

Appendix 9.1

LANDSCAPING WORKS STATUS

Landscape Works	FYE 2019 Budget	Detailed Design	City of Wanneroo Approval	Proposed Construction Commencement	Proposed Completion	Comments
Catalina Beach Landscaping Works (C) Entry Statements	\$1,000,000	Complete	Issued	September 2018	November 2018	Works awarded. Commencement on site in late November with completion by the end of December.
Catalina Beach Landscaping Works (E) Sales Office Car Park		Complete	Issued	September 2018	November 2018	Works commenced on site 26 October 2018 with completion anticipated 28 November 2018.
Biodiversity Conservation Area (South)	\$331,325	Complete	Issued	July 2018	November 2018	Pest control works and installation of interpretive signage anticipated to be complete in early December. Minor revegetation works to be undertaken in winter (May 2019).
Biodiversity Conservation Area (North)	\$128,000	Complete	Issued	July 2018	November 2018	Pest control works and installation of interpretive signage anticipated to be complete in early December. Minor revegetation works to be undertaken in winter (May 2019).
Stage 17 Verge Landscaping Works	\$505,769	Under Review	outstanding	March 2019	July 2019	Concept design to be completed mid December 2018.
Stage 11 POS (Phase 2)	\$750,000	Under Review	Issued (Subject to Review)	April 2019	August 2019	Phase 2 concept design has been completed. Detailed design to be completed by Feb 2019.

Catalina Beach Landscape Works – POS 25



Aviator Boulevard Entrance Upgrades



Catalina Beach Sales Office – 31 October 2018



Appendix 9.2

TAMALA PARK REGIONAL COUNCIL
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2018 TO 31 OCTOBER 2018

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**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2018 TO 31 OCTOBER 2018**

	NOTE	31 October 2018 Actual \$	31 October 2018 Y-T-D Budget \$	2018/19 Adopted Budget \$	Variances Budget to Actual Y-T-D %
<u>Operating</u>					
Revenues	1,2				
Interest Earnings		407,187	416,251	1,040,633	(2.18%)
Other Revenue		673	2,000	2,000	0.00%
		407,860	418,251	1,042,633	(2.48%)
Expenses	1,2				
Employee Costs		(192,007)	(240,588)	(725,924)	(20.19%)
Materials and Contracts Other		(42,191)	(134,919)	(404,895)	(68.73%)
Depreciation		0	0	(25,381)	0.00%
Utilities		0	0	(6,450)	0.00%
Insurance		(13,207)	(13,879)	(13,880)	(4.84%)
Other Expenditure		(49,440)	(47,473)	(186,390)	4.14%
		(296,845)	(436,859)	(1,362,920)	(32.05%)
<u>Adjustments for Non-Cash (Revenue) and Expenditure</u>					
Depreciation on Assets		0	0	25,381	0.00%
Profit/(loss) on Disposal of Assets		(5,852)	(1,760)	(1,760)	0.00%
<u>Capital Revenue and (Expenditure)</u>					
Plant and Equipment	3	(63,101)	(66,000)	(82,000)	0.00%
Proceeds on disposal		40,909	45,000	45,000	0.00%
LESS MEMBERS EQUITY					
Payment for Rates Equivalent					
Development of Land for Resale					
Income Sale of Lots - Subdivision		3,434,384	4,296,663	14,405,835	(20.07%)
Income other - Subdivision		0	1,400,000	1,950,000	100.00%
Development Costs - Subdivision		(1,510,720)	(6,202,090)	(21,277,191)	(75.64%)
Contribution Refund		0	0	(209,337)	0.00%
Profit Distributions		(110,528)	0	(4,000,000)	0.00%
Members equity - GST withheld		(37,800)	0	0	0.00%
Change in Contributed Equity	6	1,775,336	(505,427)	(9,130,693)	(451.25%)
Net Current Assets July 1 B/Fwd	7	43,807,751	43,807,751	43,807,751	0.00%
Net Current Assets Year to Date	7	45,671,910	43,262,716	34,345,152	

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 2018 TO 31 OCTOBER 2018

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities and to the extent they are not in-consistent with the *Local Government Act 1955* and accompanying regulations), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise.

Except for cash flow, the 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 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 2018 TO 31 OCTOBER 2018

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 2018 TO 31 OCTOBER 2018

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 2018 TO 31 OCTOBER 2018

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
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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:

	31 October 2018 Actual \$	Adopted 2018/19 Budget \$
<u>By Program</u>		
Other Property and Services		
Furniture and equipment	0	16,000
Motor Vehicle	63,101	66,000
	63,101	82,000
<u>By Class</u>		
Plant and Equipment	63,101	82,000
	63,101	82,000

4. DISPOSALS OF ASSETS

There following asset is budgeted to be disposed during the financial year ended.

<u>Plant and Equipment</u>		
Cost	65,016	65,015
Accumulated Depreciation	(18,255)	(18,255)
Profit/(Loss)	(5,852)	(1,760)
Proceeds	40,909	45,000

TAMALA PARK REGIONAL COUNCIL
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5. INFORMATION ON BORROWINGS

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2018-19 financial year.

6. CONTRIBUTED EQUITY

	31 October 2018 Actual \$	30 June 2018 Actual \$
Town of Victoria Park	3,817,425	3,660,229
City of Perth	3,817,425	3,660,229
Town of Cambridge	3,817,425	3,660,229
City of Joondalup	7,634,850	7,320,458
City of Wanneroo	7,634,850	7,320,458
Town of Vincent	3,817,425	3,660,229
City of Stirling	15,269,698	14,640,914
TOTAL	45,809,097	43,922,746
Total Movement in equity	1,886,351	

Movement in Contributed Equity Represented by:

	GST Withheld 31 October 2018 \$	Development Expenses 31 October 2018 \$	Land Sales 31 October 2018 \$	Return of Contribution 31 October 2018 \$	Rates Equivalent 31 October 2018 \$
Town of Victoria Park	(3,150)	(125,893)	286,199	(9,211)	0
City of Perth	(3,150)	(125,893)	286,199	(9,211)	0
Town of Cambridge	(3,150)	(125,893)	286,199	(9,211)	0
City of Joondalup	(6,300)	(251,787)	572,397	(18,421)	0
City of Wanneroo	(6,300)	(251,787)	572,397	(18,421)	0
Town of Vincent	(3,150)	(125,893)	286,199	(9,211)	0
City of Stirling	(12,600)	(503,574)	1,144,794	(36,842)	0
		0	0	0	0
	(37,800)	(1,510,720)	3,434,384	(110,528)	0
Members Contributed Equity Movements		1,775,336			
TPRC Net Result		111,015			
Total Movement in equity		1,886,351			

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
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7. NET CURRENT ASSETS

Composition of Estimated Net Current Asset Position	31 October 2018 Actual \$	Brought Forward 1-Jul \$
CURRENT ASSETS		
Cash - Unrestricted	45,667,882	43,846,407
Receivables	337,978	251,049
Settlement Bonds	1,400	400
	46,007,260	44,097,856
LESS: CURRENT LIABILITIES		
Payables and Provisions	(335,350)	(290,105)
NET CURRENT ASSET POSITION	45,671,910	43,807,751

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
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	NOTE	30 September 2018 Actual \$	30 September 2018 Y-T-D Budget \$	2018/19 Adopted Budget \$	Variances Budget to Actual Y-T-D %
<u>Operating</u>					
Revenues	1,2				
Interest Earnings		302,405	312,188	1,040,633	(3.13%)
Other Revenue		41,582	1,000	2,000	0.00%
		343,987	313,188	1,042,633	9.83%
Expenses	1,2				
Employee Costs		(137,744)	(181,471)	(725,924)	(24.10%)
Materials and Contracts Other		(36,986)	(101,172)	(404,895)	(63.44%)
Depreciation		0	0	(25,381)	0.00%
Utilities		0	(1,075)	(6,450)	0.00%
Insurance		(8,823)	(6,941)	(13,880)	27.11%
Other Expenditure		(46,494)	(46,598)	(186,390)	(0.22%)
		(230,047)	(337,257)	(1,362,920)	(31.79%)
<u>Adjustments for Non-Cash (Revenue) and Expenditure</u>					
Depreciation on Assets		0	0	25,381	0.00%
Profit/(loss) on Disposal of Assets		0	0	(1,760)	0.00%
<u>Capital Revenue and (Expenditure)</u>					
Plant and Equipment	3	0	0	(82,000)	0.00%
Proceeds on disposal		0	0	45,000	0.00%
LESS MEMBERS EQUITY					
Payment for Rates Equivalent					
Development of Land for Resale					
Income Sale of Lots - Subdivision		3,073,593	1,503,714	14,405,835	104.40%
Income other - Subdivision		0	1,400,000	1,950,000	100.00%
Development Costs - Subdivision		(1,078,873)	(3,937,383)	(21,277,191)	(72.60%)
Contribution Refund		0	0	(209,337)	0.00%
Profit Distributions		(110,528)	0	(4,000,000)	0.00%
Members equity - GST withheld		(16,940)	0	0	0.00%
Change in Contributed Equity	6	1,867,252	(1,033,669)	(9,130,693)	(280.64%)
Net Current Assets July 1 B/Fwd	7	43,807,751	43,807,751	43,807,751	0.00%
Net Current Assets Year to Date	7	45,788,943	42,750,013	34,345,152	

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(c) Rounding Off Figures

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(d) Rates, Grants, Donations and Other Contributions

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(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 2018 TO 30 SEPTEMBER 2018**

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 2018 TO 30 SEPTEMBER 2018

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 2018 TO 30 SEPTEMBER 2018

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 2018 TO 30 SEPTEMBER 2018

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:

	30 September 2018 Actual \$	Adopted 2018/19 Budget \$
<u>By Program</u>		
Other Property and Services		
Furniture and equipment	0	16,000
Motor Vehicle	0	66,000
	0	82,000
<u>By Class</u>		
Plant and Equipment	0	82,000
	0	82,000

4. DISPOSALS OF ASSETS

There following asset is budgeted to be disposed during the financial year ended.

<u>Plant and Equipment</u>		
Cost	0	65,015
Accumulated Depreciation	0	(18,255)
Profit/(Loss)	0	(1,760)
Proceeds	0	45,000

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2018 TO 30 SEPTEMBER 2018

5. INFORMATION ON BORROWINGS

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2018-19 financial year.

6. CONTRIBUTED EQUITY

	30 September 2018 Actual \$	30 June 2018 Actual \$
Town of Victoria Park	3,825,328	3,660,229
City of Perth	3,825,328	3,660,229
Town of Cambridge	3,825,328	3,660,229
City of Joondalup	7,650,657	7,320,458
City of Wanneroo	7,650,657	7,320,458
Town of Vincent	3,825,328	3,660,229
City of Stirling	15,301,311	14,640,914
TOTAL	45,903,938	43,922,746
Total Movement in equity	1,981,192	

Movement in Contributed Equity Represented by:

	GST Withheld 30 September 2018 \$	Development Expenses 30 September 2018 \$	Land Sales 30 September 2018 \$	Return of Contribution 30 September 2018 \$	Rates Equivalent 30 September 2018 \$
Town of Victoria Park		(89,906)	256,133	(9,211)	0
City of Perth		(89,906)	256,133	(9,211)	0
Town of Cambridge		(89,906)	256,133	(9,211)	0
City of Joondalup		(179,812)	512,265	(18,421)	0
City of Wanneroo		(179,812)	512,265	(18,421)	0
Town of Vincent		(89,906)	256,133	(9,211)	0
City of Stirling		(359,625)	1,024,531	(36,842)	0
Members Equity (GST Withheld)	(16,940)	0	0	0	0
	(16,940)	(1,078,873)	3,073,593	(110,528)	0
Members Contributed Equity Movements		1,867,252			
TPRC Net Result		113,940			
Total Movement in equity		1,981,192			

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2018 TO 30 SEPTEMBER 2018

7. NET CURRENT ASSETS

Composition of Estimated Net Current Asset Position	30 September 2018 Actual \$	Brought Forward 1-Jul \$
CURRENT ASSETS		
Cash - Unrestricted	45,797,572	43,846,407
Receivables	352,945	251,049
Settlement Bonds	1,400	400
	46,151,917	44,097,856
LESS: CURRENT LIABILITIES		
Payables and Provisions	(362,974)	(290,105)
NET CURRENT ASSET POSITION	45,788,943	43,807,751

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
September 2018

Date	Num	Name	Description	Amount
3/09/2018	ET-4515	GS Bhabra Investment Trust	Lot 173 (23rd instalment over a 5 year period)	-2,887.50
3/09/2018	ET-4516	Grant, Aaron & Nicole	Lot 171 (22nd instalment over a 5 year period)	-2,887.50
12/09/2018	ET-4514	Westpac Bank	Payment of credit card charges (CEO & EA) - Sept. 2018	-846.86
13/09/2018	ET-4507	Employee costs	Wages for period 30/08/18 - 12/09/18	-11,176.66
13/09/2018	ET-4510	Australian Super	Superannuation for period 30/08/18 - 12/09/18	-595.46
13/09/2018	ET-4511	National Australia Bank	Superannuation for period 30/08/18 - 12/09/18	-1,141.77
13/09/2018		Burgess Rawson	GST Valuations (August 2018)	-220.00
13/09/2018		Content Living	Display Home Rebate	-10,375.00
13/09/2018		Cossill & Webley	Engineering services	-2,780.78
13/09/2018		Dominic Carbone & Assoc.	Consultancy Services (August 2018)	-528.00
13/09/2018		Eco Logical Australia	EPBC Condition Review	-2,200.00
13/09/2018		Homebuyers Centre	Waste Management Rebate (Lot 930)	-660.00
13/09/2018		Kyocera Mita	Printing charges (August 2018)	-101.78
13/09/2018		LD Total	Landscaping services	-88,410.79
13/09/2018		Marketforce	Disposition of Property (Lots 895, 965 & 2090)	-312.30
13/09/2018		Moore Stephens	2018 Financial Report & July SOFA	-11,608.30
13/09/2018		Neverfail	Bottled water x 3	-41.75
13/09/2018		New Great Cleaning Service	Cleaning of TPRC office (August 2018)	-71.50
13/09/2018		NJ Carpentry	Bannermesh repair (August 2018)	-692.26
13/09/2018		Officeworks	Office supplies	-318.00
13/09/2018		Replants	Translocation of grass trees x 31	-5,115.00
13/09/2018		Satterley Property Group	Selling fees (Lot 646 - Local Centre)	-66,990.00
13/09/2018		Treacy Fencing	Fencing services	-2,079.88
13/09/2018	ET-4512	Australian Taxation Office	IAS (August 2018)	-21,330.00
13/09/2018	ET-4513	Signs & Lines	Mission Statement sign & replacement door decal	-620.73
18/09/2018	CON-131	City of Wanneroo	GST owing July 2018	-444.61
26/09/2018	ET-4517	Jones, Alan & Suzanne	Lot 174 (2nd instalment)	-3,850.00
27/09/2018		Employee costs	Wages for period 13/09/18 - 26/09/18	-11,176.66
27/09/2018		Burgess Rawson	Valuation fee (10 lots)	-550.00
27/09/2018		City of Stirling	August GST & October Rent	-52,915.73
27/09/2018		City of Vincent	GST owing July 2018	-222.30
27/09/2018		Coterra Environment	Environmental consulting services (June & July 2018)	-490.60
27/09/2018		De Kuyer, A.L. & D.K.	Solar Panel Rebate (Lot 953)	-2,000.00
27/09/2018		Emerge Associates	Combined invoices & credits	-8,505.90
27/09/2018		hyd20 Hydrology	Stormwater modelling	-531.30
27/09/2018		J-Corp Pty Ltd	Sales Office 3 Construction	-40,945.00
27/09/2018		LD Total	Landscaping services	-330,301.97
27/09/2018		McDonald, K. & Treacy, L.	Solar Panel Rebate (Lot 930)	-2,000.00
27/09/2018		NBN Co Limited	Stage 26 NBN Connection	-8,100.00
27/09/2018		New Living Cleaning	Cleaning of Sales Office 2 (July 2018)	-495.00
27/09/2018		Plan E	Landscaping architect services	-8,844.00
27/09/2018		R J Vincent & Co	Stage 17B Civil Works (Cert 7)	-6,192.77
27/09/2018		Satterley Property Group	Community Development Services (August 2018)	-660.00
27/09/2018		Tuna Blue Pty Ltd	Vision Workshop (August 2018)	-5,478.00
27/09/2018	ET-4518	Alinta Energy	Sales Office 2 gas charges for period 13/06/18 - 05/09/18	-86.55
27/09/2018	ET-4519	Synergy	Sales Office 2 power charges for period 26/05/18 - 16/07/18	-146.90
27/09/2018	ET-4520	Water Corporation	Sales Office 2 water charges for period 16/07/18 - 17/07/18	-19.60
27/09/2018	ET-4521	Australian Super	Superannuation for period 13/09/18 - 26/09/18	-595.46
27/09/2018	ET-4522	National Australia Bank	Superannuation for period 13/09/18 - 26/09/18	-1,141.77
28/09/2018	ET-4345	National Australia Bank	Bank charges NAB At-Call AC	-22.00
Total				-719,707.94

Tamala Park Regional Council
Summary Payment List
October 2018

Date	Num	Name	Description	Amount
3/10/2018	ET-4524	Scape-ism Pty Ltd	Public Art (Beach Wall Mural)	-8,800.00
3/10/2018	ET-4523	Audi Centre Perth	Audi Q5 Sport 3.0 Quattro MY18	-25,294.41
11/10/2018		Employee costs	Wages for period 27/09/18 - 10/10/18	-11,176.66
11/10/2018	ET-4525	Australian Super	Superannuation for period 27/09/18 - 10/10/18	-595.46
11/10/2018	ET-4526	National Australia Bank	Superannuation for period 27/09/18 - 10/10/18	-1,141.77
11/10/2018		Burgess Rawson	GST Valuations (September 2018)	-110.00
11/10/2018		City of Stirling	TPRC office rent (November 2018)	-3,234.00
11/10/2018		Cossill & Webley	Engineering services	-6,161.36
11/10/2018		Coterra Environment	FMP post-submission items	-1,804.55
11/10/2018		Data#3	Microsoft Windows Server & Microsoft SQL Server (as per q	-1,814.36
11/10/2018		Kevin Smith Cleaning Services	Cleaning of TPRC Offices (4 x cleans)	-264.00
11/10/2018		Kyocera Mita	Printing charges (September 2018)	-60.56
11/10/2018		LD Total	Landscaping services	-254,458.64
11/10/2018		LGIS Liability	Liability insurance for period June 2018 - June 2019 (Instalr	-1,529.80
11/10/2018		LGIS Property	Property insurance for period 30/06/18 - 30/06/19 (Instalmer	-3,292.49
11/10/2018		LGIS Workcare	Workers compensation insurance for period June 2018 - Jur	-4,950.00
11/10/2018		Marketforce	Statutory advertising	-915.96
11/10/2018		McMullen Nolan Group	Surveying services	-3,476.00
11/10/2018		Neverfail	Bottled water x 2	-28.25
11/10/2018		New Living Cleaning	Cleaning of Sales Office 2 (September 2018)	-495.00
11/10/2018		Plan E	Landscape architects	-30,304.42
11/10/2018		R J Vincent & Co	Repair of potholes - Sales Office 2 carpark	-1,028.50
11/10/2018		Rare Pty Ltd	Print media (September 2018)	-423.28
11/10/2018		Satterley Property Group	Community development services (September 2018)	-660.00
11/10/2018		Social Garden	Digital marketing	-5,500.00
11/10/2018		Treacy Fencing	Fencing (Lot 2086)	-986.15
11/10/2018	CON-132	City of Wanneroo	GST August 2018	-24,841.20
11/10/2018	ET-4528	Water Corporation	Water charges for Sales Office 2 for period 20/07/18 - 21/09	-778.10
11/10/2018	ET-4529	Australian Taxation Office	BAS for quarter July - September 2018	-15,459.00
12/10/2018	ET-4530	Westpac Bank	Payment of credit card charges (CEO & EA) - October 2018	-2,601.65
25/10/2018		Employee costs	Wages for period 11/10/18 - 24/10/18	-11,176.66
25/10/2018	ET-4531	Australian Super	Superannuation for period 11/10/18 - 24/10/18	-595.46
25/10/2018	ET-4532	National Australia Bank	Superannuation for period 11/10/18 - 24/10/18	-1,141.77
25/10/2018		Carat Australia Media Services	Stage 25 Lot Release - West Australian	-156.42
25/10/2018		Coterra Environment	Environmental consulting services	-2,758.85
25/10/2018		Docushred	Security Bin	-51.70
25/10/2018		Dominic Carbone & Assoc.	Accounting services (September 2018)	-924.00
25/10/2018		Heads, Christopher	Solar Panel Rebate (Lot 630)	-2,000.00
25/10/2018		J-Corp Pty Ltd	Sales Office 3 Progress Payment	-87,738.00
25/10/2018		LD Total	Landscaping	-6,163.43
25/10/2018		McLeods Solicitors	Sales Office Car Park Lease Review	-1,562.88
25/10/2018		Neverfail	Bottled water x 2	-28.25
25/10/2018		New Living Cleaning	Cleaning of Sales Office 2 (August 2018)	-495.00
25/10/2018		Plan E	Landscaping architecture services	-20,982.50
25/10/2018		R J Vincent & Co	Stage 17B Civil Works (Cert 8)	-814.00
25/10/2018		Rare Pty Ltd	Sales Office 3 Design Concept (Changes)	-10,317.88
25/10/2018		Signs & Lines	Spring Campaign Pylon Sign Decal	-2,356.20
25/10/2018		Swann Rubbish Removal	Waste Collection (June 2018)	-800.00
25/10/2018		Town of Victoria Park	GST August & September 2018	-12,890.45
25/10/2018		Treacy Fencing	Fencing	-5,718.68
25/10/2018		UDIA (Qld)	UDIA National Congress 2019 - Registration & Accommoda	-6,482.00
25/10/2018	ET-4533	Synergy	Electricity charges (Sales Offices & POS x 5)	-1,496.25
Total				-589,245.95

Appendix 9.4

21 November 2018

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

Dear Tony

Catalina Financial Report for October 2018

Please find attached the Catalina Financial Report for October 2018. This report has been prepared on a cash basis and compares actual income and expenditure to the June 2018 approved budget for the period 1 October 2018 to 31 October 2018.

Residential settlement revenue for the financial year to 31 October 2018 is \$2.0m which is \$2.3m behind the approved 'June 2018' budget.

Sales for FYE2019 are \$2.0m unfavourable to budget due to 5 less residential lot sales for the year.

Overall FYE2019 expenditure is \$3.4m under budget per the approved 'June 2018' budget, with \$1.4m spent against a budget of \$4.8m. The main areas of variances are summarised below:

- Lot Production is \$1.0m under budget, noting the following variances:
 - Stage 17B \$0.4m under budget due to timing of the construction of a group housing site;
 - Stage 18A \$0.3m under budget due to cost savings;
 - \$0.3m combined minor variances.
- Landscaping is \$926k under budget, noting the following variances:
 - Stage 14A \$176k under budget due to timing of payments;
 - Stage 17 \$253k under budget as works are yet to commence;
 - Beach Greenlink stage 25 \$180k under budget due to timing of payments;
 - \$317k combined minor variances.
- Infrastructure is \$555k under budget, noting the following variances:
 - Indirect Consultants \$188k under budget due to the slowing of the construction program;
 - Connolly Drive Greenlink Intersection \$300k below budget due to timing;
 - \$67k combined minor variances.
- Special Sites \$304k under budget due to timing of payments for construction of Western Cell Sales Office and Carpark.



- P&L expenditure is \$587k under budget, noting the following variances:
 - Marketing and Community Development \$154k under budget due to timing of campaigns and events;
 - Contingency \$217k not required;
 - \$216k Combined minor variances for other Overheads.

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

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Ross Carmichael', written in a cursive style.

