.

MARIUS VAN DER MERWE CA  
Director

Perth  
Date: 5 September 2017

**TAMALA PARK REGIONAL COUNCIL  
SUPPLEMENTARY RATIO INFORMATION  
FOR THE YEAR ENDED 30TH JUNE 2017**

**RATIO INFORMATION**

The following information relates to those ratios which only require attestation they have been checked and are supported by verifiable information. It does not form part of the audited financial report.

	<b>2017</b>	<b>2016</b>	<b>2015</b>
Asset consumption ratio	0.79	0.66	0.80
Asset renewal funding ratio	1.99	1.57	1.96

The above ratios are calculated as follows:

Asset consumption ratio	$\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

# **Appendix 9.10**



---

# **DELEGATION REGISTER**

**December 2017**

---

## Explanatory Notes

### 1. General

The Local Government Act of 1995 provides that powers and duties generally vest with the 'local government' as a corporate entity.

The elected Council exercises the powers and discharges the duties of the local government through resolutions.

There are some specific powers or duties conferred by the Act upon the Chairman, and the Chief Executive Officer (CEO).

Delegations of authority to exercise the statutory powers of Council may be made to:

- Committees (as detailed in sections 5.16 and 5.17 of the Act), or
- The Chief Executive Officer (as detailed in sections 5.42 and 5.43).

The Act also allows the Chief Executive Officer to further delegate the authority to another employee. This cannot, however, be further sub-delegated.

### 2. Role of the Council

Section 2.7 of the Act sets out the role of the Council:

2.7 (1) The Council -

- a) Directs and controls the local government's affairs; and
- b) Is responsible for the performance of the local government's functions.

(2) Without limiting subsection (1), the Council is to -

- a) Oversee the allocation of the local government's finances and resources; and
- b) Determine the local government's policies.

### 3. Role of the Chairman, Deputy Chairman and Councillors

Sections 2.8, 2.9 and 2.10 set out the roles of Chairman, Deputy Chairman and Councillors:

#### The role of the Chairman

2.8 (1) the Chairman

- a) Presides at (Council) meetings in accordance with this Act;
- b) Provides leadership and guidance to the community in the district;
- c) Carries out civic and ceremonial duties on behalf of the local government;
- d) Speaks on behalf of the local government;

- e) Performs such other functions as are given to the Chairman by this Act or any other written law; and
  - f) Liaises with the CEO on the local government's affairs and the performance of its functions.
- (2) Section 2.10 applies to a councillor who is also the Chairman and extends to a Chairman who is not a councillor.

### **The role of the Deputy Chairman**

2.9 The Deputy Chairman performs the functions of the Chairman when authorised to do so under section 5.34 (i.e. where the office of Chairman is vacant, or when the Chairman is unwilling, unavailable or unable to perform his or her functions).

### **The role of Councillors**

2.10 A Councillor -

- a) Represents the interests of electors, ratepayers and residents of the district;
- b) Provides leadership and guidance to the community in the district;
- c) Facilitates communication between the community and the council;
- d) Participates in the local government's decision-making processes at council and committee meetings; and
- e) Performs such other functions as are given to a councillor by this Act or any other written law.

## **4. Function of the CEO**

5.41 The CEO's functions are to -

- a) Advise the Council in relation to the functions of a local government under this Act and other written laws;
- b) Ensure that advice and information is available to the council so that informed decisions can be made;
- c) Cause Council decisions to be implemented;
- d) Manage the day-to-day operations of the local government;
- e) Liaise with the Chairman on the local government's affairs and the performance of the local government's functions;
- f) Speak on behalf of the local government if the Chairman agrees;
- g) Be responsible for the employment, management supervision, direction and dismissal of other employees (subject to section 5.37 (2) in relation to senior employees);
- h) Ensure that records and documents of the local government are properly kept for the purposes of this Act and any other written law; and

- i) Perform any other function specified or delegated by the local government or imposed under this Act or any other written law as a function to be performed by the CEO.

## 5. Delegations of Some Powers and Duties to CEO

Pursuant to Sections 5.42, 5.43, 5.44, 5.45, and 5.46 of the Local Government Act 1995, a Council may delegate authority to the Chief Executive Officer some of its functions. These sections are set out below:

### Delegation of some powers and duties to CEO

- 5.42. (1) A local government may delegate\* to the CEO the exercise of any of its powers or the discharge of any of its duties under this Act other than those referred to in section 5.43.

*\*Absolute majority required.*

- (2) A delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.

### Limits on delegations to CEO's

- 5.43. A local government cannot delegate to a CEO any of the following powers or duties -

- a) Any power or duty that requires a decision of an absolute majority or a 75% majority of the local government;
- b) Accepting a tender which exceeds an amount determined by the local government for the purpose of this paragraph;
- c) Appointing an auditor;
- d) Acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government for the purpose of this paragraph;
- e) Any of the local government's powers under section 5.98, 5.99 or 5.100; (these relate to: fees, expenses and allowances for Councillors)
- f) Borrowing money on behalf of the local government;
- g) Hearing or determining an objection of a kind referred to in section 9.5;
- h) Any power or duty that requires the approval of the Minister or the Governor; or
- i) Such other powers or duties as may be prescribed.

### CEO may delegate powers and duties to other employees

- 5.44. (1) A CEO may delegate to any employee of the local government the exercise of any of the CEO's powers or the discharge of any of the CEO's duties under this Act other than this power of delegation.
- (2) A delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.

- (3) This section extends to a power or duty the exercise or discharge of which has been delegated by a local government to the CEO under section 5.42, but in the case of such a power or duty –

- a) The CEO's power under this section to delegate the exercise of that power or the discharge of that duty; and
- b) The exercise of that power or the discharge of that duty by the CEO-s delegate,

Are subject to any conditions imposed by the local government on its delegation to the CEO.

- (4) Subsection (3)(b) does not limit the CEO's power to impose conditions or further conditions on a delegation under this section.

- (5) In subsection (3) and (4):

'Conditions' includes qualifications, limitations or exceptions.'

#### **Other matters relevant to delegations under this Division**

- 5.45. (1) Without limiting the application of sections 58 and 59 of the Interpretation Act 1984-

- a) A delegation made under this Division has effect for the period of time specified in the delegation or where no period has been specified, indefinitely; and
- b) Any decision to amend or revoke a delegation by a local government under this Division is to be by an absolute majority.

- (2) Nothing in this Division is to be read as preventing -

- a) A local government from performing any of its functions by acting through a person other than the CEO; or
- b) A CEO from performing any of his or her functions by acting through another person.

#### **Register of, and records relevant to, delegations to CEO's and employees**

- 5.46. (1) The CEO is to keep a register of the delegations made under this Division to the CEO and to employees.
- (2) At least once every financial year, delegations made under this Division are to be reviewed by the delegator.
- (3) A person to whom a power or duty is delegated under this Act is to keep records in accordance with regulations in relation to the exercise of the power or the discharge of the duty."

With reference to section 5.46 (3), Regulation 19 from the Local Government (Admin.), Regulations 1996 states the following

'Records to be kept by delegates –s.5.46(3)

19. Where a power or duty has been delegated under the Act to the CEO or to any other local government employee, the person to whom the power or duty has been delegated is to keep a written record of -
- a) How the person exercised the power or discharged the duty;
  - b) When the person exercised the power or discharged the duty; and
  - c) The persons or classes of persons, other than council or committee members or employees of the local government, directly affected by the exercise of the power or the discharge of the duty.'

The practical workings needs to be developed over time and for the time being the pragmatic approach that the CEO will need to employ is to take advice from a Committee where previously authority to make decisions was taken by a Committee of staff members.

Also, in respect of the supervision and audit activity, it will probably be the case, to ensure effectively distributed administration, that the CEO, at the time of making a delegation of a power also make a further delegation to the Divisional Supervisor to supervise the exercise and performance measures associated with the delegated power.

Section 9.38 of the Local Government Act:

*"Evidence that a document has been given or written by or on behalf of the local government may be given by tendering what purports to be the document and purports to be signed by the Chairman or president, the CEO, or any other person authorised to sign it, without proof of the signature or proof that the person signing was a person who could sign then document."*