Ross Carmichael
General Manager - Finance

CATALINA
FINANCE REPORT
OCTOBER 2018

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	966	966	901	901	886	886	71,000,000	71,000,000
Jul-2018	-	-	2	4	1	1	-	-
Aug-2018	-	-	4	4	3	3	-	-
Sep-2018	-	-	4	4	2	1	-	-
Sep Qtr	-	-	10	12	6	5	-	-
Oct-2018	-	-	1	4	1	9	-	-
Nov-2018	-	-	-	4	-	3	-	-
Dec-2018	-	-	-	3	-	4	-	2,000,000
Dec Qtr	-	-	1	11	1	16	-	2,000,000
Jan-2019	-	-	-	3	-	2	-	-
Feb-2019	-	38	-	4	-	3	-	-
Mar-2019	-	-	-	5	-	5	-	-
Mar Qtr	-	38	-	12	-	10	-	-
Apr-2019	-	-	-	5	-	5	-	-
May-2019	-	-	-	5	-	4	-	-
Jun-2019	-	-	-	5	-	4	-	2,000,000
Jun Qtr	-	-	-	15	-	13	-	2,000,000
PTD	966	966	912	917	893	900	71,000,000	71,000,000
Full 2018/19 Year	-	38	11	50	7	44	-	4,000,000
2019/20	-	45	-	60	-	48	-	5,000,000
2020/21	-	52	-	75	-	66	-	13,000,000

- The next distribution forecast for December 18.
- 1 residential lot settled in October comprising:

Lots
1
Stage 18B

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>
Residential						
- Sales #	1	4	11	16	912	917
- Sales \$	419,000	1,346,573	3,309,000	5,355,552	236,324,500	238,371,052
- Sales \$/lot	419,000	336,643	300,818	334,722	259,128	259,947
- Settlements #	1	9	7	14	893	900
- Settlements \$	298,000	2,792,950	1,978,000	4,296,664	230,525,500	232,844,164
- Settlements \$/lot	298,000	310,328	282,571	306,905	258,147	258,716
Special Sites						
- Sales #	-	-	-	-	3	3
- Sales \$	-	-	-	-	3,295,000	3,295,000
- Sales \$/lot	-	-	-	-	1,098,333	1,098,333
- Settlements #	-	-	1	1	3	3
- Settlements \$	-	-	1,400,000	1,400,000	3,295,000	3,295,000
- Settlements \$/lot	-	-	1,400,000	1,400,000	1,098,333	1,098,333
Lots Under Contract						
- Unsettled sales #	19		<div style="display: flex; align-items: center;"> { <div> Unconditional Conditional </div> } </div>	2	<div style="display: flex; align-items: center;"> } <div> Titled 971 incl. Spec sites </div> </div>	
- Unsettled sales \$	5,799,000			17		
- Unsettled sales \$/lot	305,211					

- The month of October achieved 1 residential sale and 1 settlement.

1.3 Cashflow - MTD Actuals to budget

	<u>MTD Act</u>	<u>MTD Bgt</u>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	298,000	2,792,949	(2,494,949)
Margin GST	(3,027)	(40,909)	37,882
Direct selling costs	(13,435)	(128,693)	115,258
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(17,055)	(312,719)	295,663
	<u>264,483</u>	<u>2,310,628</u>	<u>(2,046,146)</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	740	611,555	610,815
Landscaping	219,070	828,297	609,228
Consultants	11,250	47,927	36,677
Infrastructure	800	58,854	58,054
Sales office building	79,762	46,160	(33,601)
	<u>311,621</u>	<u>1,592,793</u>	<u>1,281,172</u>
<u>Overheads</u>			
Sales & marketing	20,014	41,167	21,152
Community Develop.	600	16,042	15,442
Administration	69,975	58,383	(11,592)
Finance/Contingency	-	67,919	67,919
	<u>90,589</u>	<u>183,511</u>	<u>92,922</u>
Net Cashflow	<u>(137,728)</u>	<u>534,325</u>	<u>(672,052)</u>

1.4 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	1,978,000	4,296,664	(2,318,664)
Margin GST	(20,380)	(63,636)	43,257
Direct selling costs	(149,821)	(259,805)	109,984
Interest Income	10,945	-	10,945
Forfeited Deposits	-	-	-
Other Income	1,373,209	1,272,727	100,482
Rebate Allowance	(123,540)	(954,191)	830,651
	<u>3,068,413</u>	<u>4,291,759</u>	<u>(1,223,345)</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	15,566	1,064,444	1,048,878
Landscaping	854,140	1,780,529	926,388
Consultants	47,651	235,744	188,093
Infrastructure	50,298	416,808	366,510
Sales office building	116,985	421,259	304,274
	<u>1,084,640</u>	<u>3,918,783</u>	<u>2,834,143</u>
<u>Overheads</u>			
Sales & marketing	53,981	164,667	110,686
Community Develop.	20,691	64,167	43,475
Administration	192,006	408,520	216,514
Finance/Contingency	-	216,715	216,715
	<u>266,679</u>	<u>854,069</u>	<u>587,391</u>
Net Cashflow	<u>1,717,095</u>	<u>(481,093)</u>	<u>2,198,188</u>

1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	263,132	263,132	263,132
	<u>263,132</u>	<u>263,132</u>	<u>263,132</u>

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

2.0 PROFIT & LOSS

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
- Revenue \$ (Stlmnts)	298,000	2,792,950	(2,494,950)	1,978,000	4,296,664	(2,318,664)	230,525,500	232,844,164
- Revenue \$/lot	298,000	310,328		282,571	306,905		258,147	258,716
- Selling & GST \$	27,462	279,582	252,120	208,596	433,621	225,025	21,195,589	21,420,613
- Selling & GST \$/lot	27,462	31,065		29,799	30,973		23,735	23,801
- Cost of sales \$	70,407	954,729	884,322	661,911	1,408,484	746,573	82,575,079	83,321,653
- Cost of sales \$/lot	70,407	106,081		94,559	100,606		92,469	92,580
- Gross profit \$	200,131	1,558,639	(1,358,507)	1,107,493	2,454,559	(1,347,066)	126,754,832	128,101,898
- Gross profit \$/lot	200,131	173,182		158,213	175,326		141,943	142,335
- Gross profit Mgn %	67.16%	55.81%		55.99%	57.13%		54.99%	55.02%
- Special Sites \$	-	-	-	799,660	818,374	(18,714)	2,114,938	2,133,652
- Other income \$	-	-	-	10,945	-	10,945	253,480	242,535
- Sales & Marketing \$	50,900	63,600	12,700	94,648	254,400	159,752	1,810,160	1,969,912
- Administration \$	91,204	71,627	(19,577)	225,413	296,366	70,953	3,208,382	3,279,334
- Finance \$	-	-	-	-	-	-	-	-
- Contingency \$	-	67,948	67,948	-	223,238	223,238	-	223,238
- Net profit \$	58,027	1,355,464	(1,297,437)	1,598,037	2,498,929	(900,893)	124,104,708	125,005,601
- Net profit \$/lot	58,027	150,607		228,291	178,495		138,975	138,895

- YTD Gross profit is \$1.35m unfavourable to budget due to 7 fewer settlements and lot mix.
- YTD Overheads are \$454k below budget due to Marketing costs \$160k favourable (timing of spring campaign launch), Admin \$71k favourable (full maintenance provision not yet required), and unused Contingency \$223k.

YEAR TO DATE VERSUS FULL YEAR BUDGET

	<u>YTD Act</u>	<u>FY19 Full Year Bgt</u>	<u>Var</u>
- Revenue \$ (Stlmnts)	1,978,000	14,405,834	(12,427,834)
- Revenue \$/lot	282,571	327,405	
- Selling & GST \$	208,596	1,485,937	1,277,341
- Selling & GST \$/lot	29,799	33,771	
- Cost of sales \$	661,911	4,583,187	3,921,276
- Cost of sales \$/lot	94,559	104,163	
- Gross profit \$	1,107,493	8,336,710	(7,229,216)
- Gross profit \$/lot	158,213	189,471	
- Gross profit Mgn %	55.99%	57.87%	
- Special Sites \$	799,660	406,256	393,404
- Other income \$	10,945	-	10,945
- Sales & Marketing \$	94,648	763,200	668,552
- Administration \$	225,413	869,382	643,969
- Finance \$	-	-	-
- Contingency \$	-	572,937	572,937
- Net profit \$	1,598,037	6,537,447	(4,939,410)
- Net profit \$/lot	228,291	148,578	

2.1 GROSS PROFIT ANALYSIS

Actual

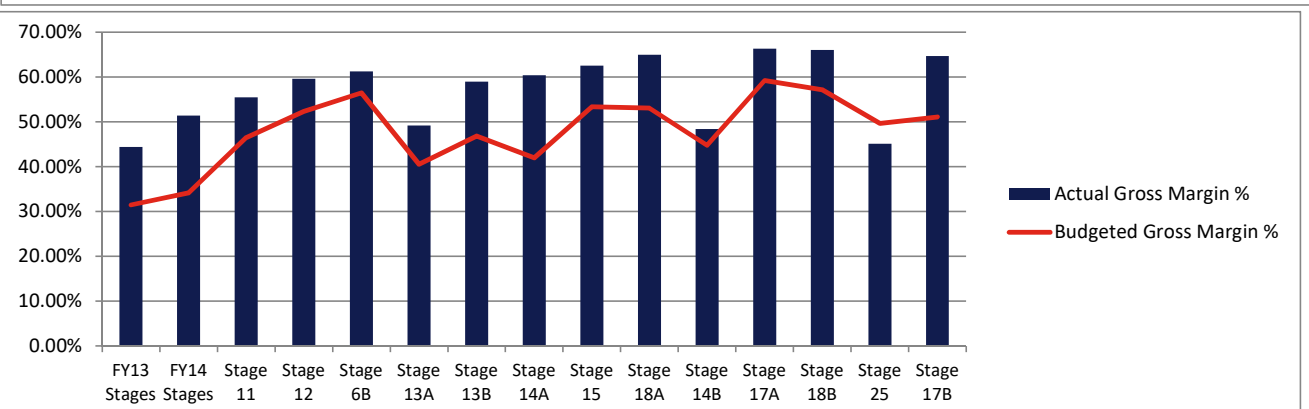
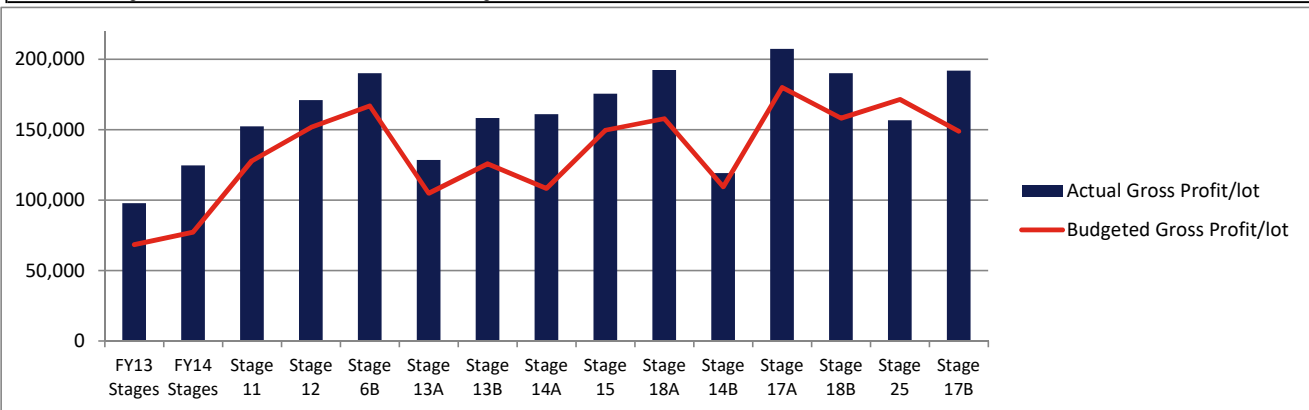
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Actual Gross Profit	Actual Gross Profit/lot	Actual Gross Margin %
Incentives Writeback				-2,876,710		2,876,710		
FY13 Stages	2012 / 2013	51,375,500	220,496	28,570,159	122,619	22,805,341	97,877	44.39%
FY14 Stages	2013 / 2014	50,325,000	243,116	24,477,309	118,248	25,847,691	124,868	51.36%
Stage 11	1-Oct-14	17,611,000	275,172	7,850,538	122,665	9,760,462	152,507	55.42%
Stage 12	3-Dec-14	14,063,000	287,000	5,678,128	115,880	8,384,872	171,120	59.62%
Stage 6B	19-Jan-15	7,452,000	310,500	2,892,006	120,500	4,559,994	190,000	61.19%
Stage 13A	30-Mar-15	9,675,000	261,486	4,919,669	132,964	4,755,331	128,522	49.15%
Stage 13B	11-May-15	12,103,000	268,956	4,971,606	110,480	7,131,394	158,475	58.92%
Stage 14A	4-Jun-15	16,784,000	266,413	6,644,189	105,463	10,139,811	160,949	60.41%
Stage 15	15-Dec-15	15,444,000	280,800	5,791,567	105,301	9,652,433	175,499	62.50%
Stage 18A	27-May-16	8,291,000	296,107	2,902,173	103,649	5,388,827	192,458	65.00%
Stage 14B	28-Oct-16	2,219,000	246,556	1,144,525	127,169	1,074,475	119,386	48.42%
Stage 17A	20-Feb-17	6,878,000	312,636	2,316,480	105,295	4,561,520	207,342	66.32%
Stage 18B	13-Jun-17	6,340,000	288,182	2,153,373	97,881	4,186,627	190,301	66.04%
Stage 25	8-Aug-17	10,777,000	347,645	5,916,072	190,841	4,860,928	156,804	45.10%
Stage 17B	22-May-18	1,188,000	297,000	419,584	104,896	768,416	192,104	64.68%
		230,525,500		103,770,667		126,754,833		

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

Budget

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Budgeted Gross Profit	Budgeted Gross Profit/lot	Budgeted Gross Margin %
FY13 Stages	May-12	51,358,953	217,623	35,200,675	149,155	16,158,278	68,467	31.46%
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421	149,360	16,014,514	77,365	34.12%
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%
Stage 17B	Dec-17	10,496,494	291,569	5,131,807	142,550	5,364,687	149,019	51.11%
		249,170,452		141,761,744		107,408,709		

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



Appendix 9.5

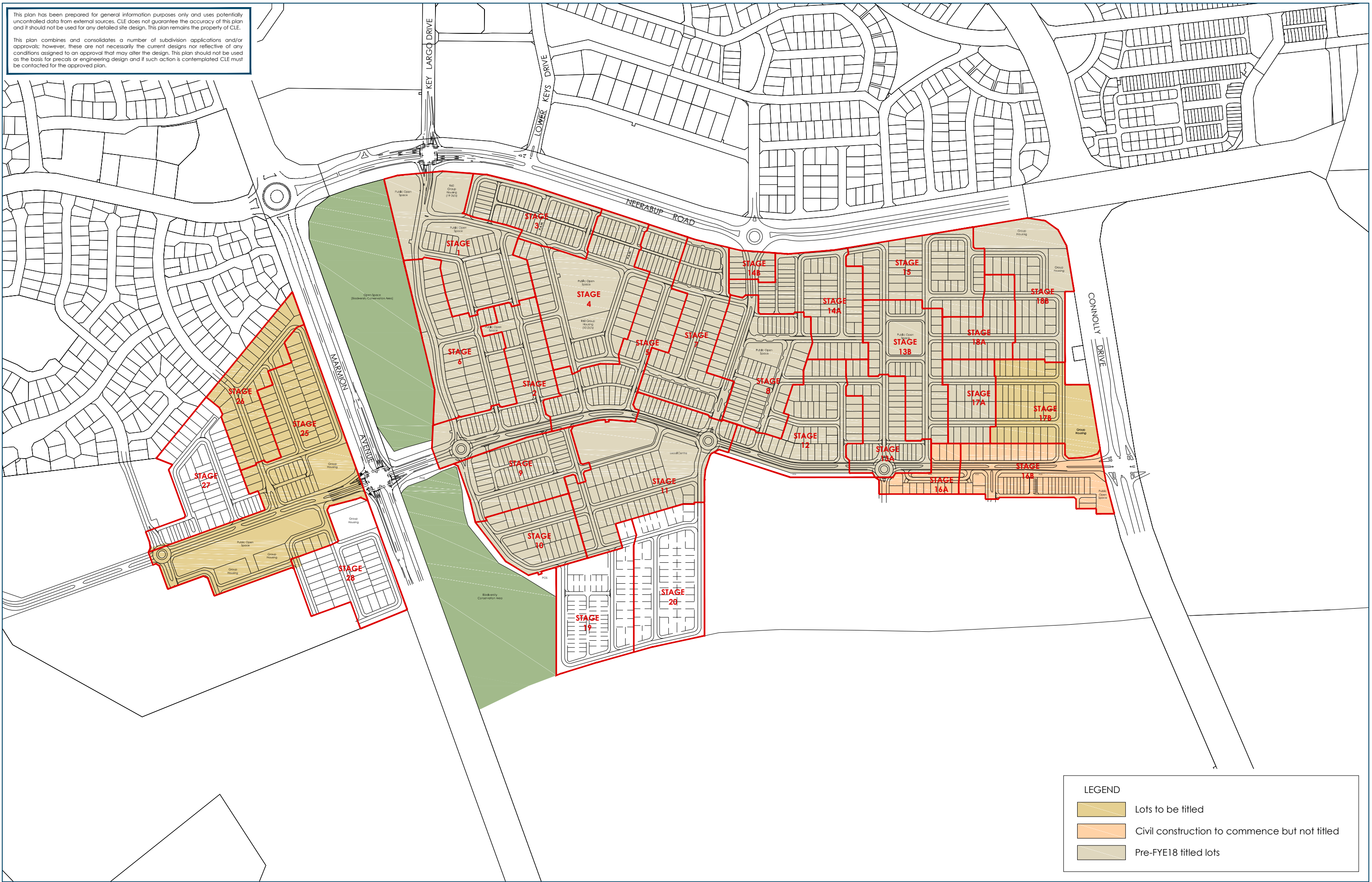
“AGED STOCK” – PERIOD ENDING 28 NOVEMBER 2018

The following table provides a summary of lot sizing and commentary of current “Aged Stock” on hand. Aged Stock refers to lots that have been on the market for longer than 6 months in the Central Precinct and 12 months in the Beach Precinct.

Stage	Lot Number	Release Date	Price	M ²	Comment
14B	775	July 2016	\$245,000	299	Rear loaded lot fronting Roulettes Parade at the entrance to the estate.
17A	979	Oct-2016	\$335,000	450	Regular lot, 15m frontage
17A	951	Oot-2016	\$335,000	450	Regular lot, 15m frontage
18B	869	Mar-2017	\$348,000	474	Opposite group housing site, Regular lot, 15m frontage
18B	873	Mar-2017	\$308,000	395	Opposite group housing site, 15m frontage
18B	879	Mar-2017	\$260,000	300	Regular lot, 10m frontage
18B	897	Mar-2017	\$308,000	393	Regular lot, 13.1m frontage
18B	899	Mar-2017	\$260,000	291	Corner rear loader lot, opposite Connolly Drive, Quiet house design
25	2098	May-2017	\$390,000	375	Regular lot, 12.5m frontage
25	2111	May-2017	\$425,000	450	Regular lot, 15m frontage
25	2112	May-2017	\$425,000	450	Regular lot, 15m frontage
25	2113	May-2017	\$425,000	450	Regular lot, 15m frontage
25	2115	May-2017	\$425,000	450	Regular lot, 15m frontage
25	2116	May-2017	\$380,000	375	Regular lot, 12.5 frontage
25	2117	May-2017	\$380,000	375	Regular lot, 12.5m frontage
25	2118	May-2017	\$425,000	450	Regular lot, 15m frontage
25	2119	May-2017	\$425,000	450	Regular lot, 15m frontage
25	2120	May-2017	\$380,000	375	Regular lot, 12.5m frontage
17B	966	Nov-2017	\$278,000	333	Opposite group housing site, corner lot, 15m frontage
17B	967	Nov-2017	\$335,000	450	Regular lot, 15m frontage
17B	988	Nov-2017	\$298,000	375	Regular lot, 12.5m frontage
17B	989	Nov-2017	\$298,000	375	Regular lot, 12.5m frontage
17B	991	Nov-2017	\$298,000	375	Regular lot, 12.5m frontage
17B	992	Nov-2017	\$298,000	375	Regular lot, 12.5m frontage
17B	993	Nov-2017	\$298,000	375	Regular lot, 12.5m frontage
17B	994	Nov-2017	\$329,000	445	Opposite group housing site, corner lot, 15m frontage

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 precasts or engineering design and if such action is contemplated CLE must be contacted for the approved plan.



LEGEND

- Lots to be titled
- Civil construction to commence but not titled
- Pre-FYE18 titled lots

Appendix 9.6

8 October 2018

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

During its meeting on the 7th December 2017, the Tamala Park Regional Council considered the Review of the Purchaser Terms and Conditions. During this meeting the Council resolved to:

- continue to the use of the REIWA Offer and Acceptance Contract with Special Conditions and Annexures,
- apply a \$2,000 deposit for lots within Catalina Central and a \$5,000 deposit for lots within Catalina Beach,
- finance approval period of 60 days for Catalina Central and 45 days for Catalina beach, where finance is required,
- 21 day settlement period from finance approval or the issue of titles (whichever is later)
- Continue to offer incentives including the water wise landscaping package, \$2,000 solar rebate, \$1,000 WELs rebate (Catalina Beach only) subject to fulfillment of contractual terms relating to construction timeframes for completion of dwellings.

Further to the above, the Council also resolved that the Satterley Property Group review the Purchaser Terms and Conditions and incentives for public release and builder release lots providing advice for consideration by Council in December 2018.

As requested, SPG have reviewed the terms and conditions currently being implemented for the sale of lots at Catalina Central and Catalina Beach.

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 an adequate supply of lots 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 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.

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 following terms and conditions for lots sold via public release and through builder release in the Catalina Beach Estate 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.

The \$5,000 deposit has been implemented within the Catalina Beach Estate. The \$5,000 deposit within the Catalina Beach Estate ensures that committed and qualified purchasers with sufficient finance capacity will register for lots and mitigate the 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 Releases

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

- Colourbond side (behind the front building line) and rear fencing to all lots, with brushwood fencing (Catalina Central and Grove) and 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:
 - 3 star rated shower head/s
 - 4 star rated toilet/s
 - 6 star rated taps
 - 6 star rated dishwasher
 - 4 star rated washing machine
- Post Occupancy Energy Assessment (Catalina Beach and Catalina Grove) to provide advice regarding energy consultation and energy savings opportunities (includes provision of educational material)
- \$8,000 Early Construction rebate for aged stock as approved by the Council and subsequently by the CEO (as per Council resolution)

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

Builder Releases

Lots within Catalina Central and Catalina Beach that are intended to be sold via builders under an allocation process as house and land packages. The incentives offered to purchasers of these lots are currently:

- 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;
- \$2,000 rebate to all purchasers who install a minimum 1.5kw PV system;
- Water wise landscaping to front garden and verge areas, including the side boundary of lots abutting a road;
- \$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:
 - 3 star rated shower head/s
 - 4 star rated toilet/s
 - 6 star rated taps
 - 6 star rated dishwasher
 - 4 star rated washing machine

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

Should you wish to discuss further please contact the undersigned.

Yours sincerely



Carl Buckley
Project Director

Appendix 9.7

Management Committee Terms of Reference/Delegations (November 2018)

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).
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%
5. Stage-by-stage cost determination and review.
6. Monitoring the Project's strategy, plans or concepts.
7. Monitoring the marketing and sales program for the Project.
8. Approval of sales schedules (including pricing) prior to the release of a stage of the Project.
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).
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%
12. The appointment of Project consultants and contractors with a value less than \$3,000,000.
13. The location of Stages of subdivision including the number of lots, lot sizes and configuration, mix and locations.
14. Approval to the lodgement of Subdivision Applications with the Western Australian Planning Commission.
15. Approval of the Annual Marketing Strategy and Program.
16. Monitoring the implementation of TPRC objectives.
 - 16.1 Generally monitor the performance of the Development Manager.
 - 16.2 Generally progress the Project.