## 6. Numerical Listing of Delegations

NUMBER	DELEGATION	CONDITION	CEO DELEGATION
<b>CHIEF EXECUTIVE OFFICER</b>			
<b>1</b>	Press Statements and media comments: Authority to issue statements to the News Media and make comments on behalf of Council.	Subject to the prior approval of the Chairman.	
<b>2</b>	Press Statements on Policy: Authority to issue statements of Policy to the News Media on behalf of the Council.	Subject to the prior approval of the Chairman.	
<b>3</b>	Contract Signing: Authority to sign formal contracts with the co-signature of the Chairman – upon affixation of the Common Seal to the contract documents.	Subject to budget provision or after authority for sealing by the Council.	
<b>4</b>	Emergency Service: Authority to engage and deploy contractors and equipment in an emergency.		
<b>5</b>	Leave: Authority to grant the following leave: 1. Leave without pay 2. Study Leave	Subject to policy provisions or if no policy with Chairman's approval.	
<b>6</b>	1. Authority to appoint all staff with the exception of designated officers; 2. Authority to advertise vacancies	Subject budget provision.	
<b>7</b>	Authority to appoint consultants.	a) Subject to the value being less than \$150,000. b) Subject to there being a budget allocation and necessary to implement Annual Plan.	
<b>8</b>	Authority to place and/or approve purchase orders • With formally contracted suppliers in accordance with the Procurement Policy and Local Government Act. • Non-contracted and non-accredited suppliers in accordance with Purchasing Policy and Local Government Act.	Subject to budget provision or budget allowance policy.	Executive Assistant and Project Coordinator.

TPRC Delegation Register

<b>9</b>	Statutory Nominations: Chief Executive Officer and Chairman authorised to complete Ballot Paper.		
<b>10</b>	Authorising the submission of subdivision and development applications to the Western Australian Planning Commission on land owned by or under the care and control of the TPRC or where TPRC acts in pursuit of the objectives set out in the Establishment Agreement.		
<b>11</b>	Contracts – <ul style="list-style-type: none"> <li>• Authority to sign contracts for maintenance support of computer and telecommunication hardware and software and general office equipment;</li> <li>• Signify acceptance of contracts works as 'completed to TPRC satisfaction'.</li> </ul>		
<b>12</b>	Authority to make minor amendments to the Policy Manual due to changes in names or titles.		Executive Assistant
<b>13</b>	Authority to advertise Invitations to Tender.		
<b>14</b>	Authority to invite period supply tenders and tenders for the disposal of surplus Council property.		
<b>15</b>	Procurement of goods and services & disposal of Council property and associated advertisements in accordance with the TPRC Procurement Policy and Local Government Act.		
<b>16</b>	Authority to sign grant applications, acquittals and audited statements related to grants.		Following Council CEO approval.
<b>17</b>	Authority to approve applications to place advertising signs from any organisation – temporary signage.	Subject to being consistent with TPRC objectives and policies.	
<b>18</b>	Attendance at Conference: Authority to approve where budget allocation has been made, subject to the conference being within Australia.	CEO to provide report to Council within 45 days of conference.	
<b>19</b>	Certifying documents (section 9.31 Local Government Act).		
<b>20</b>	Authority to write off unpresented stale cheques to the value of \$20,000.		



<b>21</b>	Authority to approve an extension to a contract.	Subject to: a) The tender specifying the provisions of the option term; b) The contract providing for the extension; and c) The extension being on the same terms and conditions as the last year of the original term but does allow for price increases in line with the contract provisions (if any) for the price.	
<b>22</b>	Authority to make payments to elected members subject to Council policies, the Local Government Act 1995 and its Regulations.	Funds being available in the Council's annual budget and Council policies.	
<b>23</b>	Authority to make payments and transfers from the municipal fund or the trust fund, subject to Regulation 12(1) of the Local Government (Financial Management) Regulations 1996.	Subject to the requirements of Regulation 13 of the Local Government (Financial Management) Regulations 1996.	
<b>24</b>	Authority to invest money and establish investment internal control procedures, subject to Section 6.14 of the Local Government Act 1995 and Regulation 19 of the Local Government (Financial Management) Regulation 1996.	Subject to Council's 'Investment Policy'.	
<b>25</b>	Authority to publicly invite tenders before the Council enters into a contract for the supply of goods or services if the consideration under the contract is, or is expected to be, worth more than \$150,000, subject to Regulation 11(1) of the Local Government (Functions and General) Regulations 1996 and Section 3.57(1) of the Local Government Act 1995.	Tenders can only be invited for those goods and services identified in the annual budget, or approved by Council.	