**Management Committee
Terms of Reference/Delegations
(November 2018)**

17. Providing regular confidential updates on progress to the Council.
18. Approval to change the sales process, from the sales procedures approved by the Council.
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

Annual Report

2017/18



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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 an urban development being undertaken in the suburbs of Clarkson and Mindarie and will comprise around 2,500 home sites. It is anticipated to be developed at a rate of approximately 100-120 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 existing retail, business and community services to the North.

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 2030.



Message from the Chairman

This is the twelfth 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 2017/18 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 sale and settlement of lots within Catalina Beach. Construction also commenced 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 Catalina Beach Park, located at the entry to Catalina Beach was formally opened in March 2018. The Park provides high amenity, diverse recreation opportunities and is a key feature of Catalina Beach. A community day was held to celebrate the opening of the Park which was attended by over 1,500 people.

In April 2018, the UDIA awarded Catalina a six leaf EnviroDevelopment Certification in recognition and verification of the TPRC's commitment to sustainability. The six leaf certification is the highest level of certification that can be achieved and confirms the Project's exceptional sustainability outcomes. Catalina is one of only a few projects in Western Australia which have been awarded the highest available certification.

The Sales and Marketing program for the Project has been successful with 900 lots sold to 30 June 2018 with a value of over \$228M, 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 \$4.0M 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

The land development industry in Western Australia experienced another difficult year in 2017/18 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 minimisation strategies and expenditure was prudently managed to minimise financial exposure to the TPRC. The first stage of residential lots in Catalina Beach was completed which marked another milestone for the Project. Construction of Catalina Beach Display Builders Village commenced which will showcase some of Perth finest builders and generate significant interest and activity to Catalina.



The Sales and Marketing program for 2017/18 resulted in 52 residential lot sales at an average sale price of \$324,173 and 71 lot settlements with a value of \$22.27M.

The first park within Catalina Beach was completed in March 2018. The Park provides a range of recreation opportunities, including an 8m play tower, play equipment and shelters/seating and is a key feature of Catalina Beach. It is already heavily used by the local community.

During 2017/18 Catalina directional and promotional signage was refreshed and upgraded, with further upgrades planned in 2018/19.

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

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



The Council also continued to implement the following important environmental programs during 2017/18:

- 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.



In recognition of the TPRC's commitment to sustainability the Catalina Project was awarded the highest level of EnviroDevelopment Certification (six leaves) by the Urban Development Institute of Australia. The six leaf certification relates to the following elements; Ecosystems, Waste, Energy, Materials, Water and Community. The UDIA award is a significant achievement for the Project with only 5 projects in Western Australia having been awarded the highest certification.



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 Auditor (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, Sport and Cultural Industries. The Compliance Audit Return for the year ended 31 December 2017 was approved by Council on 15 February 2018 and a certified copy of the return was submitted to the Director General of the Department of Local Government, Sport and Cultural Industries.

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 2017/18 in relation to anti-competitive practices.

Recordkeeping Plan Required under the State Records Act

The TPRC Recordkeeping Plan was approved by 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 2018 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 15 February 2018.

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 in June 2013.

The TPRC has commenced a review of the Strategic Community Plan 2013-2023, which is expected to be reported to Council in 2019.

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 2019.

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 2017/18 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 19 April 2018.

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 2017/2018.

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 2017/2018.

Committee Membership



Chairman
Cr Giovanni Italiano
City of Stirling

Audit Committee
CEO Performance Review
Committee
Management Committee



Deputy Chairman
Cr Brett Treby
City of Wanneroo

CEO Performance Review
Committee
Management Committee



Cr Claire Anderson
Town of Victoria Park



Cr Karen Caddy
City of Stirling

Management Committee



Cr John Chester
City of Joondalup

Management Committee



Cr Emma Cole
City of Vincent



Cr Samantha Fenn
City of Wanneroo

Audit Committee



Cr Joe Ferrante
City of Stirling

Audit Committee
CEO Performance Review
Committee



Cr Andrew Hammond
City of Perth
(Joined April 2018)



Cr Nige Jones
City of Joondalup

Audit Committee
CEO Performance Review
Committee
Management Committee

Committee Membership (continued)

Cr Bianca Sandri
City of Stirling

Audit Committee
Management Committee



Cr Andres Timmermanis
Town of Cambridge

CEO Performance Review
Committee
Management Committee

Retired October 2017

Cr Louis Carr
Town of Cambridge

Audit Committee



Cr Janet Davidson
City of Perth

Audit Committee



Cr Dianne Guise
City of Wanneroo

Management 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

Audit Committee



Cr Rod Willox
City of Stirling

Audit Committee
CEO Performance Review
Committee



Cr Lexi Barton
City of Perth
(Retired April 2018)

Attendance at Meetings by Council Members

Meeting attendances by Council members for 2017/18 are shown in the table below:

Councillor	Council (7)	Audit (3)	CEO Performance Review (1)	Management (5)
Cr Claire Anderson	5 (5)			
Cr Lexi Barton	3 (3)			
Cr Karen Caddy	6 (7)	2 (2)		2 (3)
Cr Louis Carr	2 (2)	2 (2)		
Cr John Chester	5 (7)			4 (5)
Cr Emma Cole	3 (7)			
Cr Janet Davidson	2 (2)	1 (2)		
Cr Samantha Fenn	4 (5)	0 (1)		
Cr Joe Ferrante	4 (5)	1 (1)		
Cr Dianne Guise	1 (2)			2 (2)
Cr Andrew Hammond	1 (2)			
Cr Keith Hayes	2 (2)			2 (2)
Cr Kerry Hollywood	2 (2)		1 (1)	
Cr Giovanni Italiano	7 (7)	1 (1)	1 (1)	1 (2)
Cr Nige Jones	4 (5)	1 (1)		2 (3)
Cr Bianca Sandri	4 (5)	0 (1)		3 (3)
Cr Keith Sargent	2 (2)	2 (2)		
Cr Andres Timmermanis	4 (5)			2 (3)
Cr Brett Treby	7 (7)		1 (1)	5 (5)
Cr Rod Willox	2 (2)	2 (2)	1 (1)	
Cr Sophie Dwyer (as alternate member)	1			
Cr Christine Hamilton- Prime (as alternate member)				1
Cr Suzanne Migdale (as alternate member)	1	1		1
Cr Jimmy Murphy (as alternate member)	2			

Notes

- Cr Lexi Barton retired from the TPRC in April 2018.
- Cr Andrew Hammond was appointed to the TPRC in April 2018.
- Cr Sophie Dwyer was alternate member for Cr Nigel Jones at the ordinary meeting of Council on 19 April 2018.

- Cr Christine Hamilton-Prime was alternate member for Cr Nigel Jones at the Management Committee meeting on 24 May 2018.
- Cr Suzanne Migdale was alternate member for Cr Bianca Sandri at the ordinary meeting of Council and Audit Committee meeting on 15 February 2018 and for Cr Karen Caddy at the Management Committee meeting on 24 May 2018.
- Cr Jimmy Murphy was alternate member for Cr Emma Cole at the ordinary meetings of Council on 7 December 2017 and 19 April 2018.



Year 2017/18 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 8 changes in Council membership during the year.

During the year the Council held 6 ordinary bi-monthly Council meetings, one special Council meeting and the following Committee meetings:

- Audit Committee — 3 meetings
- CEO Performance Committee — 1 meeting
- Management Committee — 5 meetings



Member Local Governments' Equity

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

	2014/15	2015/16	2016/17	2017/18
TOC Contributed Equity	4,007,856	4,103,229	3,295,632	3,659,996
COP Contributed Equity	4,007,856	4,103,229	3,295,632	3,659,996
TOVP Contributed Equity	4,007,856	4,103,229	3,295,632	3,659,996
COV Contributed Equity	4,007,856	4,103,229	3,295,632	3,659,996
COJ Contributed Equity	8,015,711	8,206,459	6,591,260	7,319,987
COW Contributed Equity	8,015,711	8,206,459	6,591,260	7,319,987
COS Contributed Equity	16,031,422	16,412,917	13,185,333	14,642,788
TOTAL EQUITY	48,094,266	49,238,752	39,550,381	43,922,746

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
TOTAL	2



Distribution to Participating Councils

The TPRC made an \$4M 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 2016/17 and 2017/18 are shown below:

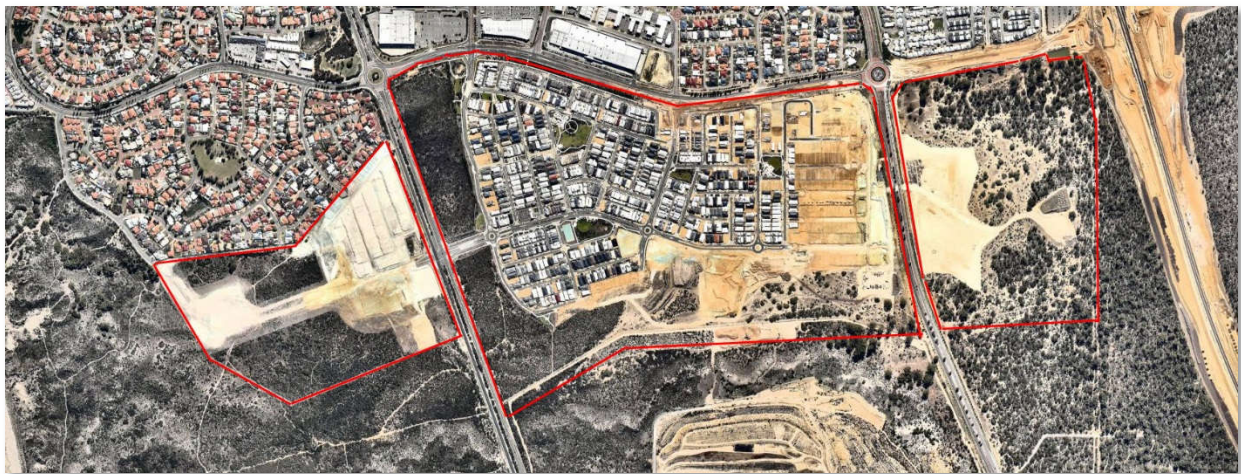
Participant Council	Rates Reimbursement		Return of Contribution	
	2016/17	2017/18	2016/17	2017/18
Town of Cambridge	23,714	26,167	916,666	333,333
City of Perth	23,714	26,167	916,666	333,333
Town of Victoria Park	23,714	26,167	916,666	333,333
City of Vincent	23,714	26,167	916,666	333,333
City of Joondalup	47,427	52,334	1,833,334	666,667
City of Wanneroo	47,427	52,334	1,833,334	666,667
City of Stirling	94,855	104,669	3,666,668	1,333,334
TOTAL	284,565	314,005	11,000,000	4,000,000

Market, Infrastructure & Land Use Impacts on Catalina Estate

The Catalina Estate is located within the City of Wanneroo municipality and forms part of the suburbs of Clarkson and Mindarie

The Western Australian residential land market continued to be subdued over the last 12 months with a decline in sales and buyers' interest when compared to the previous 12 months. Consumer confidence remains low, with perspective buyers continuing to be cautious and taking considerable time prior to making a purchase.

The North-Western (Metro) land sales market is highly competitive with a significant number of estates competing for market share. The release of Kinross Estate by Peet Limited in April 2018 added further competition to the Catalina Estate in an already very competitive land sales market.



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 extension of the Freeway has significantly improved access from Catalina to the Joondalup and Wanneroo City Centres, and locations along the Freeway north and south.

The Freeway extension works included the construction of Neerabup Road between Connolly Drive and Wanneroo Road, providing direct access to employment opportunities within the Neerabup Industrial Park.

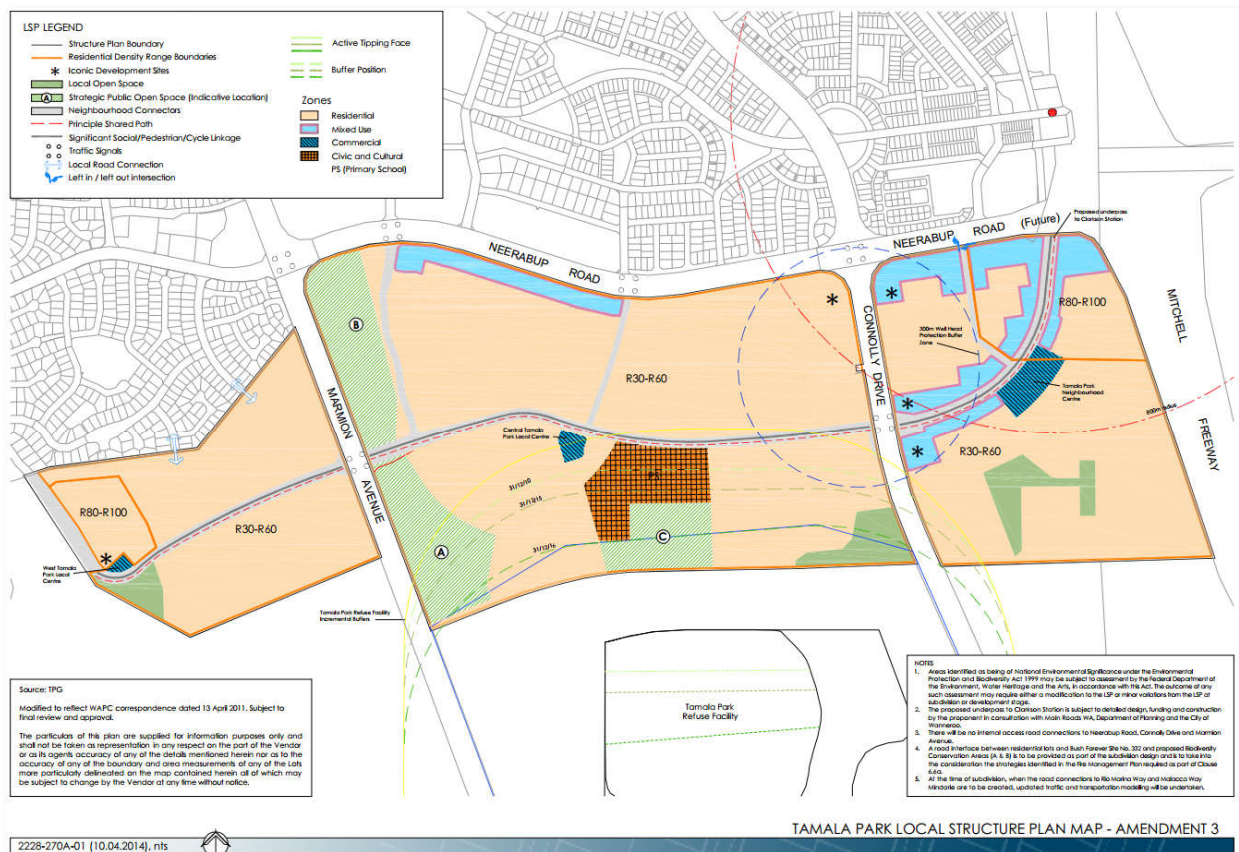
The Freeway extension works also included the construction of an underpass in the vicinity of the Freeway and Neerabup Road enabling safe and easy access for residents to the Clarkson Train Station and a direct bus connection through the Catalina Estate. The Neerabup Road Underpass was fully funded by the TPRC (completed August 2017) 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. Since 2013, four amendments to the Local Structure Plan have been approved providing more contemporary urban design to meet the vision of the TPRC to “create an urban centre for choice, sustainability, community and opportunity from the land”.

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%
Total (inc Roads)	32.41	50.46	47.51	47.83	178.21	100%

A key aspect of the Local Structure Plan is a central link connecting the Clarkson Rail Station through the Catalina Estate to the beach. 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 2017 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 based on the following important principles:

- Enhanced pedestrian and public transport movement and connection options to the Clarkson Train Station;
- Road network and connections to enhance the connection to the Clarkson Train Station with density sites proposed in the north-eastern corner of the site;

- Mixed-Use Zone rationalised consistent with market conditions and positioned in locations with higher activity to complement the Neighbourhood Centre;
- The Neighbourhood Centre 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;
- A 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 a 400 metre walkable catchment of the Clarkson Train Station;
 - The retention of very high value trees that offer instant canopy;
 - 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 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 2019.



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.

In April 2018, the UDIA awarded Catalina a six leaf EnviroDevelopment Certification in recognition and verification of the TPRC's commitment to sustainability. The six leaf certification is the highest level of certification that can be achieved and confirms the Project's exceptional sustainability outcomes.

The six leaf certification relates to the following elements; Ecosystems, Waste, Energy, Materials, Water and Community.



Key Activities 2018/19

Project	Timeframe
Implementation of Environmental Approval Conditions - Environmental Protection & Biodiversity Conservation Act (EPBC Act) 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.	2018-2019 and ongoing
Implementation of Subdivision Approvals The Council will progressively implement the Subdivision Application approvals for Stages 16 (80 lots) in the Central Precinct, and the subdivision of Stages 25 - 27 (189 lots) in Catalina Beach. A Subdivision Application for 200 lots is planned to be lodged for the first stages of the Catalina Grove Precinct.	2018-2019
Project Marketing and Branding Various initiatives are to be implemented throughout the year to promote the Catalina Project and the sales releases. Key marketing initiatives include the opening of the Catalina Beach Sales Office and Catalina Beach Builders Display Village. Market research is to be undertaken in FYE 2019 on the brand awareness and perception of Catalina.	2018-2019
Civil Construction Works Stage 26 in the Catalina Beach Precinct (38 lots) is expected to be completed. Civil construction to re-subdivide the Stage 18 Group Housing Sites in the Central Precinct is expected to be undertaken during the year producing approximately 30 lots.	2018-2019
Catalina Beach Builders Display Village A new Catalina Beach Builders Display Village comprising 15 homes is to be completed in October 2018 and will attract significant interest to Catalina.	2018-2019
Catalina Beach Sales Office Completion of the Catalina Beach Sales Office, located at the entrance to the Catalina Estate is anticipated in November 2018 and will coincide with the opening of the Catalina Beach Builders Display Village.	2018 - 2019
Landscaping Works Significant landscape works are to be undertaken during 2018/19 including: <ul style="list-style-type: none"> • Neerabup Road Phase 2 verges; • Catalina Beach Sales Office car park and entry statement; • Catalina Central Stage 11 POS (Phase 2). 	2018-2019
Sale of Residential Lots The current forecast is 50 lot sales for 2018/19.	2018-2019

Coastal Access Road and Associated Facilities2018-2019 and
ongoing

Approval of a coastal access road and associated facilities is anticipated in FYE 2019.

The proposed coastal access road and associated facilities include the following:

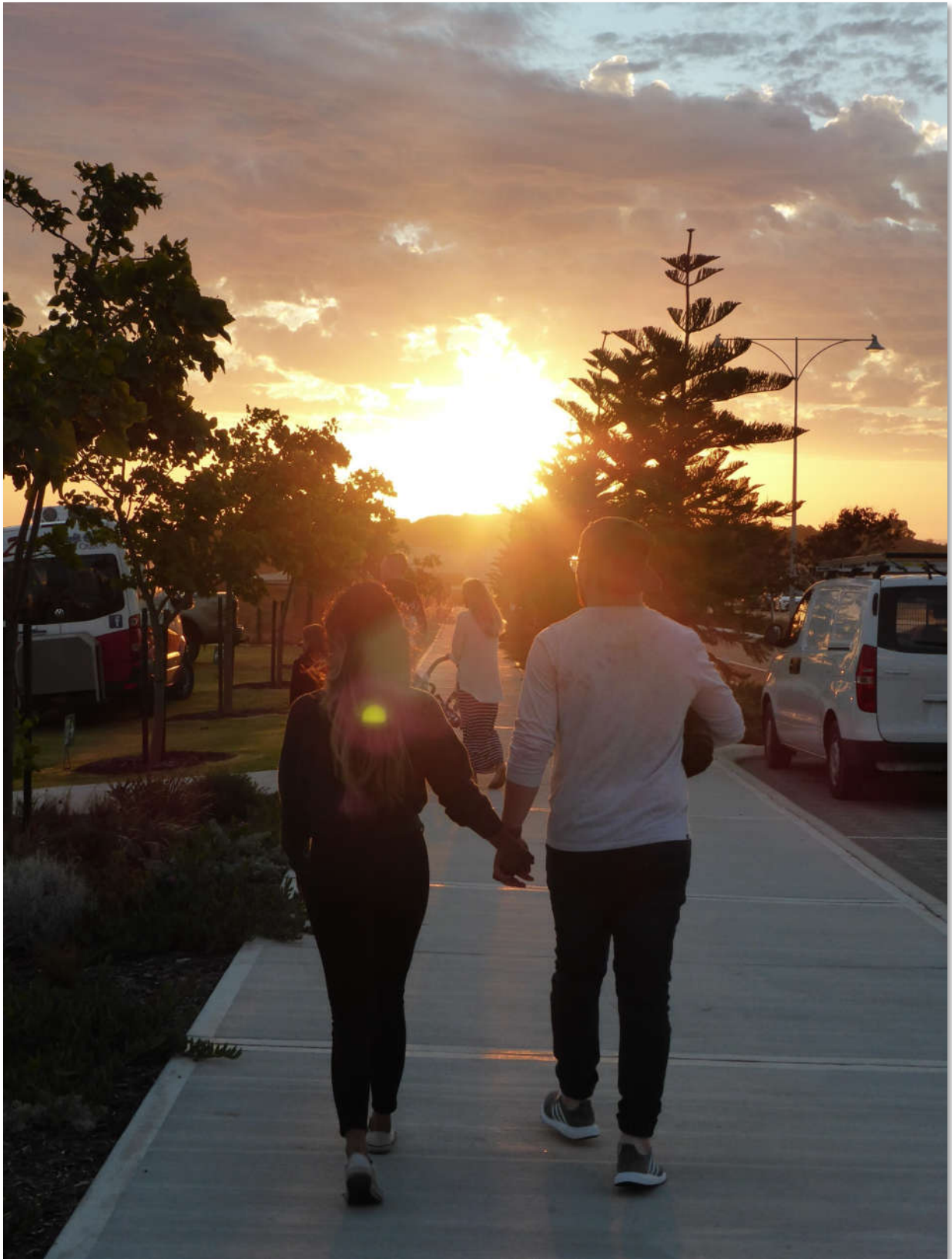
- An asphalt two-way road from the western edge of the Catalina Beach Precinct to a carpark;
- A beach carpark (30 bays) adjacent to the preferred beach access location and safe swimming beach;
- A path from the carpark providing access to the beach for pedestrians, as well as emergency and maintenance vehicles as necessary;
- Areas for potential future buildings, associated with surf-lifesaving and amenities;
- Capacity for the car park to be expanded to accommodate an additional 20 – 30 car bays should there be additional demand in the future;
- Power and water services.

Catalina Beach Dual Use Path (Burns Beach / Mindarie)2018-2019 and
ongoing

The WAPC, in conjunction with the Cities of Wanneroo and Joondalup, is proposing to construct a dual use coastal path connecting Mindarie to Burns Beach.

A section of the path is proposed to be constructed along the western boundary of the Catalina Beach Precinct, with the TPRC considering how the path will interface with the Catalina Project and the foreshore reserve.