<b>26</b>	Authority to accept or decline any tender, subject to Regulation 18(4) and (5) of the Local Government (Functions and General) Regulations 1996.	Delegation subject to a provision in the annual budget and limited to an amount of \$150,000.	
<b>27</b>	Authority, with the approval of the tenderer, to make a minor variation in a contract for goods or services before the Council enters the contract with the successful tenderer, subject to Regulation 20(1) of the Local Government (Functions and General) Regulations 1996.	That the variation is minor having regard to the total goods or services that tenderers were invited to supply.	
<b>28</b>	Authority to approve sponsorship requests to a maximum of \$2000 in accordance with the TPRC Sponsorship Policy.		
<b>29</b>	Authority to allocate decommissioned computers to community groups and organisations, subject to Section 3.58 of the Local Government Act 1995.	Subject to conditions contained in Council policies.	
<b>30</b>	Authority to attend interstate meetings associated with Council business.	Subject to being required for Council business and consistent with TPRC objectives.	
<b>31</b>	Authority to approve and submit construction, civil, development, landscaping and servicing plans for the Tamala Project.	Subject to being required for Council business and consistent with TPRC objectives and, as appropriate, approved TPRC policies and strategies.	
<b>32</b>	Authority to approve and negotiate conditions of approval and servicing and infrastructure agreements relating to subdivision, development, landscaping applications and servicing plans for the Tamala Project and requirements and scheme costs under the City of Wanneroo Town Planning Scheme.	Subject to Budget provision and consistent with TPRC objectives and, as appropriate, approved TPRC policies and strategies.	

<b>33</b>	Authority to approve signage, marketing and advertising brochures and sales information.	Subject to being consistent with the approved Annual Marketing Plan and budget provision.	
<b>34</b>	Authority to approve minor changes to the Local Structure Plan.	Subject to being required for Council business and consistent with TPRC objectives and, as appropriate, approved TPRC policies and strategies.	
<b>35</b>	Authority to make a minor variation in a contract for goods or services, subject to Regulation 21.A of the Local Government (Functions and General) Regulations 1996.	Subject to being required for Council business and consistent with TPRC objectives. Subject to there being a budget allocation.	
<b>36</b>	Authority to enter into a contract for the supply of goods or services if the consideration under the contract is, or is expected to be worth less than \$150,000, subject to Regulation 11(1) of the Local Government (Functions and General) Regulations 1996 and Section 3.57(1) of the Local Government Act 1995.	Subject to there being a budget allocation and TPRC policies.	
<b>37</b>	Authority to advertise, manage and dispose of the single residential lots by private treaty under Section 3.58(3) of the Local Government Act 1995.  For the purpose of Delegation 38, the disposal is to be considered by Council if the property value exceeds one million (\$1,000,000) dollars.		
<b>38</b>	Authority to consider submissions under Section 3.58(3)(b) of the Local Government Act 1995.		

<b>39</b>	<p>Authority to determine the sale price for each of the single residential lots subject to the average of lot pricing for a stage being higher the approved Project Cashflow. Where there is a difference between the average of lot pricing supplied by the Development Manager and the independent valuer then the higher of the lot pricing will be determined as the sale price.</p> <p>In the event that the determined average of lot pricing is less than the lot pricing for a stage in the Project Cashflow the CEO shall refer the matter back to Council before exercising this delegation.</p>		
<b>40</b>	Authority to administer the provisions of the sales contract and proceed to dispose of the lot by private treaty subject to the requirements of Section 3.58 of the Local Government Act 1995.		
<b>41</b>	Authority to determine finance and settlement extensions and contract cancellations for single residential lots and dwellings.		
<b>42</b>	Authority to grant approval to proceed with the Display Village Lots Tender and Allocation Procedure in accordance with the Display Village Lot ranking as recommended by the Development Manager.		
<b>43</b>	Authority to establish the time/date for the sales releases.	Subject to all necessary documentation being completed and consistent with Project Program.	
<b>44</b>	Authority to grant approval to bulk earthworks, civil, infrastructure and landscape works.	Subject to rates being in accordance with Council approved rates for the relevant works and there being a budget allocation.	
<b>45</b>	Authority to allocate lots to the display home builders in accordance with the procedure outlined in the approved Catalina Beach Builders Display Villages Strategy (March 2016).		
<b>46</b>	Authority to administer the provisions of the sales contract and proceed to dispose of the Catalina Beach Builders Display Village lots by private treaty.	Subject to the requirements of the Local Government Act 1995.	