Annual Financial Report (including Audit Report)



TAMALA PARK REGIONAL COUNCIL
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

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COMMUNITY VISION

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

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

INNALOO
WA 6918

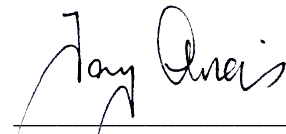
**TAMALA PARK REGIONAL COUNCIL
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Tamala Park Regional Council for the financial year ended 30 June 2018 is based on proper accounts and records to present fairly the financial position of the Tamala Park Regional Council at 30 June 2018 and the results of the operations for the financial year then ended in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed as authorisation of issue on the 23rd day of August 2018



Tony Arias
Chief Executive Officer

STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue				
Interest earnings	2(a)	1,059,875	793,512	1,245,826
Other revenue		9,184	2,035	4,940
		<u>1,069,059</u>	<u>795,547</u>	<u>1,250,766</u>
Expenses				
Employee costs		(569,806)	(751,838)	(593,777)
Materials and contracts		(131,362)	(482,916)	(193,542)
Utility charges		0	(6,450)	0
Depreciation on non-current assets	8(b)	(20,153)	(21,212)	(17,942)
Insurance expenses		(10,894)	(10,469)	(10,227)
Other expenditure		(170,341)	(181,955)	(155,148)
		<u>(902,556)</u>	<u>(1,454,840)</u>	<u>(970,636)</u>
Total comprehensive income		<u>166,503</u>	<u>(659,293)</u>	<u>280,130</u>

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

STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
Revenue	2(a)			
General purpose funding		1,059,875	793,512	1,245,826
Other property and services		9,184	2,035	4,940
		1,069,059	795,547	1,250,766
Expenses	2(b)			
Governance		(166,839)	(181,955)	(155,101)
Other property and services		(735,717)	(1,272,885)	(815,535)
		(902,556)	(1,454,840)	(970,636)
Total comprehensive income		166,503	(659,293)	280,130

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2018**

	NOTE	2018	2017
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	43,846,407	39,213,368
Trade and other receivables	5	251,449	310,892
TOTAL CURRENT ASSETS		44,097,856	39,524,260
NON-CURRENT ASSETS			
Inventories	6	1,800,000	1,800,000
Property, plant and equipment	7	129,727	149,880
TOTAL NON-CURRENT ASSETS		1,929,727	1,949,880
TOTAL ASSETS		46,027,583	41,474,140
CURRENT LIABILITIES			
Trade and other payables	10	49,429	54,337
Provisions	12	240,675	223,745
TOTAL CURRENT LIABILITIES		290,104	278,082
NON-CURRENT LIABILITIES			
Provisions - Employee long service leave	12	5,150	2,597
TOTAL NON-CURRENT LIABILITIES		5,150	2,597
TOTAL LIABILITIES		295,254	280,679
NET ASSETS		45,732,329	41,193,461
EQUITY			
Retained surplus		1,803,230	1,636,727
Members contributed equity	4	43,922,746	39,550,381
Revaluation surplus	9	6,353	6,353
TOTAL EQUITY		45,732,329	41,193,461

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	RETAINED SURPLUS \$	CONTRIBUTED EQUITY \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2016		1,356,597	47,857,620	6,353	49,220,570
Comprehensive income					
Net result		280,130	0	0	280,130
Changes on revaluation of assets	9	0	0	0	0
Total comprehensive income		280,130	0	0	280,130
Members contributions	4	0	2,692,761	0	2,692,761
Return of contributions	4	0	(11,000,000)		(11,000,000)
Balance as at 30 June 2017		1,636,727	39,550,381	6,353	41,193,461
Comprehensive income					
Net result		166,503	0	0	166,503
Changes on revaluation of assets	9	0	0	0	0
Total comprehensive income		166,503	0	0	166,503
Members contributions	4	0	8,372,365	0	8,372,365
Return of contributions	4	0	(4,000,000)	0	(4,000,000)
Balance as at 30 June 2018		1,803,230	43,922,746	6,353	45,732,329

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Interest earnings		1,103,965	819,753	1,245,826
Goods and services tax		0	0	25,767
Other revenue		24,727	29,302	98,347
		1,128,692	849,055	1,369,940
Payments				
Employee costs		(550,056)	(751,839)	(543,306)
Materials and contracts		(136,537)	(493,920)	(214,592)
Utility charges		0	(6,450)	0
Insurance expenses		(10,894)	(10,469)	(10,227)
Goods and services tax		(190)	0	(25,558)
Other expenditure		(170,341)	(181,955)	(155,148)
		(868,018)	(1,444,633)	(948,831)
Net cash provided by (used in) operating activities	13	260,674	(595,578)	421,109
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment		0	(26,250)	(79,181)
Proceeds from sale of fixed assets		0	0	42,727
Net cash provided by (used in) investment activities		0	(26,250)	(36,454)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from sale of land		22,035,529	42,133,752	19,933,119
Payments for land development		(16,488,721)	(55,659,496)	(16,955,793)
Return of members contributions and rates equivalent		(1,174,443)	(4,268,725)	(11,284,565)
Net cash provided by (used in) financing activities		4,372,365	(17,794,469)	(8,307,239)
Net increase (decrease) in cash held		4,633,039	(18,416,297)	(7,922,584)
Cash at beginning of year		39,213,368	39,213,368	47,135,952
Cash and cash equivalents at the end of the year	13	43,846,407	20,797,071	39,213,368

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

**RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)		39,246,178	39,260,668	47,345,854
		39,246,178	39,260,668	47,345,854
Revenue from operating activities (excluding rates)				
General purpose funding		1,059,875	793,512	1,245,826
Other property and services		9,184	2,035	4,940
		1,069,059	795,547	1,250,766
Expenditure from operating activities				
Governance		(166,839)	(181,955)	(155,101)
Other property and services		(735,717)	(1,272,885)	(815,535)
		(902,556)	(1,454,840)	(970,636)
Operating activities excluded				
Movement in employee benefit provisions (non-current)		2,553	0	(54,055)
Depreciation and amortisation on assets	8(b)	20,153	21,212	17,942
Amount attributable to operating activities		39,435,387	38,622,587	47,589,871
INVESTING ACTIVITIES				
Proceeds from disposal of assets	8(a)	0	0	42,727
Purchase of property, plant and equipment		0	0	(79,181)
Amount attributable to investing activities		0	0	(36,454)
FINANCING ACTIVITIES				
Proceeds from sale of member land	4	22,035,529	42,133,752	19,933,119
Land development expenses	4	(16,488,721)	(55,659,496)	(16,955,793)
Return of members contributions and rates equivalent	4	(1,174,443)	(4,268,725)	(11,284,565)
Amount attributable to financing activities		4,372,365	(17,794,469)	(8,307,239)
Surplus(deficiency) before general rates		43,807,752	20,828,118	39,246,178
Total amount raised from general rates	20	0	0	0
Net current assets at June 30 c/fwd - surplus/(deficit)	17	43,807,752	20,828,118	39,246,178

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

1. 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 and to the extent they are not in-consistent with the *Local Government Act 1995* and accompanying regulations.), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the 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.

THE LOCAL GOVERNMENT REPORTING ENTITY (Continued)

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.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY
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 Regional Council.

2. REVENUE AND EXPENSES

(a) Revenue

Interest earnings
- Other funds

2018 Actual	2018 Budget	2017 Actual
\$	\$	\$
1,059,875	793,512	1,245,826
1,059,875	793,512	1,245,826

SIGNIFICANT ACCOUNTING POLICIES

Interest

Interest revenue is recognised using the effective interest method.

3. CASH AND CASH EQUIVALENTS

	NOTE	2018	2017
		\$	\$
Unrestricted		43,846,407	39,213,368
		43,846,407	39,213,368

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Cash and cash equivalents (Continued)

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

4. MEMBERS CONTRIBUTED EQUITY

	2018 Actual Balance	2018 Budget	2017 Actual Balance
	\$	\$	\$
Town of Victoria Park			
Opening balance	3,295,632	3,295,632	3,987,901
Land development expenses	(1,374,060)	(4,638,291)	(1,412,982)
Proceeds of sale of land	1,836,294	3,511,146	1,661,093
Contributed equity	235,463	(22,394)	(23,714)
Return of contribution	(333,333)	(333,333)	(916,666)
	<u>3,659,996</u>	<u>1,812,760</u>	<u>3,295,632</u>
City of Perth			
Opening balance	3,295,632	3,295,632	3,987,901
Land development expenses	(1,374,060)	(4,638,291)	(1,412,982)
Proceeds of sale of land	1,836,294	3,511,146	1,661,093
Contributed equity	235,463	(22,394)	(23,714)
Return of contribution	(333,333)	(333,333)	(916,666)
	<u>3,659,996</u>	<u>1,812,760</u>	<u>3,295,632</u>
Town of Cambridge			
Opening balance	3,295,632	3,295,632	3,987,901
Land development expenses	(1,374,060)	(4,638,291)	(1,412,982)
Proceeds of sale of land	1,836,294	3,511,146	1,661,093
Contributed equity	235,463	(22,394)	(23,714)
Return of contribution	(333,333)	(333,333)	(916,666)
	<u>3,659,996</u>	<u>1,812,760</u>	<u>3,295,632</u>
City of Joondalup			
Opening balance	6,591,260	6,591,260	7,975,801
Land development expenses	(2,748,120)	(9,276,583)	(2,825,966)
Proceeds of sale of land	3,672,588	7,022,292	3,322,186
Contributed equity	470,926	(44,787)	(47,427)
Return of contribution	(666,667)	(666,667)	(1,833,334)
	<u>7,319,987</u>	<u>3,625,515</u>	<u>6,591,260</u>
City of Wanneroo			
Opening balance	6,591,260	6,591,260	7,975,801
Land development expenses	(2,748,120)	(9,276,583)	(2,825,966)
Proceeds of sale of land	3,672,588	7,022,292	3,322,186
Contributed equity	470,926	(44,787)	(47,427)
Return of contribution	(666,667)	(666,667)	(1,833,334)
	<u>7,319,987</u>	<u>3,625,515</u>	<u>6,591,260</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

4. MEMBERS CONTRIBUTED EQUITY(continued)

	2018 Actual Balance	2018 Budget	2017 Actual Balance
	\$	\$	\$
City of Vincent			
Opening balance	3,295,632	3,295,632	3,987,901
Land development expenses	(1,374,060)	(4,638,291)	(1,412,982)
Proceeds of sale of land	1,836,294	3,511,146	1,661,093
Contributed equity	235,463	(22,394)	(23,714)
Return of contribution	(333,333)	(333,333)	(916,666)
	3,659,996	1,812,760	3,295,632
City of Stirling			
Opening balance	13,185,333	13,185,333	15,954,414
Land development expenses	(5,496,241)	(18,553,166)	(5,651,933)
Proceeds of sale of land	7,345,177	14,044,584	6,644,375
Contributed equity	941,853	(89,575)	(94,855)
Return of contribution	(1,333,334)	(1,333,334)	(3,666,668)
	14,642,788	7,253,842	13,185,333
Total Members Contributions	43,922,746	21,755,912	39,550,381
Opening balance	39,550,381	39,550,381	47,857,620
Land development expenses	(16,488,721)	(55,659,496)	(16,955,793)
Proceeds of sale of land	22,035,529	42,133,752	19,933,119
Contributed equity	2,825,557	(268,725)	(284,565)
Return of contribution	(4,000,000)	(4,000,000)	(11,000,000)
	43,922,746	21,755,912	39,550,381

5. TRADE AND OTHER RECEIVABLES

Current

Sundry debtors
GST receivable
Accrued interest
Settlement bonds

2018	2017
\$	\$
116,124	127,267
2,774	2,584
132,151	176,241
400	4,800
251,449	310,892

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables include amounts due from third parties for goods sold and services performed in the ordinary course of business.

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

Collectability of trade 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.

Classification and subsequent measurement

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.

6. INVENTORIES

Non-current

Land held for resale - cost
Cost of acquisition

2018	2017
\$	\$
1,800,000	1,800,000
1,800,000	1,800,000

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for 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.

Land held for sale (Continued)

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 Council's intentions to release for sale.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

7 (a). PROPERTY, PLANT AND EQUIPMENT

	2018	2017
	\$	\$
Improvements to Leasehold Property at:		
- Management valuation 2016 - level 3	101,260	101,260
Less: accumulated depreciation	(27,695)	(22,156)
	73,565	79,104
Furniture and equipment at:		
- Management valuation 2016 - level 3	23,250	23,250
Less: accumulated depreciation	(13,849)	(8,997)
	9,401	14,253
Plant and equipment at:		
- At cost	65,016	65,016
Less: accumulated depreciation	(18,255)	(8,493)
	46,761	56,523
Total property, plant and equipment	129,727	149,880

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

7. 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.

	Improvements to Leasehold Property	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$
Balance at 1 July 2016	84,643	3,998	42,727	131,368
Additions	0	14,165	65,016	79,181
(Disposals)	0	0	(42,727)	(42,727)
Depreciation (expense)	(5,539)	(3,910)	(8,493)	(17,942)
Carrying amount at 30 June 2017	79,104	14,253	56,523	149,880
Depreciation (expense)	(5,539)	(4,852)	(9,762)	(20,153)
Carrying amount at 30 June 2018	73,565	9,401	46,761	129,727

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Improvements to Leasehold Property	Level 3	Management	Depreciated replacement cost	June 2016	Residual values and remaining useful life assessments.
Furniture and equipment	Level 3	Management	Observable open market value	June 2016	Residual values and remaining useful life assessments.
Plant and equipment	Level 3	Management	Observable open market value	June 2016	Market price per item

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 level 3 inputs.

FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

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.

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 Regional Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

Revaluation

The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework. At the end of each 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.

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 class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

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.

8. FIXED ASSETS

(a) Disposals of Assets

The Council did not dispose any any assets during the year ended 30 June 2018.

(b) Depreciation

	2018	2017
	\$	\$
Improvements to Leasehold Property	5,539	5,539
Furniture and equipment	4,852	3,910
Plant and equipment	9,762	8,493
	20,153	17,942

SIGNIFICANT ACCOUNTING POLICIES

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.

Depreciation rates

Major depreciation periods used for each class of depreciable asset are:	
Improvements to leasehold property	8 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 12 years

Depreciation (Continued)

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.

9. REVALUATION SURPLUS

	2018 Opening Balance	2018 Revaluation Increment	2018 Revaluation (Decrement)	2018 Total Movement on Revaluation	2018 Closing Balance	2017 Opening Balance	2017 Revaluation Increment	2017 Revaluation (Decrement)	2017 Total Movement on Revaluation	2017 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Improvements to Leasehold Property	6,353	0	0	0	6,353	6,353	0	0	0	6,353
	6,353	0	0	0	6,353	6,353	0	0	0	6,353

10. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Accrued salaries and wages
ATO liabilities
FBT Liabilities
Accrued Expenses

2018	2017
\$	\$
13,423	21,211
12,619	12,591
14,427	14,188
3,495	1,622
5,465	4,725
49,429	54,337

SIGNIFICANT ACCOUNTING POLICIES

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 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.

11. INFORMATION ON BORROWINGS

Undrawn Borrowing Facilities

Credit Standby Arrangements

Credit card limit
Credit card balance at balance date
Total amount of credit unused

2018	2017
\$	\$
6,000	6,000
(299)	(1,741)
5,701	4,259

12. PROVISIONS

Opening balance at 1 July 2017

Current provisions
Non-current provisions

Additional provision
Balance at 30 June 2018

Comprises

Current
Non-current

Provision for Annual Leave	Provision for Long Service Leave	Total
\$	\$	\$
141,415	82,330	223,745
0	2,597	2,597
141,415	84,927	226,342
5,184	14,299	19,483
146,599	99,226	245,825
146,599	94,076	240,675
0	5,150	5,150
146,599	99,226	245,825

SIGNIFICANT ACCOUNTING POLICIES

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's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate

Other long-term employee benefits (Continued)

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.

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.

13. NOTES TO THE STATEMENT OF CASH FLOWS

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:

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Cash and cash equivalents	43,846,407	20,797,071	39,213,368
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	166,503	(659,293)	280,130
Non-cash flows in Net result:			
Depreciation	20,153	21,212	17,942
Changes in assets and liabilities:			
(Increase)/decrease in receivables	59,443	62,584	93,616
Increase/(decrease) in payables	(4,908)	(20,081)	(18,838)
Increase/(decrease) in provisions	19,483	0	48,259
Net cash from operating activities	260,674	(595,578)	421,109

14. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2018	2017
	\$	\$
Other property and services	129,727	149,880
Unallocated	45,897,856	41,324,260
	46,027,583	41,474,140

15. CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments

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

	2018	2017
	\$	\$
Payable:		
- not later than one year	35,000	35,000
- later than one year but not later than five years	105,000	140,000
	140,000	175,000

SIGNIFICANT ACCOUNTING POLICIES

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.

Leases (Continued)

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.

16. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

The following fees, expenses and allowances were paid to council members and the Chairman.

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Meeting Fees	131,395	136,004	127,778
Chairman's allowance	19,864	20,361	19,815
Deputy Chair's allowance	4,966	5,090	4,954
	156,225	161,455	152,547

Key Management Personnel (KMP) Compensation Disclosure

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

	2018	2017
	\$	\$
Short-term employee benefits	426,474	424,827
Post-employment benefits	34,500	39,047
Other long-term benefits	10,312	39,600
	471,286	503,474

Short-term employee benefits

These amounts include 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 above.

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Transactions with related parties

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

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

The following transactions occurred with related parties:

	2018	2017
	\$	\$
Transactions during the year:		
Rent paid	38,986	38,666
Land development expenses	(16,488,721)	(16,955,793)
Proceeds of sale of land	22,035,529	19,933,119
Amounts outstanding from related parties:		
Trade and other receivables	116,124	127,267
Amounts payable to related parties:		
Trade and other payables	12,961	18,317

Related Parties

Transactions during the year - refer to Note 4

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.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

17. NET CURRENT ASSETS

Composition of net current assets

	2018 2018 Carried Forward)	2018 (1 July 2017 Brought Forward)	2017 (30 June 2017 Carried Forward)
	\$	\$	\$
Surplus/(Deficit) 1 July 17 brought forward	43,807,752	39,246,178	39,246,178
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	43,846,407	39,213,368	39,213,368
Sundry debtors	116,124	127,267	127,267
GST receivable	2,774	2,584	2,584
Accrued interest	132,151	176,241	176,241
Settlement bonds	400	4,800	4,800
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(13,423)	(21,211)	(21,211)
Accrued salaries and wages	(12,619)	(12,591)	(12,591)
ATO liabilities	(14,427)	(14,188)	(14,188)
FBT Liabilities	(3,495)	(1,622)	(1,622)
Accrued Expenses	(5,465)	(4,725)	(4,725)
Provisions			
Provision for annual leave	(146,599)	(141,415)	(141,415)
Provision for long service leave	(94,076)	(82,330)	(82,330)
Unadjusted net current assets	43,807,752	39,246,178	39,246,178
Adjusted net current assets - surplus/(deficit)	43,807,752	39,246,178	39,246,178

Difference

There was no difference between the surplus/(deficit) 1 July 2017 brought forward position used in the 2018 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2017 audited financial report.

18. 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 Regional Council.

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

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	43,846,407	39,213,368	43,846,407	39,213,368
Receivables	251,449	310,892	251,449	310,892
	44,097,856	39,524,260	44,097,856	39,524,260
Financial liabilities				
Payables	49,429	54,337	49,429	54,337
	49,429	54,337	49,429	54,337

Fair value is determined as follows:

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

18. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

The Regional Council's objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio.

The Regional 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 is 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*.

	2018	2017
	\$	\$
Impact of a 1% ⁽¹⁾ movement in interest rates on cash		
- Equity	441,776	392,134
- Statement of Comprehensive Income	441,776	392,134

Notes:

- ⁽¹⁾ Sensitivity percentages based on management's expectation of future possible interest rate movements.

18. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

The Regional Council's major receivables comprise interest, goods and services tax and general de
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 de
recovery policies.

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 checks on 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:

	2018	2017
Percentage of other receivables		
- Current	41.25%	43.31%
- Overdue	6.19%	0.00%

18. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and 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 and Borrowings are set out in the Liquidity Sensitivity Table below:

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
2018	\$	\$	\$	\$	\$
Payables	49,429	0	0	49,429	49,429
	49,429	0	0	49,429	49,429
2017					
Payables	54,337	0	0	54,337	54,337
	54,337	0	0	54,337	54,337

19. 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 the Regional Council.

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

	Title	Issued / Compiled	Applicable (1)	Impact
(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 2019	<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 on 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	February 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 into the 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 when 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:

(1) Applicable to reporting periods commencing on or after the given date.

19. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS (Continued)

	Title	Issued / Compiled	Applicable (1)	Impact
(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"> - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services. <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:

(1) Applicable to reporting periods commencing on or after the given date.

Adoption of New and Revised Accounting Standar

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:

(i)	AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities	1 January 2017
(ii)	AASB 2016-7 Amendments to Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities	1 January 2017

20. ACTIVITIES/PROGRAMS

Tamala Park Regional Council operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GENERAL PURPOSE FUNDING	To collect interest on investments.	Interest revenue.
OTHER PROPERTY AND SERVICES	To monitor and control Council's overheads on operating accounts.	Other unclassified activities.

21. SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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.

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) 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.

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.

i) Impairment of assets

In accordance with Australian Accounting Standards the Regional Council's cash generating non-specialised 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 specialised assets such as roads, drains, public buildings and the like, no annual assessment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

22. FINANCIAL RATIOS

	2018	2017	2016
Current ratio	152.01	142.13	244.29
Asset consumption ratio	0.68	0.79	0.66
Asset renewal funding ratio	1.83	1.99	1.57
Asset sustainability ratio	0.00	1.60	0.08
Debt service cover ratio	0.00	0.00	0.00
Operating surplus ratio	0.16	0.23	0.35
Own source revenue coverage ratio	1.17	1.28	1.56

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

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 (Council), which comprises the statement of financial position as at 30 June 2018, 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 Council's financial position as at 30 June 2018 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australian 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 – Ratio Information

Without modifying our opinion, we draw attention to Note 22 Financial Ratios, which describes the Asset Consumption Ratio and the Asset Renewal Funding Ratio. 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

Council is responsible for the other information. The other information comprises the information in the Regional Council's annual report for the year ended 30 June 2018 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.

Council's Responsibility for the Financial Report

Council is responsible for the preparation of the financial report which gives a true and fair view in accordance with Australian Accounting Standards (including Australian 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 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 Australian 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 and 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 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 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 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 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 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) Apart from the asset sustainability ratio 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 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



MARIUS VAN DER MERWE CA
Director

Perth

Date: 23 August 2018

Appendix 9.9

DELEGATION REGISTER

December 2018

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
CHIEF EXECUTIVE OFFICER			
1	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.	
2	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.	
3	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.	
4	Emergency Service: Authority to engage and deploy contractors and equipment in an emergency.		
5	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.	
6	1. Authority to appoint all staff with the exception of designated officers; 2. Authority to advertise vacancies	Subject budget provision.	
7	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.	
8	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

9	Statutory Nominations: Chief Executive Officer and Chairman authorised to complete Ballot Paper.		
10	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.		
11	Contracts – <ul style="list-style-type: none"> • Authority to sign contracts for maintenance support of computer and telecommunication hardware and software and general office equipment; • Signify acceptance of contracts works as 'completed to TPRC satisfaction'. 		
12	Authority to make minor amendments to the Policy Manual due to changes in names or titles.		Executive Assistant
13	Authority to advertise Invitations to Tender.		
14	Authority to invite period supply tenders and tenders for the disposal of surplus Council property.		
15	Procurement of goods and services & disposal of Council property and associated advertisements in accordance with the TPRC Procurement Policy and Local Government Act.		
16	Authority to sign grant applications, acquittals and audited statements related to grants.		Following Council CEO approval.
17	Authority to approve applications to place advertising signs from any organisation – temporary signage.	Subject to being consistent with TPRC objectives and policies.	
18	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.	
19	Certifying documents (section 9.31 Local Government Act).		
20	Authority to write off unrepresented stale cheques to the value of \$20,000.		

21	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.	
22	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.	
23	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.	
24	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'.	
25	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.	

26	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.	
27	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.	
28	Authority to approve sponsorship requests to a maximum of \$2000 in accordance with the TPRC Sponsorship Policy.		
29	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.	
30	Authority to attend interstate meetings associated with Council business.	Subject to being required for Council business and consistent with TPRC objectives.	
31	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.	
32	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.	

33	Authority to approve signage, marketing and advertising brochures and sales information.	Subject to being consistent with the approved Annual Marketing Plan and budget provision.	
34	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.	
35	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.	
36	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.	
37	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.		
38	Authority to consider submissions under Section 3.58(3)(b) of the Local Government Act 1995.		

39	<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>		
40	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.		
41	Authority to determine finance and settlement extensions and contract cancellations for single residential lots and dwellings.		
42	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.		
43	Authority to establish the time/date for the sales releases.	Subject to all necessary documentation being completed and consistent with Project Program.	
44	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.	
45	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).		
46	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 9.10

TAMALA PARK REGIONAL COUNCIL

LONG TERM FINANCIAL PLAN 2019 - 2030



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EXECUTIVE SUMMARY

The Tamala Park Regional Council Long Term Financial Plan (LTFP) is an important part of Council's Integrated Planning process. The LTFP is aligned with Council's Strategic Community Plan and Corporate Business Plan, and will form the basis for the preparation of Council's annual budgets.

The LTFP covers a 12 year period from 2019 - 2030 which coincides with the Catalina Estate Development. The Plan includes modelling of three scenarios based on a range of assumptions and assesses the projected income from the sale of lots, cost of development and profit distribution to member Councils as well as the operational costs associated with the Regional Council.

The Scenario 1 (Baseline) modelling is based on the Satterley Property Group Project Forecasts, most recent economic data and expected market conditions and is therefore expected to deliver the most likely outcomes from the Catalina Estate Development. Scenarios 2 and 3 demonstrate that the TPRC has the flexibility to respond to provide the required resources and meet financial commitments.

1.0 STRATEGIC OVERVIEW

1.1 PURPOSE OF THE PLAN

The Tamala Park Regional Council's Long Term Financial Plan (LTFP) is an important part of the Regional Council's strategic process. The Plan is aligned to the Council's Strategic Community Plan and Corporate Business Plan, and will form the basis for the preparation of the Council's Annual Budgets.

The Strategic Community Plan details the long term aspirations, purpose and objectives as set out in the Establishment Agreement, however they can only be achieved if sufficient resources like money, people and assets are allocated. The LTFP costs the purpose and objectives against the financial realities.

The prime objective of the Regional Council is to subdivide, develop, market and sell the developed land. The LTFP covers a 12 year planning period from 2018-2019 to 2029-2030 (The Catalina Project is anticipated to be completed in the 2029-30 financial year) however the Plan will be subject to annual reviews. The LTFP includes three Cashflow scenarios based on a range of assumptions. The LTFP will also:

- Demonstrate greater accountability and transparency;
- Link to various plans, such as the Strategic Community Plan, Corporate Business Plan, Asset Management Plan, Workforce Plan and Annual Budget;
- Assess the financial returns of the Tamala Park Project;
- Identify potential financial issues and their long term impact.

1.2 LEGISLATIVE OBLIGATIONS

The Tamala Park Regional Council (TPRC) is required, under Section 5.56 of the *Local Government Act 1995*, to plan for the future of its district. In doing so, the Regional Council needs to comply with Regulation 19DA of the *Local Government (Financial Management) Regulations 1996*, which states -

- (1) *A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending June 2013.*

- (2) *A corporate business plan for a district is to cover the period specified in the Plan, which is to be at least 4 financial years.*
- (3) *A corporate business plan for a district is to-*
 - (a) *set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and*
 - (b) *govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*
 - (c) *develop and integrate matters relating to resources, including asset management, workforce planning and long term financial planning.*

1.3 STRATEGIC ALIGNMENT

1.3.1 Strategic Community Plan (2013)

The Tamala Park Regional Council's Strategic Community Plan (SCP), approved by Council in June 2013, is the Council's planning document for the next 10 years. The LTFP complements and recognises the SCP priorities.

1.3.2 Corporate Business Plan

The Long Term Financial Plan informs the Corporate Business Plan (CBP) to activate the SCP priorities.

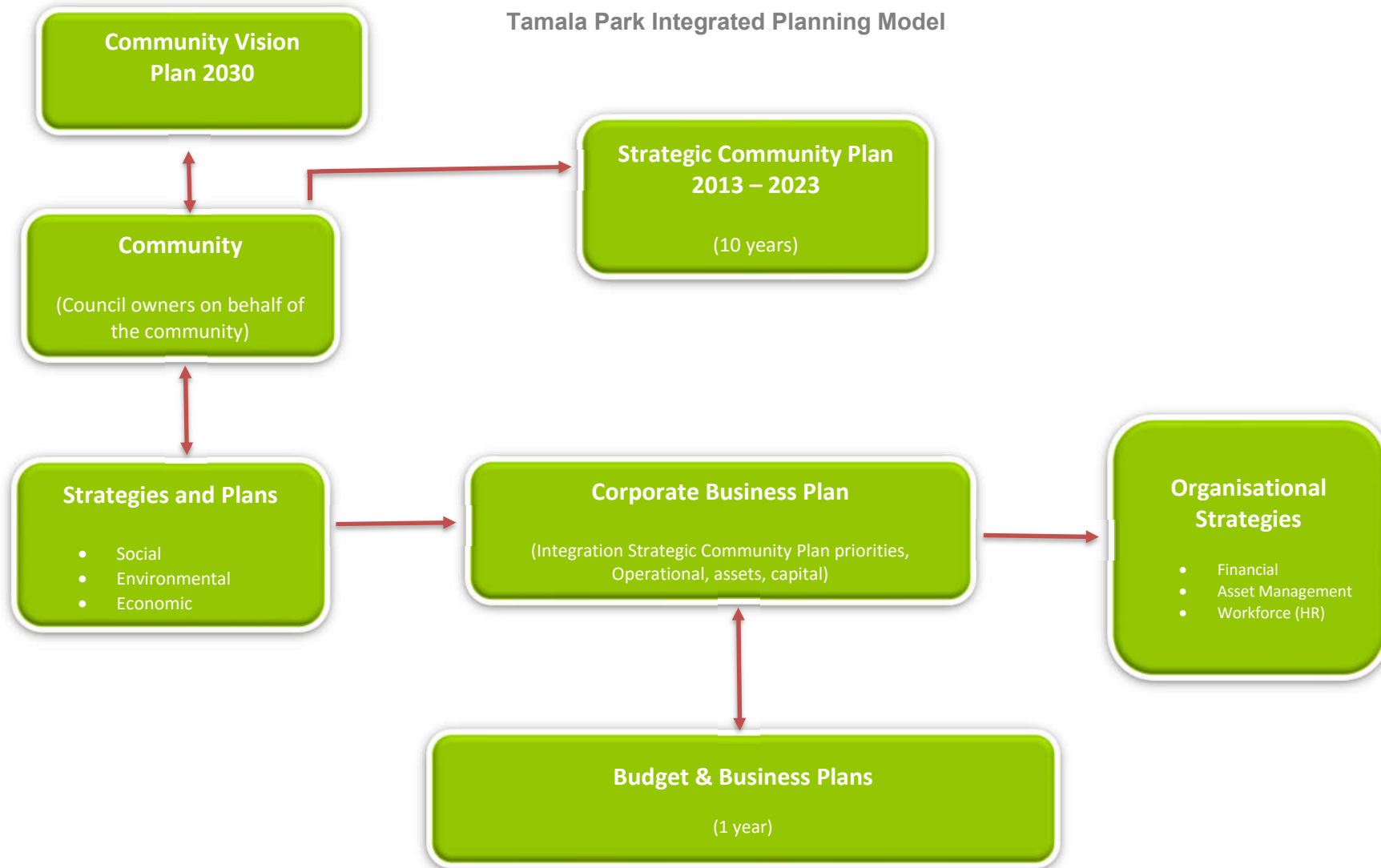
1.4 STRATEGIC FINANCIAL DIRECTION

The Tamala Park Regional Council, in developing the LTFP, and in undertaking subsequent annual reviews, will develop and align the LTFP to the following -

- ⇒ Asset Management Plans
- ⇒ Workforce Plan
- ⇒ Business plans and other studies developed in relation to specific project/s.

1.5 STRATEGIC PLANNING FRAMEWORK

The diagram below details the links between the Long Term Financial Plan and the balance of the Corporate Planning Framework.



The framework guides the Council in delivering the regional purpose consistent with the Tamala Park Establishment Agreement 2006 over the long term (Strategic Community Plan), medium term (Corporate Business Plan) and short term (Annual Budget), and then holds itself accountable (Audited Financial Statements). The Council, in preparing a Long Term Financial Plan, will seek to answer the following:

- ⇒ How can we plan to achieve the desired outcomes;
- ⇒ Meeting future challenges and pressures; and
- ⇒ Maximising investment returns on behalf of its participants while balancing economic, social and environmental issues.

The LTFP establishes the financial direction of the Regional Council in order to meet the funding requirements over the next 12 years. The LTFP is prepared in conjunction with the Council's Corporate Business Plan to ensure the affordability of its operations and projects incorporated into the Corporate Business Plan.

2.0 ESTABLISHMENT AGREEMENT

The Tamala Park Establishment Agreement provides the purpose and objectives and the administrative and financial framework that guides the Council.

2.1 PARTIES TO THE AGREEMENT AND OWNERSHIP SHARES

Town of Cambridge	1/12
City of Joondalup	2/12
City of Perth	1/12
City of Stirling	4/12
Town of Victoria Park	1/12
City of Vincent	1/12
City of Wanneroo	2/12

2.2 REGIONAL PURPOSE

The regional purpose for which the Tamala Park Regional Council (TPRC) was established is:

- (a) To undertake, in accordance with the objectives, the rezoning, subdivision, development, marketing and sale of land; and
- (b) To carry out and do all other acts and things which are reasonably necessary or bring into effect the matters referred to in paragraph (a) of this clause.

2.3 OBJECTIVES

The objectives of the TPRC are:

- (i) To develop and improve the value of the land
- (ii) To maximise, within precedent risk parameters, the financial return to the Participants;
- (iii) To balance economic, social and environmental issues; and
- (iv) To produce a quality development demonstrating the best urban design and development practice.

2.4 LAND

The participants own the following land:

Lot 118 Mindarie on Deposited Plan 28300 being the whole of the land in Certificate of Title -

- 2213/691
- 2213/692
- 2213/693
- 2213/694
- 2213/695
- 2213/696
- 2213/697

The land is marketed as “Catalina Estate” and is a prime infill development site spanning an area of 180 hectares approximately 34 kilometres northwest of the Perth’s Central Business District and approximately 6 kilometres northwest of the Joondalup Regional Centre, within the City of Wanneroo. It is bounded by residential areas of Mindarie and Clarkson to the north, a large Bush Forever site to the west and southwest, Burns Beach and the Tamala Park refuse site to the south and Kinross and the future Mitchell Freeway alignment to the east.

3.0 OUR SERVICES

The type and range of services provided by the Council are detailed below.

3.1 CURRENT SERVICES

The tables below detail the current services (FYE 2018) provided by the Regional Council. Each service has been classified utilising the following legend.

SERVICE FREQUENCY (SF)		SERVICE DELIVERY (SD)		CHARGING ARRANGEMENTS (CA)	
A	Ad-hoc	FO	Fully Outsourced	U	Fee for Service – Fully recouped
D	Daily	PO	Partially Outsourced	UP	Fee for Service – Partially recouped
W	Weekly	LG	Local Government	S	Subsidised Service – government funded
FN	Fortnightly	V	Volunteers	F	Free at point of use - funded from general revenue
M	Monthly			N/A	Not Applicable
Q	Quarterly				
S	Seasonal				
B	Biannual				
Y	Yearly				

SERVICE	DESCRIPTION	CLASSIFICATION			EXPENDITURE/ (REVENUE)	EXPENDITURE			REVENUE	
		SF	SD	CA	NET COSTS \$	DIRECT COSTS	ADMIN ALLOCATION	DEP'N	INTERNAL FUNDING	EXTERNAL FUNDING
Members of Council	Services to members of council. Includes fees, expenses and allowances paid, insurance, subscriptions, conference expenses.	D	LG	N/A	166,839 0 166,839	166,839	0	0	0	0
Other General Purpose Funding	Interest earnings from deposits and investments	D	LG	N/A	0 (1,059,875) (1,059,875)				(1,059,875)	0
Unclassified	Outlays that cannot be assigned to one of the preceding programs and sub-programs. Administration and management of projects.	D	LG	N/A	735,717 (9,184) 726,533	715,564	0	20,153	(9,184)	0
TOTAL					(166,503)	882,403	0	20,153	(1,069,059)	0

3.1.1 Findings

An analysis of the above financial information reveals that for the 2017-18 financial year the Council's actual operational surplus amounted to \$0.016M inclusive of depreciation. The operational surplus forms part of the equity distribution to member local governments.

3.2 FUTURE SERVICES

Current services will continue to be delivered for the term of this Long Term Financial Plan. The future services provision will explore the quality and cost effectiveness of each service.

4.0 OUR PROJECT

4.1 BACKGROUND

Since the Perth Corridor Plan in 1997, the area around Tamala Park has been identified as a major residential and commercial node and the Metropolitan Region Scheme has reflected the intent for major development around the major road arteries and rail station plan for the area.

The progression towards the urban development of Tamala Park has been measured through a number of milestones. The most important of which are listed below:

- 1981 - The Councils acquire 432 hectares at Tamala Park for landfill and future urban development.
- 1993 - The TPRC land, west of Marmion Avenue, was zoned Urban by Metropolitan Region Scheme Amendment 942/33A.
- 2001 - The land west of Marmion Avenue was zoned 'Urban Development' when District Planning Scheme No. 2 (DPS 2).
- 2003 - The TPRC land, east of Marmion Avenue, including the WAPC land adjoining the freeway was zoned Urban Deferred by Metropolitan Region Scheme Amendment 992/33.
- 2004 - The land east of Marmion Avenue was rezoned to 'Urban Development', Amendment No. 41 to DPS 2.
- 2006 - A Negotiated Planning Solution signed between the Western Australian Planning Commission and the TPRC provided for 90 hectares to be transferred over time to the WAPC for conservation purposes and agreement of the remaining land (180 hectares) for urban development.
- 2010 - Local Structure Plan adopted by City of Wanneroo in 2010, subject to conditions.
- 2011 - Phase 1 Subdivision Application was approved by the Western Australian Planning Commission for 271 residential zoned lots, the Biodiversity Conservation Area lot (6.2ha), and public open space and drainage areas of 2.2ha, and local roads and connections to Marmion Avenue and Neerabup Road.
- 2011 - Approval to the Project by the Department of Sustainability, Environment, Water, Population and Communities (SEWPAC) under the EPBC Act.
- 2011 - Phase 1 Bulk Earthworks commenced on site.

- 2011 - Stages 1 and 2 civil works commenced.
- 2011 - Marketing/branding of Catalina commenced.
- 2012 - Sales of residential lots commenced.
- 2013 - Marmion Avenue Intersection works completed.
- 2014 - The Catalina Sales Office commenced operation.
- 2014 - Catalina Central Display Village 1 opened.
- 2014 - 500 residential lots sold at the Catalina Estate.
- 2014 - First distribution of Project dividends to member local governments.
- 2015 - 500 residential lots settled at the Catalina Estate.
- 2015 - Western Precinct Bulk Earthworks (Phase 1) completed.
- 2015 - TPRC / ABN Joint Venture for 25 apartments completed.
- 2016 - Western Precinct Subdivision Application approved by the Western Australian Planning Commission for 200 residential lots.
- 2016 - Catalina Display Village 2 opened.
- 2017 – Construction and sale of the first lots in Catalina Beach.
- 2018 – Catalina Beach Display Village 3 opened.
- 2018 - Catalina Beach Sales Office construction completed.
- 2018 – Stage 25 Public Open Space completed (first POS in Catalina Beach).
- 2018 – Catalina awarded a six leaf EnviroDevelopment Certification in recognition and verification of the TPRC's commitment to sustainability.

4.2 LOCAL STRUCTURE PLAN

Since early 2008 the key activity of the Regional Council has been progressing the design/planning and approval of the Local Structure Plan (LSP). The need for the preparation and approval of LSP is set out under the City of Wanneroo District Planning Scheme No 2. The LSP is intended to guide the planning and development of the Participants' landholding.

The LSP reflects the TPRC objective – “to create an urban centre for choice, sustainability, community and opportunity”. The design in the LSP responds to contemporary lifestyles, best practice urban design, sustainability principles, and the recognition of environmental values of the land.

Planning and design has responded to the site's proximity to the ocean, beach, road and rail arteries and opportunities arising from the site being adjoined on three sides by Bush Forever and National Park land and the Ocean Keys Commercial centre.

Key Elements

Key aspects of the Structure Plan include:

- Providing for a wide range of residential density and a range of house types that address changing demographics.
- Providing for sustainable environmental outcomes.
- Providing active commercial centres and community hubs that meet the daily and weekly needs of residents and provide employment opportunities.
- Providing an 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.

Key Performance Indicators

- Provision of a variety of lot sizes, housing product and affordability across a range of market sectors.
- Timely and coordinated delivery of open space, pedestrian/cycle paths and access to public transport to cater for resident needs.
- Incorporating water sensitive urban design principles, in accordance with the Western Australian Planning Commission's 'Better Water Management' guidelines (2008).
- Incorporating leading practice urban design in the creation of new neighbourhoods, including allowing for solar passive design and construction of dwellings on new lots.

Environmental Management

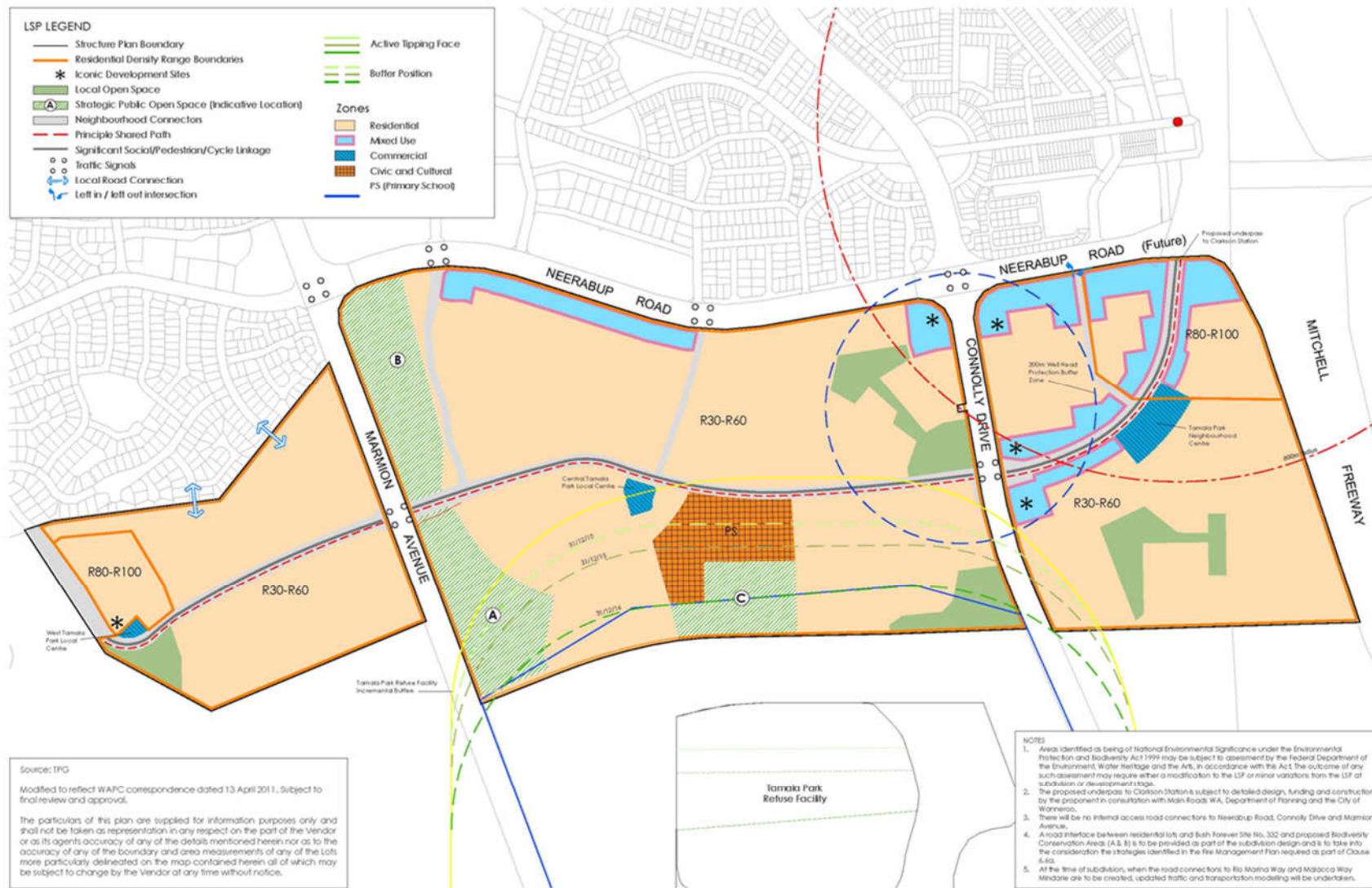
An Environmental Management Plan (EMP) has been prepared which provides management and mitigation measures for impacts of the proposed Tamala Park development. The EMP is intended to accompany the LSP and to address the specific Ministerial Conditions (Minister for the Environment) set for the development. These conditions are summarised as follows:

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

Approval Status

At its Council meeting of 4 May 2010, the City of Wanneroo endorsed the Structure Plan subject to a number of changes. The LSP was referred to the Western Australian Planning Commission and approval was granted in 2011.

4.3 TAMALA PARK LOCAL STRUCTURE PLAN MAP



4.4 MAJOR PROJECTS FINANCIAL SUMMARY

The table below summarises the financial information contained in Scenario 1 – Baseline Scenario.

	BUDGET											
	PROPOSED ESTIMATED											
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
REVENUE	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total Revenue	\$16,355,835	\$31,985,308	\$42,399,590	\$56,044,482	\$53,580,503	\$56,933,540	\$60,444,170	\$66,039,697	\$79,314,354	\$44,872,956	\$4,669,872	\$0
LESS EXPENDITURE												
Total Expenditure	\$21,277,191	\$30,317,642	\$21,273,088	\$31,418,968	\$31,401,052	\$28,966,277	\$26,287,986	\$34,848,605	\$33,023,456	\$6,192,213	\$3,259,206	\$245,714
TOTAL NET SURPLUS	(4,921,356)	1,667,666	21,126,502	24,625,514	22,179,451	27,967,263	34,156,184	31,191,092	46,290,898	38,680,743	1,410,666	(245,714)

5.0 INFRASTRUCTURE ASSET MANAGEMENT

5.1 ASSET MANAGEMENT PLANS

Maintenance of assets is funded from Council's operating budget. Current and projected operating and maintenance expenditure forecasts are based on advice received from Council Officers. The Council has prepared an Asset Management Plan that outlines the required operating and maintenance expenditures at the identified service levels. The Asset Management Plan was reviewed by Council in July 2016, and the results are summarised below.

5.2 FUNDING GAP

The objective of asset management is to detail all the tasks and resources required to manage and maintain Council's asset portfolio to an agreed level of service. There are costs associated with the provision of assets which include operation and maintenance costs, renewal and upgrading of existing assets, and are usually projected over a ten year planning period.

The funding gap in providing infrastructure assets is determined by identifying the projected cost of providing the assets at an identified level of service, and then deducting Council's estimated available expenditure for the same period; usually over ten years.

The table below details the funding surplus, per year, for the Council across infrastructure asset classes on a short and medium term basis.

ASSET CLASS	
Motor Vehicles, Office Furniture and Equipment, Building Leasehold Improvements	
Short Term (5 Years) Funding Surplus per annum	\$14,000
Medium Term (10 Years) Funding Surplus per annum	\$10,000

6.0 FINANCIAL PRINCIPLES AND STRATEGIES

6.1 FINANCIAL PRINCIPLES

In preparing the Long Term Financial Plan, the following principles have been applied.