# **Appendix 9.12**



NATIONAL  
CONGRESS  
2018

[see  
THE now]

# Program

Melbourne, 20-22 March 2018

Day 1 – Tuesday, 20 March 2018 – See the power of emerging technologies in property

## Times

## Program Items

8.00am - 9.00am

**Delegate Registration**

9.00am

**Exhibition Opening and Welcome Morning Tea**

10.30am - 1.00pm

**Official Congress Opening Address**

The Australian economy – where are we now and where are we heading? ▼

**National President's Welcome Address**

**Opening Keynote**

Your property business in 2018 ▼

**Insight Keynote and Panel Discussion**

Harnessing the Power of Emerging Technologies in property ▼

1.00pm - 2.00pm

**Networking Lunch**

2.00pm - 3.30pm

**Interactive Panel Debate**

Digital Disruption in the property market - Does it all come down to your business model? ▼

**International Case Study**

CLT and Dalston Lane - The building material of the future ▼

3.30pm - 4.00pm

**Afternoon Break**

4.00pm - 5.30pm

**Interactive Game Show**

'Tell me something I don't know' - Outsmarting the smart city experts ▼

5.30pm

**Day 1 Congress Close**

## Day 2 – Wednesday 21 March 2018 – See the development solutions

Times	Program Items				
7.00am - 8.30am	<b>Leadership and diversity breakfast</b> Diversity in Australia's sporting capital ▾				
8.30am - 9.00am	<b>Day 2 Registration</b>				
9.00am - 10.30am	<b>Congress Opening</b>  <b>State President's Address</b>  <b>Insight Keynote</b> Creating healthy, productive and sustainable communities ▾  <b>Insight Keynote and panel discussion</b> Practical Solutions - Innovative Construction Methodologies: Meeting demand and maximizing cash flow ▾  <b>International Case Study</b> A city's Renaissance - How Cincinnati, Ohio, salvaged the Nation's most dangerous neighbourhood ▾				
10.30am - 11.15am	<b>Morning Break</b>				
11.15am - 12.45pm	<b>International Keynote</b> Beyond Home Ownership: Social housing, welfare and society ▾				
	<b>Interactive Panel Debate</b> The relationship between population, property & income ▾				
12.45pm - 1.30pm	<b>Networking Lunch</b>				
1.30pm	<b>Site Tours – See the Now</b>				
	<b>Tour 1 Innovation in Greenfield</b>	<b>Tour 2 Small cities start small</b> Emerging technologies changing everyday interactions Deakin University Tour and Foy's Arcade Experience Centre, CBD	<b>Tour 3 Made in Melbourne</b> World class construction technology Hickory Built Systems Training Facility and Metricon's TownLiving project Point Cook	<b>Tour 4 Going Up and Going Down</b> Metro Tunnel and Melbourne Quarter	<b>Tour 5 Urban Tour</b> how cities can accommodate growth

## Day 3 – Thursday 22 March 2018 – See the now

Times	Program Items
8.00am - 9.00am	<b>Exhibition Opening &amp; Delegate Registration</b>
9.00am - 10.45am	<b>Day 3 Congress Opening</b> <b>Victorian CEO Address</b> <b>Insight Keynote</b> The clean energy city solution - Can Australia lead the way? ▼
	<b>International Case Study</b> Urban Regeneration - The Central Mid-Levels Escalator Project, Hong Kong ▼
10.45am - 11.15am	<b>Morning Break</b>
11.15am - 12.30pm	<b>Market Research</b> Development Industry Activity - Supply and Performance ▼
12.30pm - 1.30pm	<b>Networking Lunch</b>
1.30pm - 3.30pm	<b>On The Couch Q&amp;A</b> Financing our future cities ▼
	<b>Interactive Industry Insights Keynote and Panel</b> Industry leading the way ▼
	<b>Closing Keynote – Be Bold</b> Technology and the urban cities of our future
3.30pm - 3.45pm	<b>Congress Official Close</b>
3.45pm - 4.00pm	<b>2019 Congress Launch</b>
4.00pm	<b>Close</b>
7.00pm	<b>2018 National UDIA Awards For Excellence Gala Dinner</b> Veris Proud Platinum Partner, Peninsula at Atlantic, Docklands



## **Appendix 9.13**

CONFIDENTIAL

## **Appendix 9.14**

CONFIDENTIAL