- ⇒ Council to maintain its existing services.
- ⇒ Provide agreed returns to the participants.
- ⇒ Fund the project from project cashflow and avoid contributions from participants.

6.1.1 Cash Investments

Section 6.14 of the Local Government Act 1995 provides that money held in the Municipal Fund or the Trust Fund of a local government that is not required for any other purpose may be invested in accordance with Part III of the Trustees Act 1962. The *Local Government (Financial Management) Regulations 1996* provides for the establishment of internal control procedures for the control of investments, and disclosure requirements in the Annual Budget and the Annual Financial Report. Additional disclosure requirements are provided under the *Australian Accounting Standards*.

6.1.1.1 Local Government (Financial Management) Regulations 1996

Regulation 19(c) limits how a local government may invest surplus funds as follows:

- (a) Invest funds with authorised institutions as defined in the Banking Act 1959 (Commonwealth), section 5, of the WA Treasury Corporation;
- (b) Deposit for a fixed term of 12 months or less;
- (c) Invest in bonds guaranteed by the Commonwealth Government, or a State or Territory Government; or
- (d) Invest in Australian currency.

6.1.1.2 Trustees Act 1962

Section 17 of the *Trustees Act 1962*, states

“a trustee may, unless expressly prohibited by the instrument creating the trust-

- (a) Invest trust funds in any form of investment; and*
- (b) at any time, vary an investment or realise an investment of trust funds and reinvest money resulting from the realisation in any form of investment”.*

Section 18(b) of the *Trustees Act 1962* includes a requirement to “exercise the care, diligence and skill that a prudent person would exercise in managing the affairs of other persons”.

Section 20(1)(a) – (o) of the *Trustees Act 1962* includes a list of factors to be taken into account by the investor “so far as they are appropriate to the circumstances of the trust” including-

- (i.) the risk of capital or income loss or depreciation (*Trustees Act 1962 section 20(1)(e)*); and
- (ii.) the liquidity and marketability of the proposed investment during and on the determination of the term of the proposed investment (*Trustees Act 1962 section 20(1)(j)*).

6.1.1.3 Council's Investment Policy

The TPRC Investment Policy was reviewed and approved by Council in August 2018 and provides the basis and guidelines for the investment of surplus TPRC funds.

Objectives:

- To undertake authorised investment of surplus funds after assessing credit risk and diversification limits.
- To maximise earnings from authorised investments and ensure the security of Tamala Park Regional Council (TPRC) funds.
- To preserve TPRC capital funds.
- To ensure provision of sufficient liquidity to meet TPRC cash flow requirements as and when they fall due without incurring significant costs due to unanticipated sales of investments.
- To target a minimum market average return based upon accepted investment indicators reflecting the Council's risk tolerance.

Interest received on investments is derived from -

⇒ Municipal fund revenues raised through the year from all sources of revenue.

The interest the Council earns on Municipal Fund revenue is untied and forms part of Council's consolidated revenue for distribution across the services it provides.

6.1.1.4 Impact on Interest Earned

Council's current investments are held in term deposits. Council has chosen to remain conservative in forecasting interest rates for investments and has set a forecast rate of 3.00%.

6.2 CAPITAL INVESTMENTS

The following table summarises the capital works program by Asset Class during the life of this Plan.

ASSET CLASS	2018-19 \$	2019-20 \$	2020-21 \$	2021-22 \$	2022-23 \$	2023-24 \$	2024-25 \$	2025-26 \$	2026-27 \$	2027-28 \$	2028-29 \$	2029-30 \$
Land & Buildings	0	0	50,000	0	0	0	0	0	0	0	0	0
Plant & Equipment	66,000	27,563	69,300	28,941	72,765	30,388	76,403	31,907	80,223	33,502	84,235	0
Furniture & Equipment	16,000	0	10,000	0	0	11,000	0	0	10,000	0	0	0
TOTAL	82,000	27,563	129,300	28,941	72,765	41,388	76,403	31,907	90,223	33,502	84,235	0

7.0 WORKFORCE PLANNING

The Council's Workforce Plan will ensure that the right people with the right skills are in the right place, at the right time, at the right cost. The Plan will provide a disciplined approach for matching human resources with the anticipated needs of the Regional local government.

The Council has forecasted that the staff levels will remain constant, in line with current service provision levels, in preparing this Long Term Financial Plan.

7.1 CURRENT WORKFORCE

The current staffing levels are as follows.

Position	Tamala Park Regional Council – Workforce Profile									
	F/Time		P/Time		Casual		Totals		%	%
	F	M	F	M	F	M	F	M	F	M
CEO	0	1	0	0	0	0	0	1	0	36.5%
Project Coordinator	0	1	0	0	0	0	0	1	0	36.5%
Executive Assistant to CEO	0	0	1	0	0	0	1	0	27%	0
TOTAL	0	2	1	0	0	0	1	2	27%	73%
TOTAL	2		1		0		3		100%	

7.2 STAFFING LEVELS

The Table below details the projected workforce levels.

DESCRIPTION	Current	Year 1 FTE	Year 3 FTE	Year 5 FTE
Chief Executive Officer	1	1	1	1
Project Coordinator	1	1	1	1
Executive Assistant to the CEO	.80	.80	.80	.80
Governance Officer	Nil	1	1	1
TOTAL	2.80	3.80	3.80	3.80

7.3 FORECAST GROWTH IN LABOUR COSTS

The labour costs forecasts are based on the economic forecasts.

INDICATOR	FORECASTS				
	2018-19	2019-20	2020-21	2021-22	2022-23
Wage Price Index (WPI)	3.50%	3.50%	3.50%	3.50%	3.50%

8.0 LONG TERM FINANCIAL PLAN – CASH FLOW SCENARIOS

Three different cash flow scenarios have been modelled in the LTFP with varying assumptions in order to consider the range and level of service, workforce planning and asset management requirements, and capital works programs. The Council's Strategic Community Plan has identified stakeholder aspirations over the long term and the models provide an understanding of the outcomes based on different assumptions.

8.1 SCENARIO 1 (BASELINE)

This cash flow scenario provides for:

- ⇒ No change in the range and level of services;
- ⇒ Catalina Estate projected income and expenditure is based on the following, as provided by the Satterley Property Group, Project/Sales Managers:
- ⇒ – 4% income and 2.5% cost escalation;

The findings in relation to this model are as follows:

- ⇒ The Liquidity of the Regional Council from 2018-19 onwards will reduce but still in a very comfortable position until 2028-29 when final profit distributions are made to the Member Councils.
- ⇒ The operating surplus ratio over the forecast period varies from (-30%) to (-5246%). The Regional Councils major source of income is interest received on investments which is not enough to meet its operating expenditure. The member Councils will continue to meet the shortfall.
- ⇒ The Regional Council does not propose to borrow to fund its Catalina Estate Development.
- ⇒ The Regional council is spending more on Capital renewal expenditure over the forecast period.
- ⇒ The consumption of the Regional Council's asset base is tracking downwards, but is still within the target range of 50% - 75% overall.
- ⇒ The Distribution of Profits to member Councils for the financial period 2018-19 to 2028-29 amounts to \$276,228,339.

8.2 SCENARIO 2 (COST GEARED)

This cash flow scenario provides for:

- ⇒ No change in the range and level of services;
- ⇒ Catalina Estate projected income and expenditure based on a 2% income and 5% cost escalation, information as provided by the Satterley Property Group, the Project/Sales Managers.

The findings in relation to this model are as follows:

- ⇒ The Liquidity of the Regional Council from 2018-19 onwards will reduce but still in a very comfortable position until 2028-29 when final profit distributions are made to the Member Councils.
- ⇒ The operating surplus ratio over the forecast period varies from (-30%) to (-5246%). The Regional Councils major source of income is interest received on investments which is not enough to meet its operating expenditure. The member Councils will continue to meet the shortfall.
- ⇒ The Regional Council does not propose to borrow to fund its Catalina Estate Development.
- ⇒ The Regional council is spending more on Capital renewal expenditure over the forecast period.
- ⇒ The consumption of the Regional Council's asset base is tracking downwards, but is still within the target range of 50% - 75% overall.
- ⇒ The Distribution of Profits to member Councils for the financial period 2018-19 to 2028-29 onwards to \$216,231,520.

8.3 SCENARIO 3 (INCOME GEARED)

This cash flow scenario provides for:

- ⇒ No change in the range and level of services;
- ⇒ Catalina Estate projected income and expenditure based on an 8% income and 2% cost escalation, information as provided by the Satterley Property Group, the Project/Sales Managers.

The findings in relation to this model are as follows:

- ⇒ The Liquidity of the Regional Council from 2018-19 onwards will reduce but still in a very comfortable position until 2028-29 when final profit distributions are made to the Member Councils.
- ⇒ The operating surplus ratio over the forecast period varies from (-30%) to (-5246%). The Regional Councils major source of income is interest received on investments which is not enough to meet its operating expenditure. The member Councils will continue to meet the shortfall.
- ⇒ The Regional Council does not propose to borrow to fund its Catalina Estate Development.
- ⇒ The Regional council is spending more on Capital renewal expenditure over the forecast period.
- ⇒ The consumption of the Regional Council's asset base is tracking downwards, but is still within the target range of 50% - 75% overall.
- ⇒ The Distribution of Profits to member Councils for the financial period 2018-19 to 2028-29 onwards to \$370,597,089.

9.0 LONG TERM FINANCIAL PLAN ASSUMPTIONS

In preparing the LTFP the 2018-19 TPRC Annual Budget has been used as the forecasting base, together with the following assumptions.

9.1 EXTERNAL INFLUENCES

- ⇒ Cost indices (i.e. Consumer Price Index (CPI), Local Government Cost Index (LGCI), and Wage Price Index (WPI);
- ⇒ Prevailing economic conditions impacting the financial markets for the investment and borrowing of funds; and

9.2 INTERNAL INFLUENCES

- ⇒ Estimated Budget surplus/deficit for the 2018-19 financial year; and
- ⇒ Council workforce requirements (i.e. staff turnover, employment contract negotiations, wages and salary increases).

9.3 ASSUMPTIONS

9.3.1 Cost Indices

9.3.1.1 Consumer Price Index

The Consumer Price Index (CPI) increases for the life of Plan are as follows:

COST INDEX	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2027-28	2028-29	2029-30
CPI	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

The Western Australian Government 2018-19 Budget forecasts details that Perth's CPI is forecasted at 1.50%, and 2.50% for 2019-20 to 2021-22. These forecasts are in line with the Reserve Bank estimates of 2.0% to 3.0%.

The forecast CPI is to be utilised in the financial modelling of the following:

- ⇒ Revenues, excluding interest on investments; and
- ⇒ Expenditures, excluding salaries.

9.3.1.2 Wage Price Index

Salary and wages increases over the life of the Plan are based on the Western Australian Treasury forecasts of 3.25% for 2021-22 and the Australian Government 2018-19 Budget Papers estimates wages growth for 2018-19 2.8%, 2019-20 3.3% and 3.5% for 2020-21 and 2021-22.

COST INDEX	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
CPI	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

9.3.2 Cash Investments

Section 6.2.2 of this Plan details Council's investment policy, which provides for funds to be invested with alternative, secure financial institutions in accordance with Regulation 19C of the *Local Government (Financial Management) Regulations 1996*. In forecasting returns on Council's investments, it is proposed to utilise the term deposit rates for investments greater than \$100,000 invested for a period of 5 years.

LOCAL BANK	INTEREST RATE
Westpac Bank	2.80%
Commonwealth Bank	2.75%
National Australia Bank	2.80%
ANZ Bank	2.80%

An interest rate of 3.00% will be utilised for the purposes of financial modelling.

9.3.3 Depreciation

The Regional Council calculates depreciation on a straight line basis and utilises the following depreciation periods.

ASSET CLASS	DEPRECIATION RATE
Improvements to Lease Hold Property	8 years
Furniture and equipment	4 to 10 years
Plant and Equipment	5 to 12 years

Whilst the financial modelling has incorporated the above rates of depreciation, it has not taken into account the impact of any revaluations of assets.

9.3.4 Project Assumptions

9.3.4.1 Scenario 1 (Baseline)

ASSUMPTIONS	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Lots for Sale Release	120	100	131	192	204	174	207	179	179	0	0	0
Lots Sold	100	130	150	163	203	193	195	199	185	37	0	0
Lots Titles	44	124	100	227	174	204	174	209	230	0	0	0
Lots Settlements	87	113	138	162	188	196	194	197	201	97	9	0
Lots Closing Stock	89	59	40	69	70	51	63	43	37	0	0	0
Lots Contracts on Hand	40	57	69	70	85	82	83	85	69	9	0	0
Lots Average Settlement Price	\$278,672	\$250,859	\$278,796	\$280,057	\$275,448	\$283,595	\$296,871	\$329,377	\$383,115	440,657	415,251	0

9.3.4.2 Scenario 2 (Cost Geared)

ASSUMPTIONS	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Lots for Sale Release	120	100	131	192	204	174	207	179	179	0	0	0
Lots Sold	100	130	150	163	203	193	195	199	185	37	0	0
Lots Titles	44	124	100	227	174	204	174	209	230	0	0	0
Lots Settlements	87	113	138	162	188	196	194	197	201	97	9	0
Lots Closing Stock	89	59	40	69	70	51	63	43	37	0	0	0
Lots Contracts on Hand	40	57	69	70	85	82	83	85	69	9	0	0
Lots Average Settlement Price	278,672	250,213	272,824	268,501	258,695	261,887	267,996	291,420	332,390	375,828	\$350,506	0

9.3.4.3 Scenario 3 (Income Geared)

ASSUMPTIONS	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Lots for Sale Release	120	100	131	192	204	174	207	179	179	0	0	0
Lots Sold	100	130	150	163	203	193	195	199	185	37	0	0
Lots Titles	44	124	100	227	174	204	174	209	230	0	0	0
Lots Settlements	87	113	138	162	188	196	194	197	201	97	9	0
Lots Closing Stock	89	59	40	69	70	51	63	43	37	0	0	0
Lots Contracts on Hand	40	57	69	70	85	82	83	85	69	9	0	0
Lots Average Settlement Price	278,672	252,165	291,175	304,665	312,217	332,625	364,147	420,562	508,677	605,390	582,404	0

10.0 RATIO ANALYSIS AND LONG TERM SUSTAINABILITY

The ratios are an industry accepted measure of financial health. This section summarises the financial ratio results for each of the three cash flow scenarios presented in the LTFP.

10.1 CURRENT RATIO

FORECAST	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Scenario 1 (Baseline)	11939%	7282%	7103%	7018%	6426%	6096%	5818%	5542%	5338%	4956%	720%	100%
Scenario 2 (Cost Geared)	11939%	7636%	7216%	6824%	6458%	6137%	5812%	5458%	5216%	4996%	744%	100%
Scenario 3 (Income Geared)	11939%	7440%	7063%	6900%	6683%	6211%	5846%	5495%	5185%	4831%	715%	100%

The target of greater than or equal to 1:1 is well above the benchmark for the 12 years of the Plan. The Catalina Estate Development is due for completion in 2028-29 when it is expected that a final distribution to member Councils will be made. During the project surplus funds will be retained to ensure that the Regional Council has sufficient funds to finance the various stages of the Project.

10.2 OPERATING SURPLUS RATIO

FORECAST	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Scenario 1 (Baseline)	(30)%	(110)%	(116)%	(124)%	(129)%	(137)%	(143)%	(150)%	(131)%	(130)%	(917)%	(5246)%
Scenario 2 (Cost Geared)	(30)%	(110)%	(116)%	(124)%	(129)%	(137)%	(143)%	(150)%	(131)%	(130)%	(917)%	(5246)%
Scenario 3 (Income Geared)	(30)%	(110)%	(116)%	(124)%	(129)%	(137)%	(143)%	(150)%	(131)%	(130)%	(917)%	(5246)%

The Regional Council's operations will continue to be subsidised from funds generated from the Catalina Project that are retained or not distributed to Participants by way of profits.

10.3 RATES COVERAGE RATIO

This is an indicator of a local government's ability to cover its costs through its own tax revenue effort. It is measured as:												
$\frac{\text{Total Rates Revenue}}{\text{Total Expenses}}$												
Target – greater than or equal to 40%												
FORECAST	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Scenario 1 (Baseline)	N/A											
Scenario 2 (Cost Geared)	N/A											
Scenario 3 (Income Geared)	N/A											

The Regional Council does not levy rates therefore the Ratio is not applicable.

10.4 DEBT SERVICE COVER RATIO

FORECAST	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Scenario 1 (Baseline)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Scenario 2 (Cost Geared)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Scenario 3 (Income Geared)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

The Regional Council does not intend to borrow over the life of the Plan.

10.5 ASSET SUSTAINABILITY RATIO

FORECAST	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Scenario 1 (Baseline)	477%	123%	503%	112%	275%	146%	300%	159%	404%	148%	363%	0%
Scenario 2 (Cost Geared)	477%	123%	503%	112%	275%	146%	300%	159%	404%	148%	363%	0%
Scenario 3 (Income Geared)	477%	123%	503%	112%	275%	146%	300%	159%	404%	148%	363%	0%

The Regional Council achieves a ratio on average of 251% over the life of the plan in excess of the target range.

10.6 ASSET CONSUMPTION RATIO

FORECAST	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Scenario 1 (Baseline)	72%	65%	71%	65%	63%	59%	58%	55%	57%	53%	54%	47%
Scenario 2 (Cost Geared)	72%	65%	71%	65%	63%	59%	58%	55%	57%	53%	54%	47%
Scenario 3 (Income Geared)	72%	65%	71%	65%	63%	59%	58%	55%	57%	53%	54%	47%

While the trend is tracking downwards, the Regional Council is still within the target range of between 50% to 75% for the life of the LTFP on average.

10.7 ASSET RENEWAL FUNDING RATIO

This ratio indicates whether the local government has the financial capacity to fund asset renewal at continued existing service levels. It is measured as:											
$\frac{\text{Net Present Value of Planned Renewal Expenditure}}{\text{Net Present Value of Asset Management Plan Projections}}$											
Target – greater than or equal to 1:1 (or 100%)											
FORECAST	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2028-29	
Scenario 1 (Baseline)	186%										
Scenario 2 (Cost Geared)	186%										
Scenario 3 (Income Geared)	186%										

The Regional Council's 10 year average ratio of 186% is well above the target range of 100%.

10.8 SUMMARY

Projections show that over the next 12 years the Regional Council will have sufficient funds to finance its operation inclusive of the Catalina Estate Development. Scenario 1 best forecasts the expected revenues, expenditure and profit distribution to the seven member Councils from the development.

11.0 RISK ASSESSMENT

The Regional Council in May 2018 prepared a Risk Management Plan to identify and record potential risks. The Plan allows mitigation strategies to be developed, implemented and tracked to ensure risk associated with the Catalina Estate Development is well managed.

A risk register identifying the major risk items is detailed below.

CATALINA RISK REGISTER
MAY 2018

SALES AND MARKETING

	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
1.1	Low interest from builders leads to lack of medium density lot sales in builder releases.	4	3	12	Medium	<p>Reduce number of lots to be sold in FYE 2019 builder release tenders.</p> <p>Work with wide range of builders to create value for money house and land packages on medium density lots.</p> <p>Continue to liaise with builders on lot configuration and commercial terms.</p>	The recommended mitigation strategy has been implemented in an ongoing manner through marketing and development actions and is considered an appropriate response to the risk.
1.2	Cashflow impacted by slower sales or delayed settlements.	3	3	9	Medium	<p>Budget for sales and settlements that reflect market conditions.</p> <p>Ensure an appropriate minimum bank balance is included in the budget.</p> <p>Maintain stock level trigger before commencing construction of future civil works.</p> <p>Monitor expenditure on future works, including the size of earthwork stages.</p> <p>Review distributions to participating Councils.</p>	<p>The recommended mitigation actions have been adopted within the Project Budget including the application of sales triggers.</p> <p>The TPRC monitors bank balances to ensure minimum cashflow is maintained.</p> <p>Weekly sales and monthly financial reporting is occurring to monitor the progress of sales/settlements and expenditure/revenue and cashflow.</p>
1.3	Negative change in market sentiment reduces sales and / or pricing.	3	3	9	Medium	<p>Careful positioning of Catalina brand to soften impact of any fall in house and land prices across the Perth market.</p> <p>On-going research to gauge market sentiment specific to Catalina</p> <p>Budget for sales and settlements that reflect market conditions.</p> <p>Ensure pricing is not too aggressive so lots are affordable when interest rates rise. (Consultation with Valuers and banks if required).</p> <p>Ensure lot mix includes opportunity for affordable housing options.</p> <p>Apply sales triggers before awarding civil works contracts to ensure there is not an oversupply of land.</p> <p>If market deteriorates then defer non-essential spending.</p> <p>Monitor cancellation rates and rationales.</p> <p>Budget for sales and settlements that reflect market conditions.</p>	<p>The recommended mitigation actions have been implemented through the approved Catalina Marketing Plan which has guided the Projects marketing activities,</p> <p>All pricing is subject to formal valuation by the TPRC appointed valuer and recommendation by the Development Manager.</p> <p>Continued implementation of the recommended mitigation action is supported.</p>

BUDGET							
RISK		LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
2.1	Expenditure exceeds budget projections due to increased development costs.	2	3	6	Low	<p>Regular monitoring of works contracts and strong budget control work practices.</p> <p>Use of fixed price contracts and maximise provisional sums for rock to limit variation costs and uncertainty.</p> <p>Undertake advanced planning to facilitate accurate OPC estimates for incorporation within annual budget review and six monthly budget reviews.</p> <p>Contingency included in budget for any unforeseen items.</p>	<p>The recommended mitigation actions have been implemented in accordance with the Project Program and all budget review processes.</p> <p>All major construction contracts have been issued as lump sum contracts and all project expenditure is closely monitored to budget.</p> <p>Monthly financial reporting is occurring to monitor expenditure/revenue and cashflow.</p> <p>The continued implementation of the recommended mitigation actions and the above project processed is supported.</p>
2.2	Cashflow delays provision of early infrastructure items and release on new sales fronts.	2	3	6	Low	<p>Ensure TPRC is fully briefed on development and distribution options so they can consider the costs and benefits.</p> <p>Continue to manage the Project to achieve budget sales triggers.</p> <p>Ensure planning and engineering risks are managed so settlement program is met.</p>	<p>The recommended mitigation actions are being implemented via project planning and development processes.</p> <p>Monthly Financial reporting and bi-annual budget reviews are undertaken to monitor and manage this risk.</p>
2.3	Reduced cashflow results in lower distributions than budgeted.	3	3	9	Medium	<p>Defer non-essential expenditure to reduce impact on distributions.</p> <p>Release Catalina Beach Precinct to provide diverse product mix to assist sales rates and reduce the risk of reduced cashflow over the medium to long term.</p> <p>Revisit incentives/pricing to encourage sale and settlement of already Titled Lots, including 'Aged Stock'.</p> <p>Plan for first stage in Catalina Grove to maintain diverse product mix to assist sales rates and reduce the risk of reduced cashflow over the medium to long term.</p>	<p>The recommended mitigation actions are being implemented via project planning and budget control processes.</p> <p>Monthly Financial reporting and bi-annual budget reviews are undertaken to monitor and manage this risk.</p>

PLANNING AND ENVIRONMENTAL APPROVALS							
	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
3.1	Lifting of urban deferred zoning does not meet cashflow expectations, currently causing delays for future staging.	3	5	15	High	<p>Close liaison with Mindarie Regional Council on shifting of landfill buffer.</p> <p>Apply for urban deferred lifting when buffer is removed and environmental risks are acceptable.</p> <p>Adopt conservative timing of development of the urban deferred land in the Project Forecast cashflow.</p> <p>Controlled releases of Catalina Beach Precinct to ensure land is available when Catalina Grove and Catalina Central Urban Zoned land are sold out.</p>	<p>Implementation of the recommended mitigation actions are occurring via liaison with the MRC and planning processes, including a projection of the movement of the landfill buffer movement sought from the MRC.</p> <p>As part of the Project Forecast review in 2017, a conservative approach to timing of the development of the urban deferred land was undertaken.</p> <p>The continued implementation of the recommended mitigation actions is supported.</p>
3.2	Non-compliance with EPBC environmental approval conditions.	2	3	6	Low	<p>Undertake ongoing monitoring and review of EPBC conditions.</p> <p>Timely approval to allow annual audit to be completed by environmental consultant.</p>	<p>Annual audits of actions/conditions relating to the EPBC conditions is undertaken and provided to SEWPAC. To date there have been no issues with compliance.</p> <p>Ongoing monitoring of SEWPAC conditions is being undertaken.</p>
3.3	Non-compliance with Environmental Management Plan requirements.	2	3	6	Low	<p>Strategy to be put in place to progressively action EMP commitments to ensure compliance with this plan.</p>	<p>The TPRC has prepared an audit of all actions required under the EMP confirming all actions are on schedule.</p> <p>Implementation of the recommended mitigation actions is ongoing.</p>
3.4	Delays achieving environmental, planning and development Approvals which impact cashflow.	2	3	6	Low	<p>Develop and maintain the Project Program to ensure sufficient approval periods are allowed.</p> <p>Close liaison with approval authorities including the City of Wanneroo and Water Corporation officers to maintain strong knowledge of approval requirements and build relationships.</p>	<p>The recommended mitigation action is being implemented in accordance with the Project Program.</p> <p>In addition to the lodgement of subdivision applications ongoing liaison with the WAPC and referral authorities is being undertaken.</p> <p>This action is considered to represent good project management practice and continued implementation is supported.</p>
3.5	Delays in commencing and undertaking Tamala Park LSP Amendment process for Catalina Grove precinct may impact sales releases.	4	3	12	Medium	<p>Develop program for approvals for first Phase 1 - the Catalina Grove Precinct consistent with Project Program.</p> <p>Submit subdivision approval for first stage in Catalina Grove, based on current approved LSP.</p> <p>Construct Connolly Drive Intersection prior to LSP approval.</p> <p>Monitor and adopt revised timing of development of the first Phase 1 land in the Project Forecast cashflow in 3-year review – August 2020.</p>	<p>SPG to provide a program identifying key milestones for Council approvals for the Catalina Grove precinct, recommendations for early construction of infrastructure, which may assist with timing of Phase 1 Catalina Grove; provide advice on the impacts of delays to the Catalina Grove precinct development program on sales and cashflow as part of the Project Forecast review in 2017 and outline mitigation measures to avoid impacts on TPRC cashflow predictions.</p>
3.6	City of Wanneroo scheme contributions higher than forecast.	2	3	6	Low	<p>Continue to adequately budget for scheme contributions. Continue discussions with City of Wanneroo on key infrastructure items and administration of scheme contributions.</p>	<p>The recommended mitigation action has been implemented with discussions with the City of Wanneroo.</p> <p>The Project Budget accounts for scheme contributions requirement.</p>
3.7	Beach access road from Catalina Beach is not agreed to by Statutory Authorities.	3	3	9	Medium	<p>Foreshore Management Plan and environmental and planning applications submitted to relevant authorities.</p> <p>Continue to closely engage with WAPC and City of Wanneroo regarding approval process and mutually agreed outcomes.</p>	<p>The Foreshore Management Plan and Beach access proposal lodged with the City of Wanneroo. The location of the proposed access route and the carpark area have been carefully selected to follow existing informal tracks or areas of damaged vegetation and minimise impacts on flora in the area.</p> <p>Ongoing liaison with the City of Wanneroo and WAPC.</p>

3.8	Changes to the property development laws, including laws related to zoning & town planning, restrictions on land use, environmental controls, user restrictions, stamp duty, land tax, income taxation and capital gains tax. Changes to law in relation to civil design principles and potential restrictions on land use.	3	2	6	Low	Ensure clear understanding from Town Planner & Environmental Consultant in relation to the current laws and recently amended laws. Develop a strategy to address any issues that may arise due to changes (in the planning/environmental/civil design stage). Account for possible delays in the project feasibility analysis.	The recommended mitigation action has been implemented with discussions with the Water Authority, City of Wanneroo and WAPC. Implementation of the recommended mitigation actions is ongoing.
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ENGINEERING AND CONSTRUCTION							
	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
4.1	Non-compliance with Work Health and Safety Requirements leads to serious injury and/or death. Potential for Worksafe investigation or claim for damages due to incident. WHS acts or omissions which result in, or have the potential to result in, serious personal injury and/or death that could be dealt with as: <ul style="list-style-type: none"> An indictable offence; or A breach of law that has a civil (not criminal) penalty. 	2	4	8	Medium	SPG to provide TPRC: <ul style="list-style-type: none"> Evidence that SPG's WHS Management System satisfies the best intentions of the <i>Occupational Safety and Health Act (WA) 1984</i> ("Act") and <i>Occupational Safety and Health Regulations (WA) 1996</i> ("Regulations"); Evidence of implementation of the SPG WHS Contractor Management Procedure, which includes: <ul style="list-style-type: none"> WHS prequalification process (at the request of TPRC); Copies of any 2nd Party (Principal Contractor) audit reports conducted on the Project site (at the request of TPRC); Evidence that a project specific risk identification workshop has been undertaken in conjunction with the Principal Contractor (at the request of TPRC), including a summary of session outcomes; and Reporting of contractor WHS non-conformances and incidents and hazards. 	The TPRC's contractors are qualified in managing safe working practices. There are regular site meetings where site safety is discussed and safe working practices confirmed and site inspections undertaken to monitor the site and site works. The SPG's mitigation actions are supported and being monitored by the TPRC.
4.2	Delays and increased cost of key infrastructure items including pump stations, underpasses and overpasses presents a future cashflow risk.	3	2	6	Low	Engage with the City of Wanneroo, Main Roads WA and Service Authorities early to ensure infrastructure requirements are known and adequately timed and budgeted for.	Allowances for infrastructure items have been provided for within the TPRC budget in accordance with advice from relevant servicing authorities. Liaison with servicing authorities has been undertaken to ensure infrastructure items are included within capital works programming of relevant authorities. Continued implementation of the above actions is supported.
4.3	Delays to clearances leads to delay in settlements.	2	3	6	Low	Preparation of clearance request documentation and submission to statutory authorities in accordance with the Project Program. Close liaison with relevant officers of clearance authorities to ensure consensus agreement exists in regards to condition requirements. Deposited plans, covenant and noise & fire notifications to be created and lodged early in the process.	The recommended mitigation action has been implemented via the preparation of clearance packages and liaison with clearance authorities. The clearances process is closely monitored by the SPG and the TPRC.

STAKEHOLDERS						
RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
5.1 The potential impacts from the landfill operations include contamination of the TPRC's landholding from contaminated groundwater or a gas leak which could provide a significant safety risk to the public.	3	5	15	High	<p>SPG notes that Tamala Part Regional Council currently liaise directly with the Mindarie Regional Council (MRC) in relation to the management of their current operations. The MRC's website states their Environmental Management System is certified by NCS International as being compliant with ISO14001 Environmental Management.</p> <p>Mitigation measures consist of providing purchasers with adequate information on landfill timing and impacts on request, ensuring an adequate buffer and/or memorial on title is maintained between the landfill operations and residential development, monitoring any complaints from residents and liaising with the Mindarie Regional Council to ensure Risk Management Plans and Environmental Management Plans are in place and complied with.</p>	<p>Staging has been devised to maintain separation from the landfill site during initial phases of development.</p> <p>There is ongoing liaison with MRC regarding landfill operations and potential impacts. Remediation and communications strategies are being prepared in consultation with the MRC.</p> <p>Continued implementation of the recommended mitigation actions is supported.</p>
5.2 Delay in provision of services within Catalina including shopping and schools.	3	2	6	Low	<p>Engage with local schools in Clarkson and Mindarie and provide information to residents regarding existing local services.</p> <p>Engage with the Department of Education regarding the timing of the Catalina Primary School site.</p> <p>Provide budget for the landscaping of the local oval to commence in FYE 2022.</p>	<p>Proposed mitigation measures are included in the Annual Plan FYE 2018.</p> <p>There is on-going liaison with service agencies to ensure timely provision of necessary services.</p>
5.3 Adverse community reaction to ongoing development due to nuisance from construction activities.	2	3	6	Low	<p>Undertake pro-active community engagement through support of community groups in order to garner support from community groups which can then be enlisted to support development should adverse publicity arise.</p> <p>Implement Dust Mitigation Strategy to ensure sites are being managed by the civil contractor, and where possible complete bulk earthworks during winter months.</p>	<p>Implementation of recommended mitigation actions has commenced with appointment of the Community Development Manager, and the necessary community consultation strategies are being progressed.</p> <p>Review of scheduling earthworks adjacent to residential areas to occur in winter months to reduce dust and objections from residents. Consultation to be undertaken prior to commencement of works.</p>

MANAGEMENT						
RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
6.1 TPRC project objectives not being met.	2	3	6	Low	<p>Ensure TPRC approvals received for actions undertaken by project team and implementation of project are in accordance with TPRC approvals.</p> <p>Regularly review objectives of TPRC strategy documents and ensure implementation by project team.</p>	<p>Implementation of the recommended mitigation action is occurring via all project planning, development and reporting processes.</p> <p>All project documentation and planning is reviewed by the SPG and TPRC to ensure adherence to the TPRC objectives.</p> <p>The recommended mitigation action represents good project management practice and its continued implementation is supported.</p>

Ranking:

*High Risk = 15 – over

*Medium Risk = 7 – 14

*Low Risk = 0 – 6

12.0 FINANCIAL PROJECTIONS

The financial projections in this LTFP have been developed in a format that conforms to the *Local Government (Financial Management) Regulations 1996* and the Australian Accounting Standards. This format has been chosen as it allows projections to feed into the statutory format of the Annual Budget and key performance measures into the LTFP to be compared with Annual Budgets and annual Financial Reports. The statutory schedules include:

- ⇒ Statement of Comprehensive Income;
- ⇒ Statement of Financial Position (Balance Sheet) and Equity Statement;
- ⇒ Statement of Cash Flows; and
- ⇒ Rate Setting Statement.

The Statement of Comprehensive income shows what is expected to happen during the year in terms of revenue, expenses, and other adjustments from all activities. A surplus is estimated for each year of the LTFP.

The Statement of Financial Position is a snap-shot of the expected financial position of the Regional Council at the end of the financial year. It reports what is expected to be owned (assets) and what is expected to be owed (liabilities). The bottom line “Net Assets” represents the net worth of the Council. The assets and liabilities are separated into current and non-current. Current means those assets or liabilities which will fall due in the next 12 months. Non-current refers to assets and liabilities that are recoverable or which fall due over a longer period than 12 months.

The Statement of Cash Flows shows what is expected to happen during the year in terms of cash. The net cash provided by operating activities shows how much cash is expected to remain after paying for the services provided to the community. This can be used to fund other activities such as capital works and infrastructure. The information in this statement assists in the assessment of the ability to generate cash flows and meet financial commitments as they fall due, including debt repayments.

The Closing Balance detailed in the Rate Setting Statement reveals the net surplus/deficit for each year. The surplus/deficit for each year has not been carried forward, but rather represents funds that are available to fund additional expenditure or funds required by the Council to deliver a balanced budget.

The Statements are supported by schedules for:

- ⇒ Capital works;
- ⇒ Projects; and
- ⇒ Depreciation calculations.

13.0 CONCLUSION – IMPLEMENTATION AND REVIEW OF THE LTFP

The Council will consider the content of the LTFP when preparing the Annual Budget for 2019-20 and subsequent years, and it is expected that adopted budgets will be closely aligned with the proposals in the LTFP and assumptions underpinning this.

Some minor review of the LTFP will occur each year as budgets are prepared to account for performance information and changing circumstances. A full review will be undertaken in 2022-23, in conjunction with formal review of the Strategic Community Plan.

The Council is confident that the LTFP will allow the Council to set priorities within its resourcing capabilities to sustainably deliver the projects and services required by the community.

APPENDIX 1

SCENARIO 1 (BASELINE)

**TAMALA PARK REGIONAL COUNCIL
COMPREHENSIVE INCOME STATEMENT**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES
EXPENDITURE	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance	(186,390)	(191,050)	(195,826)	(200,722)	(205,740)	(210,883)	(216,155)	(221,559)	(227,098)	(232,776)	(238,595)	(237,382)
Other Property and Services	(1,168,351)	(1,198,817)	(1,238,391)	(1,276,077)	(1,315,264)	(1,357,024)	(1,395,376)	(1,432,386)	(1,303,638)	(1,284,445)	(1,325,705)	(1,366,474)
	(1,354,741)	(1,389,866)	(1,434,217)	(1,476,799)	(1,521,004)	(1,567,908)	(1,611,532)	(1,653,945)	(1,530,736)	(1,517,221)	(1,564,300)	(1,603,856)
REVENUE												
General Purpose Funding	1,040,633	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	150,000	30,000
Other Property & Services	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560	0
	1,042,633	662,050	662,101	662,154	662,208	662,263	662,319	662,377	662,437	662,498	152,560	30,000
<i>Increase(Decrease)</i>	(312,108)	(727,816)	(772,115)	(814,645)	(858,796)	(905,645)	(949,212)	(991,568)	(868,299)	(854,723)	(1,411,740)	(1,573,856)
DISPOSAL OF ASSETS												
Land	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	(1,760)	0	1,050	(1,654)	1,103	(1,737)	1,158	(1,824)	1,216	(1,915)	1,277	0
Furniture and Equipment	0	0	0	0	0	0	0	0	0	0	0	0
<i>Gain (Loss) on Disposal</i>	(1,760)	0	1,050	(1,654)	1,103	(1,737)	1,158	(1,824)	1,216	(1,915)	1,277	0
NET RESULT	(313,868)	(727,816)	(771,065)	(816,299)	(857,694)	(907,381)	(948,054)	(993,391)	(867,083)	(856,638)	(1,410,464)	(1,573,856)
OTHER COMPREHENSIVE INCOME	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	(313,868)	(727,816)	(771,065)	(816,299)	(857,694)	(907,381)	(948,054)	(993,391)	(867,083)	(856,638)	(1,410,464)	(1,573,856)

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION**

	ACTUAL	PROPOSED ESTIMATES											
	2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	2021/22 \$	2022/23 \$	2023/24 \$	2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	2029/30 \$
Current assets													
Cash and cash equivalents	43,846,407	34,383,809	21,164,058	20,354,413	20,109,249	18,389,734	17,431,842	16,626,698	15,827,252	15,233,734	14,069,268	1,836,252	38,655
Trade and other receivables	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449
Total current assets	44,097,856	34,635,258	21,415,507	20,605,862	20,360,698	18,641,183	17,683,291	16,878,147	16,078,701	15,485,183	14,320,717	2,087,701	290,104
Non-current assets													
Inventories	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	0	0
Property, plant, furniture and equipment	129,727	147,764	152,873	210,275	194,016	191,846	184,683	184,667	175,274	189,658	178,229	183,109	161,136
Total non-current assets	1,929,727	1,947,764	1,952,873	2,010,275	1,994,016	1,991,846	1,984,683	1,984,667	1,975,274	1,989,658	1,978,229	183,109	161,136
Total assets	46,027,583	36,583,022	23,368,380	22,616,137	22,354,714	20,633,029	19,667,975	18,862,814	18,053,975	17,474,841	16,298,947	2,270,810	451,240
Current liabilities													
Trade and other payables	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429
Provisions	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675
Total current liabilities	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104
Non-current liabilities													
Provisions	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150
Total non-current liabilities	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150
Total liabilities	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254
Net assets	45,732,329	36,287,768	23,073,126	22,320,883	22,059,460	20,337,775	19,372,721	18,567,560	17,758,721	17,179,587	16,003,693	1,975,556	155,986
Equity													
Retained surplus	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230
Contributed Equity	43,922,746	34,478,185	21,263,543	20,511,300	20,249,877	18,528,192	17,563,138	16,757,977	15,949,138	15,370,004	14,194,110	165,973	(1,653,597)
Revaluation Surplus	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Total equity	45,732,329	36,287,768	23,073,126	22,320,883	22,059,460	20,337,775	19,372,721	18,567,560	17,758,721	17,179,587	16,003,693	1,975,556	155,986

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CHANGES IN EQUITY**

	ACTUAL	PROPOSED ESTIMATES											
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Retained surplus													
Balance as at 1 July	1,636,727	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230
Total comprehensive Income	166,503	0	0	0	0	0	0	0	0	0	0	0	0
Balance as at 30 June	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230
Contributed Equity													
Balance as at 1 July	39,550,381	43,922,746	34,478,185	21,263,543	20,511,300	20,249,877	18,528,192	17,563,138	16,757,977	15,949,138	15,370,004	14,194,110	165,973
Members Contributions	4,372,365	(9,444,561)	(13,214,641)	(752,244)	(261,423)	(1,721,685)	(965,054)	(805,161)	(808,838)	(579,134)	(1,175,895)	(14,028,137)	(1,819,570)
Balance as at 30 June	43,922,746	34,478,185	21,263,543	20,511,300	20,249,877	18,528,192	17,563,138	16,757,977	15,949,138	15,370,004	14,194,110	165,973	(1,653,597)
Revaluation Surplus													
Balance as at 1 July	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Changes in Revaluation of Non - Current Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance as at 30 June	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Total equity	45,732,329	36,287,768	23,073,126	22,320,883	22,059,460	20,337,775	19,372,721	18,567,560	17,758,721	17,179,587	16,003,693	1,975,556	155,986

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CASH FLOWS**

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	ACTUAL	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES
Cash Flows from operating activities													
PAYMENTS													
Employee Costs	(550,056)	(725,924)	(750,758)	(776,447)	(803,020)	(830,509)	(858,944)	(888,359)	(918,786)	(950,263)	(982,823)	(1,016,506)	(1,051,350)
Materials & Contracts													
Professional Consulting Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	(136,537)	(404,895)	(404,767)	(414,886)	(425,258)	(435,890)	(446,787)	(457,957)	(469,405)	(306,248)	(253,636)	(259,977)	(266,476)
Utilities	0	(6,450)	(6,611)	(6,777)	(6,946)	(7,120)	(7,298)	(7,480)	(7,667)	(7,859)	(8,055)	(8,257)	(8,463)
Insurance	(10,894)	(13,880)	(14,227)	(14,583)	(14,947)	(15,321)	(15,704)	(16,096)	(16,499)	(16,911)	(17,334)	(17,767)	(18,212)
Goods and Services Tax	(190)	0	0	0	0	0	0	0	0	0	0	0	0
Other	(170,341)	(186,390)	(191,050)	(195,826)	(200,722)	(205,740)	(210,883)	(216,155)	(221,559)	(227,098)	(232,776)	(238,595)	(237,382)
	(868,018)	(1,337,538)	(1,367,413)	(1,408,518)	(1,450,893)	(1,494,579)	(1,539,616)	(1,586,047)	(1,633,917)	(1,508,379)	(1,494,624)	(1,541,102)	(1,581,883)
RECEIPTS													
Contributions and Donations Reimbursements	24,727	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560	0
Interest Received	1,103,965	1,040,633	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	150,000	30,000
	1128692	1042633	662050	662101.25	662153.7813	662207.6258	662262.8164	662319.3868	662377.3715	662436.8058	662497.7259	152560.1691	30000
Net Cash flows from Operating Activities	260,674	(294,905)	(705,363)	(746,417)	(788,740)	(832,371)	(877,353)	(923,728)	(971,540)	(845,942)	(832,126)	(1,388,542)	(1,551,883)
Cash flows from investing activities													
Payments													
Development of Land for Resale	(16,488,721)	(21,277,191)	(30,317,642)	(21,273,088)	(31,418,968)	(31,401,052)	(28,966,277)	(26,287,986)	(34,848,605)	(33,023,456)	(6,192,213)	(3,259,206)	(245,714)
Purchase Buildings	0	-	0	(50,000)	0	0	-	0	0	0	0	0	0
Purchase Plant and Equipment	0	(66,000)	(27,563)	(69,300)	(28,941)	(72,765)	(30,388)	(76,403)	(31,907)	(80,223)	(33,502)	(84,235)	0
Purchase Furniture and Equipment	0	(16,000)	0	(10,000)	0	0	(11,000)	0	0	(10,000)	0	0	0
	(16,488,721)	(21,359,191)	(30,345,205)	(21,402,388)	(31,447,909)	(31,473,817)	(29,007,665)	(26,364,389)	(34,880,512)	(33,113,679)	(6,225,715)	(3,343,441)	(245,714)
Receipts													
Disposal of Furniture and Equipment	0	45,000	0	47,250	17,640	49,613	18,522	52,093	19,448	54,698	20,421	57,433	0
Contributions from Other Parties													
	0	45,000	0	47,250	17,640	49,613	18,522	52,093	19,448	54,698	20,421	57,433	0
Net cash flows from investing activities	(16,488,721)	(21,314,191)	(30,345,205)	(21,355,138)	(31,430,269)	(31,424,205)	(28,989,143)	(26,312,296)	(34,861,064)	(33,058,982)	(6,205,295)	(3,286,008)	(245,714)
Cash flows from financing activities													
Income Sale of Lots -Subdivision	22,035,529	14,405,835	28,347,052	38,473,902	45,369,295	51,784,178	55,584,679	57,593,048	64,887,265	77,006,167	42,743,731	3,737,261	0
Income Other -Subdivision	0	1,950,000	3,638,256	3,925,688	10,675,187	1,796,325	1,348,861	2,851,122	1,152,432	2,308,187	2,129,225	932,611	0
Contribution to be Returned	2,825,557	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0	0	0
Profit Distributions	(4,000,000)	(4,000,000)	(14,000,000)	(21,000,000)	(24,000,000)	(23,000,000)	(28,000,000)	(34,000,000)	(31,000,000)	(46,000,000)	(39,000,000)	(12,228,339)	0
Net cash flows from financing activities	20,861,086	12,146,498	17,830,817	21,291,910	31,973,844	30,537,061	28,908,604	26,430,879	35,033,158	33,311,405	5,872,956	(7,558,467)	0
Net (decrease)/increase in cash held	4,633,039	(9,462,598)	(13,219,750)	(809,645)	(245,164)	(1,719,515)	(957,891)	(805,145)	(799,446)	(593,518)	(1,164,465)	(12,233,017)	(1,797,597)
Cash at the Beginning of Reporting Period	39,213,368	43,846,407	34,383,809	21,164,058	20,354,413	20,109,249	18,389,734	17,431,842	16,626,698	15,827,252	15,233,734	14,069,268	1,836,252
Cash at the End of Reporting Period	43,846,407	34,383,809	21,164,058	20,354,413	20,109,249	18,389,734	17,431,842	16,626,698	15,827,252	15,233,734	14,069,268	1,836,252	38,655

**TAMALA PARK REGIONAL COUNCIL
RATE SETTING STATEMENT**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES
REVENUE	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
General Purpose Funding	1,040,633	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	150,000	30,000
Other Property and Services	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560	0
	\$1,042,633	\$662,050	\$662,101	\$662,154	\$662,208	\$662,263	\$662,319	\$662,377	\$662,437	\$662,498	\$152,560	\$30,000
LESS EXPENDITURE												
Governance	(186,390)	(191,050)	(195,826)	(200,722)	(205,740)	(210,883)	(216,155)	(221,559)	(227,098)	(232,776)	(238,595)	(237,382)
Other Property & Services	(1,168,351)	(1,198,817)	(1,238,391)	(1,276,077)	(1,315,264)	(1,357,024)	(1,395,376)	(1,432,386)	(1,303,638)	(1,284,445)	(1,325,705)	(1,366,474)
	(1,354,741)	(1,389,866)	(1,434,217)	(1,476,799)	(1,521,004)	(1,567,908)	(1,611,532)	(1,653,945)	(1,530,736)	(1,517,221)	(1,564,300)	(1,603,856)
<i>Increase(Decrease)</i>	(312,108)	(727,816)	(772,115)	(814,645)	(858,796)	(905,645)	(949,212)	(991,568)	(868,299)	(854,723)	(1,411,740)	(1,573,856)
ADD												
Book Value of Assets Sold Written Back	46,760	0	46,200	19,294	48,510	20,259	50,935	21,272	53,482	22,335	56,156	0
Provision for Employee Entitlements	0	0	0	0	0	0	0	0	0	0	0	0
Income Sale of Lots -Subdivision	14,405,835	28,347,052	38,473,902	45,369,295	51,784,178	55,584,679	57,593,048	64,887,265	77,006,167	42,743,731	3,737,261	0
Income Other -Subdivision	1,950,000	3,638,256	3,925,688	10,675,187	1,796,325	1,348,861	2,851,122	1,152,432	2,308,187	2,129,225	932,611	0
Profit/Loss on the Disposal of Assets	(1,760)	0	1,050	(1,654)	1,103	(1,737)	1,158	(1,824)	1,216	(1,915)	1,277	0
Depreciation Written Back	17,203	22,453	25,698	25,905	26,425	28,292	25,485	20,028	22,357	22,597	23,198	21,973
Provision for Audit Fees	0	0	0	0	0	0	0	0	0	0	0	0
	16,418,038	32,007,761	42,472,538	56,088,027	53,656,540	56,980,354	60,521,748	66,079,173	79,391,409	44,915,973	4,750,503	21,973
<i>Sub Total</i>	16,105,930	31,279,945	41,700,423	55,273,382	52,797,744	56,074,709	59,572,536	65,087,606	78,523,110	44,061,250	3,338,763	(1,551,883)
LESS CAPITAL PROGRAMME												
Purchase Land & Buildings	0	0	(50,000)	0	0	0	0	0	0	0	0	0
Development of Land for Resale	(21,277,191)	(30,317,642)	(21,273,088)	(31,418,968)	(31,401,052)	(28,966,277)	(26,287,986)	(34,848,605)	(33,023,456)	(6,192,213)	(3,259,206)	(245,714)
Purchase Plant and Equipment	(66,000)	(27,563)	(69,300)	(28,941)	(72,765)	(30,388)	(76,403)	(31,907)	(80,223)	(33,502)	(84,235)	0
Purchase Furniture and Equipment	(16,000)	0	(10,000)	0	0	(11,000)	0	0	(10,000)	0	0	0
Contribution Refund	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0	0	0
Profit Distributions	(4,000,000)	(14,000,000)	(21,000,000)	(24,000,000)	(23,000,000)	(28,000,000)	(34,000,000)	(31,000,000)	(46,000,000)	(39,000,000)	(12,228,339)	0
Contribution Returned	0	0	0	0	0	0	0	0	0	0	0	0
	(25,568,528)	(44,499,695)	(42,510,068)	(55,518,547)	(54,517,259)	(57,032,601)	(60,377,680)	(65,887,051)	(79,116,629)	(45,225,715)	(15,571,780)	(245,714)
ABNORMAL ITEMS												
Rounding	0	0	0	0	0	0	0	0	0	0	0	0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Sub Total</i>	(9,462,598)	(13,219,750)	(809,645)	(245,164)	(1,719,515)	(957,891)	(805,145)	(799,446)	(593,518)	(1,164,465)	(12,233,017)	(1,797,597)
LESS FUNDING FROM												
Opening Funds	43,807,751	34,345,153	21,125,403	20,315,758	20,070,594	18,351,079	17,393,188	16,588,043	15,788,597	15,195,079	14,030,614	1,797,597
Closing Funds (surplus/deficit)	(34,345,153)	(21,125,403)	(20,315,758)	(20,070,594)	(18,351,079)	(17,393,188)	(16,588,043)	(15,788,597)	(15,195,079)	(14,030,614)	(1,797,597)	0
	9,462,598	13,219,750	809,645	245,164	1,719,515	957,891	805,145	799,446	593,518	1,164,465	12,233,017	1,797,597
TO BE MADE UP FROM RATES	-0	-0	-0	-0	-0	-0	0	0	-0	-0	0	0

APPENDIX 2

SCENARIO 2 (COST GEARED)

**TAMALA PARK REGIONAL COUNCIL
COMPREHENSIVE INCOME STATEMENT**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES
EXPENDITURE	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance	(186,390)	(191,050)	(195,826)	(200,722)	(205,740)	(210,883)	(216,155)	(221,559)	(227,098)	(232,776)	(238,595)	(237,382)
Other Property and Services	(1,168,351)	(1,198,817)	(1,238,391)	(1,276,077)	(1,315,264)	(1,357,024)	(1,395,376)	(1,432,386)	(1,303,638)	(1,284,445)	(1,325,705)	(1,366,475)
	(1,354,741)	(1,389,866)	(1,434,217)	(1,476,799)	(1,521,004)	(1,567,908)	(1,611,532)	(1,653,945)	(1,530,736)	(1,517,221)	(1,564,300)	(1,603,857)
REVENUE												
General Purpose Funding	1,040,633	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	150,000	30,000
Other Property & Services	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560	0
	1,042,633	662,050	662,101	662,154	662,208	662,263	662,319	662,377	662,437	662,498	152,560	30,000
<i>Increase(Decrease)</i>	(312,108)	(727,816)	(772,115)	(814,645)	(858,796)	(905,645)	(949,212)	(991,568)	(868,299)	(854,723)	(1,411,740)	(1,573,857)
DISPOSAL OF ASSETS												
Land	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	(1,760)	0	1,050	(1,654)	1,103	(1,737)	1,158	(1,824)	1,216	(1,915)	1,277	0
Furniture and Equipment	0	0	0	0	0	0	0	0	0	0	0	0
<i>Gain (Loss) on Disposal</i>	(1,760)	0	1,050	(1,654)	1,103	(1,737)	1,158	(1,824)	1,216	(1,915)	1,277	0
NET RESULT	(313,868)	(727,816)	(771,065)	(816,299)	(857,694)	(907,381)	(948,054)	(993,391)	(867,083)	(856,638)	(1,410,464)	(1,573,857)
OTHER COMPREHENSIVE INCOME	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	(313,868)	(727,816)	(771,065)	(816,299)	(857,694)	(907,381)	(948,054)	(993,391)	(867,083)	(856,638)	(1,410,464)	(1,573,857)

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION**

	ACTUAL	PROPOSED ESTIMATES											
	2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	2021/22 \$	2022/23 \$	2023/24 \$	2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	2029/30 \$
Current assets													
Cash and cash equivalents	43,846,407	34,383,809	21,900,504	20,682,734	19,544,307	18,483,858	17,552,220	16,610,496	15,581,258	14,879,769	14,241,441	1,907,456	38,655
Trade and other receivables	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449
Total current assets	44,097,856	34,635,258	22,151,953	20,934,183	19,795,756	18,735,307	17,803,669	16,861,945	15,832,707	15,131,218	14,492,890	2,158,905	290,104
Non-current assets													
Inventories	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	0	0
Property, plant, furniture and equipment	129,727	147,764	152,873	210,275	194,016	191,846	184,683	184,667	175,274	189,658	178,229	183,109	161,135
Total non-current assets	1,929,727	1,947,764	1,952,873	2,010,275	1,994,016	1,991,846	1,984,683	1,984,667	1,975,274	1,989,658	1,978,229	183,109	161,135
Total assets	46,027,583	36,583,022	24,104,826	22,944,458	21,789,772	20,727,153	19,788,353	18,846,612	17,807,981	17,120,876	16,471,120	2,342,014	451,239
Current liabilities													
Trade and other payables	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429
Provisions	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675
Total current liabilities	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104
Non-current liabilities													
Provisions	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150
Total non-current liabilities	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150
Total liabilities	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254
Net assets	45,732,329	36,287,768	23,809,572	22,649,204	21,494,518	20,431,899	19,493,099	18,551,358	17,512,727	16,825,622	16,175,866	2,046,760	155,985
Equity													
Retained surplus	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230
Contributed Equity	43,922,746	34,478,185	21,999,989	20,839,621	19,684,935	18,622,316	17,683,516	16,741,775	15,703,144	15,016,039	14,366,283	237,177	(1,653,598)
Revaluation Surplus	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Total equity	45,732,329	36,287,768	23,809,572	22,649,204	21,494,518	20,431,899	19,493,099	18,551,358	17,512,727	16,825,622	16,175,866	2,046,760	155,985

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CHANGES IN EQUITY**

	ACTUAL	PROPOSED ESTIMATES											
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Retained surplus													
Balance as at 1 July	1,636,727	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230
Total comprehensive Income	166,503	0	0	0	0	0	0	0	0	0	0	0	0
Balance as at 30 June	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230
Contributed Equity													
Balance as at 1 July	39,550,381	43,922,746	34,478,185	21,999,989	20,839,621	19,684,935	18,622,316	17,683,516	16,741,775	15,703,144	15,016,039	14,366,283	237,177
Members Contributions	4,372,365	(9,444,561)	(12,478,195)	(1,160,369)	(1,154,686)	(1,062,619)	(938,800)	(941,741)	(1,038,630)	(687,105)	(649,757)	(14,129,106)	(1,890,775)
Balance as at 30 June	43,922,746	34,478,185	21,999,989	20,839,621	19,684,935	18,622,316	17,683,516	16,741,775	15,703,144	15,016,039	14,366,283	237,177	(1,653,598)
Revaluation Surplus													
Balance as at 1 July	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Changes in Revaluation of Non - Current Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance as at 30 June	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Total equity	45,732,329	36,287,768	23,809,572	22,649,204	21,494,518	20,431,899	19,493,099	18,551,358	17,512,727	16,825,622	16,175,866	2,046,760	155,985

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CASH FLOWS**

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	ACTUAL	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES
Cash Flows from operating activities													
PAYMENTS													
Employee Costs	(550,056)	(725,924)	(750,758)	(776,447)	(803,020)	(830,509)	(858,944)	(888,359)	(918,786)	(950,263)	(982,823)	(1,016,506)	(1,051,350)
Materials & Contracts													
Professional Consulting Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	(136,537)	(404,895)	(404,767)	(414,886)	(425,258)	(435,890)	(446,787)	(457,957)	(469,405)	(306,248)	(253,636)	(259,977)	(266,476)
Utilities	0	(6,450)	(6,611)	(6,777)	(6,946)	(7,120)	(7,298)	(7,480)	(7,667)	(7,859)	(8,055)	(8,257)	(8,463)
Insurance	(10,894)	(13,880)	(14,227)	(14,583)	(14,947)	(15,321)	(15,704)	(16,096)	(16,499)	(16,911)	(17,334)	(17,767)	(18,212)
Goods and Services Tax	(190)	0	0	0	0	0	0	0	0	0	0	0	0
Other	(170,341)	(186,390)	(191,050)	(195,826)	(200,722)	(205,740)	(210,883)	(216,155)	(221,559)	(227,098)	(232,776)	(238,595)	(237,382)
	(868,018)	(1,337,538)	(1,367,413)	(1,408,518)	(1,450,893)	(1,494,579)	(1,539,616)	(1,586,047)	(1,633,917)	(1,508,379)	(1,494,624)	(1,541,102)	(1,581,883)
RECEIPTS													
Contributions and Donations Reimbursements	24,727	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560	0
Interest Received	1,103,965	1,040,633	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	150,000	30,000
	1128692	1042633	662050	662101.25	662153.7813	662207.6258	662262.8164	662319.3868	662377.3715	662436.8058	662497.7259	152560.1691	30000
Net Cash flows from Operating Activities	260,674	(294,905)	(705,363)	(746,417)	(788,740)	(832,371)	(877,353)	(923,728)	(971,540)	(845,942)	(832,126)	(1,388,542)	(1,551,883)
Cash flows from investing activities													
Payments													
Development of Land for Resale	(16,488,721)	(21,277,191)	(30,558,454)	(22,040,580)	(33,069,939)	(33,751,568)	(31,701,637)	(29,237,908)	(39,789,529)	(38,401,268)	(6,852,878)	(3,701,984)	(316,918)
Purchase Buildings	0	-	0	(50,000)	0	0	-	0	0	0	0	0	0
Purchase Plant and Equipment	0	(66,000)	(27,563)	(69,300)	(28,941)	(72,765)	(30,388)	(76,403)	(31,907)	(80,223)	(33,502)	(84,235)	0
Purchase Furniture and Equipment	0	(16,000)	0	(10,000)	0	0	(11,000)	0	0	(10,000)	0	0	0
	(16,488,721)	(21,359,191)	(30,586,017)	(22,169,880)	(33,098,880)	(33,824,333)	(31,743,025)	(29,314,311)	(39,821,436)	(38,491,491)	(6,886,380)	(3,786,219)	(316,918)
Receipts													
Disposal of Furniture and Equipment	0	45,000	0	47,250	17,640	49,613	18,522	52,093	19,448	54,698	20,421	57,433	0
Contributions from Other Parties													
	0	45,000	0	47,250	17,640	49,613	18,522	52,093	19,448	54,698	20,421	57,433	0
Net cash flows from investing activities	(16,488,721)	(21,314,191)	(30,586,017)	(22,122,630)	(33,081,240)	(33,774,721)	(31,724,503)	(29,262,218)	(39,801,988)	(38,436,794)	(6,865,960)	(3,728,786)	(316,918)
Cash flows from financing activities													
Income Sale of Lots -Subdivision	22,035,529	14,405,835	28,274,072	37,649,742	43,497,150	48,634,734	51,329,821	51,991,305	57,409,737	66,810,293	36,455,334	3,154,553	0
Income Other -Subdivision	0	1,950,000	3,688,494	4,109,215	11,305,040	1,955,351	1,365,333	3,266,207	1,341,092	2,773,902	2,604,425	860,309	0
Contribution to be Returned	2,825,557	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0	0	0
Profit Distributions	(4,000,000)	(4,000,000)	(13,000,000)	(20,000,000)	(22,000,000)	(17,000,000)	(21,000,000)	(26,000,000)	(19,000,000)	(31,000,000)	(32,000,000)	(11,231,520)	0
Net cash flows from financing activities	20,861,086	12,146,498	18,808,075	21,651,277	32,731,552	33,546,643	31,670,218	29,244,221	39,744,290	38,581,246	7,059,759	(7,216,658)	0
Net (decrease)/increase in cash held	4,633,039	(9,462,598)	(12,483,304)	(1,217,770)	(1,138,427)	(1,060,449)	(931,637)	(941,725)	(1,029,238)	(701,489)	(638,327)	(12,333,986)	(1,868,801)
Cash at the Beginning of Reporting Period	39,213,368	43,846,407	34,383,809	21,900,504	20,682,734	19,544,307	18,483,858	17,552,220	16,610,496	15,581,258	14,879,769	14,241,441	1,907,456
Cash at the End of Reporting Period	43,846,407	34,383,809	21,900,504	20,682,734	19,544,307	18,483,858	17,552,220	16,610,496	15,581,258	14,879,769	14,241,441	1,907,456	38,655

**TAMALA PARK REGIONAL COUNCIL
RATE SETTING STATEMENT**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES
REVENUE	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
General Purpose Funding	1,040,633	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	150,000	30,000
Other Property and Services	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560	0
	\$1,042,633	\$662,050	\$662,101	\$662,154	\$662,208	\$662,263	\$662,319	\$662,377	\$662,437	\$662,498	\$152,560	\$30,000
LESS EXPENDITURE												
Governance	(186,390)	(191,050)	(195,826)	(200,722)	(205,740)	(210,883)	(216,155)	(221,559)	(227,098)	(232,776)	(238,595)	(237,382)
Other Property & Services	(1,168,351)	(1,198,817)	(1,238,391)	(1,276,077)	(1,315,264)	(1,357,024)	(1,395,376)	(1,432,386)	(1,303,638)	(1,284,445)	(1,325,705)	(1,366,475)
	(1,354,741)	(1,389,866)	(1,434,217)	(1,476,799)	(1,521,004)	(1,567,908)	(1,611,532)	(1,653,945)	(1,530,736)	(1,517,221)	(1,564,300)	(1,603,857)
<i>Increase(Decrease)</i>	(312,108)	(727,816)	(772,115)	(814,645)	(858,796)	(905,645)	(949,212)	(991,568)	(868,299)	(854,723)	(1,411,740)	(1,573,857)
ADD												
Book Value of Assets Sold Written Back	46,760	0	46,200	19,294	48,510	20,259	50,935	21,272	53,482	22,335	56,156	0
Provision for Employee Entitlements	0	0	0	0	0	0	0	0	0	0	0	0
Income Sale of Lots -Subdivision	14,405,835	28,274,072	37,649,742	43,497,150	48,634,734	51,329,821	51,991,305	57,409,737	66,810,293	36,455,334	3,154,553	0
Income Other -Subdivision	1,950,000	3,688,494	4,109,215	11,305,040	1,955,351	1,365,333	3,266,207	1,341,092	2,773,902	2,604,425	860,309	0
Profit/Loss on the Disposal of Assets	(1,760)	0	1,050	(1,654)	1,103	(1,737)	1,158	(1,824)	1,216	(1,915)	1,277	0
Depreciation Written Back	17,203	22,453	25,698	25,905	26,425	28,292	25,485	20,028	22,357	22,597	23,198	21,974
Provision for Audit Fees	0	0	0	0	0	0	0	0	0	0	0	0
	16,418,038	31,985,019	41,831,905	54,845,735	50,666,122	52,741,968	55,335,090	58,790,305	69,661,250	39,102,776	4,095,493	21,974
<i>Sub Total</i>	16,105,930	31,257,203	41,059,790	54,031,090	49,807,326	51,836,323	54,385,878	57,798,738	68,792,951	38,248,053	2,683,753	(1,551,883)
LESS CAPITAL PROGRAMME												
Purchase Land & Buildings	0	0	(50,000)	0	0	0	0	0	0	0	0	0
Development of Land for Resale	(21,277,191)	(30,558,454)	(22,040,580)	(33,069,939)	(33,751,568)	(31,701,637)	(29,237,908)	(39,789,529)	(38,401,268)	(6,852,878)	(3,701,984)	(316,918)
Purchase Plant and Equipment	(66,000)	(27,563)	(69,300)	(28,941)	(72,765)	(30,388)	(76,403)	(31,907)	(80,223)	(33,502)	(84,235)	0
Purchase Furniture and Equipment	(16,000)	0	(10,000)	0	0	(11,000)	0	0	(10,000)	0	0	0
Contribution Refund	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0	0	0
Profit Distributions	(4,000,000)	(13,000,000)	(20,000,000)	(22,000,000)	(17,000,000)	(21,000,000)	(26,000,000)	(19,000,000)	(31,000,000)	(32,000,000)	(11,231,520)	0
Contribution Returned	0	0	0	0	0	0	0	0	0	0	0	0
	(25,568,528)	(43,740,507)	(42,277,560)	(55,169,518)	(50,867,775)	(52,767,961)	(55,327,602)	(58,827,975)	(69,494,441)	(38,886,380)	(15,017,739)	(316,918)
ABNORMAL ITEMS												
Rounding	0	0	0	0	0	0	0	0	0	0	0	0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Sub Total</i>	(9,462,598)	(12,483,304)	(1,217,770)	(1,138,427)	(1,060,449)	(931,637)	(941,725)	(1,029,238)	(701,489)	(638,327)	(12,333,986)	(1,868,801)
LESS FUNDING FROM												
Opening Funds	43,807,751	34,345,153	21,861,849	20,644,079	19,505,652	18,445,203	17,513,566	16,571,841	15,542,603	14,841,114	14,202,787	1,868,801
Closing Funds (surplus/deficit)	(34,345,153)	(21,861,849)	(20,644,079)	(19,505,652)	(18,445,203)	(17,513,566)	(16,571,841)	(15,542,603)	(14,841,114)	(14,202,787)	(1,868,801)	0
	9,462,598	12,483,304	1,217,770	1,138,427	1,060,449	931,637	941,725	1,029,238	701,489	638,327	12,333,986	1,868,801
TO BE MADE UP FROM RATES	-0	-0	-0	-0	-0	-0	0	0	-0	-0	0	0

APPENDIX 3

SCENARIO 3 (INCOME GEARED)

**TAMALA PARK REGIONAL COUNCIL
COMPREHENSIVE INCOME STATEMENT**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES
EXPENDITURE	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance	(186,390)	(191,050)	(195,826)	(200,722)	(205,740)	(210,883)	(216,155)	(221,559)	(227,098)	(232,776)	(238,595)	(237,382)
Other Property and Services	(1,168,351)	(1,198,817)	(1,238,391)	(1,276,077)	(1,315,264)	(1,357,024)	(1,395,376)	(1,432,386)	(1,303,638)	(1,284,445)	(1,325,705)	(1,366,474)
	(1,354,741)	(1,389,866)	(1,434,217)	(1,476,799)	(1,521,004)	(1,567,908)	(1,611,532)	(1,653,945)	(1,530,736)	(1,517,221)	(1,564,300)	(1,603,856)
REVENUE												
General Purpose Funding	1,040,633	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	150,000	30,000
Other Property & Services	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560	0
	1,042,633	662,050	662,101	662,154	662,208	662,263	662,319	662,377	662,437	662,498	152,560	30,000
<i>Increase(Decrease)</i>	(312,108)	(727,816)	(772,115)	(814,645)	(858,796)	(905,645)	(949,212)	(991,568)	(868,299)	(854,723)	(1,411,740)	(1,573,856)
DISPOSAL OF ASSETS												
Land	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	(1,760)	0	1,050	(1,654)	1,103	(1,737)	1,158	(1,824)	1,216	(1,915)	1,277	0
Furniture and Equipment	0	0	0	0	0	0	0	0	0	0	0	0
<i>Gain (Loss) on Disposal</i>	(1,760)	0	1,050	(1,654)	1,103	(1,737)	1,158	(1,824)	1,216	(1,915)	1,277	0
NET RESULT	(313,868)	(727,816)	(771,065)	(816,299)	(857,694)	(907,381)	(948,054)	(993,391)	(867,083)	(856,638)	(1,410,464)	(1,573,856)
OTHER COMPREHENSIVE INCOME	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	(313,868)	(727,816)	(771,065)	(816,299)	(857,694)	(907,381)	(948,054)	(993,391)	(867,083)	(856,638)	(1,410,464)	(1,573,856)

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION**

	ACTUAL	PROPOSED ESTIMATES											
	2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	2021/22 \$	2022/23 \$	2023/24 \$	2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	2029/30 \$
Current assets													
Cash and cash equivalents	43,846,407	34,383,809	21,332,139	20,239,300	19,939,824	19,136,732	17,767,503	16,707,532	15,689,753	14,790,468	13,763,163	1,824,033	38,655
Trade and other receivables	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449	251,449
Total current assets	44,097,856	34,635,258	21,583,588	20,490,749	20,191,273	19,388,181	18,018,952	16,958,981	15,941,202	15,041,917	14,014,612	2,075,482	290,104
Non-current assets													
Inventories	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	0	0
Property, plant, furniture and equipment	129,727	147,764	152,873	210,275	194,016	191,846	184,683	184,667	175,274	189,658	178,229	183,109	161,136
Total non-current assets	1,929,727	1,947,764	1,952,873	2,010,275	1,994,016	1,991,846	1,984,683	1,984,667	1,975,274	1,989,658	1,978,229	183,109	161,136
Total assets	46,027,583	36,583,022	23,536,461	22,501,024	22,185,289	21,380,027	20,003,636	18,943,648	17,916,476	17,031,575	15,992,842	2,258,591	451,240
Current liabilities													
Trade and other payables	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429	49,429
Provisions	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675	240,675
Total current liabilities	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104	290,104
Non-current liabilities													
Provisions	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150
Total non-current liabilities	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150
Total liabilities	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254	295,254
Net assets	45,732,329	36,287,768	23,241,207	22,205,770	21,890,035	21,084,773	19,708,382	18,648,394	17,621,222	16,736,321	15,697,588	1,963,337	155,986
Equity													
Retained surplus	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230
Contributed Equity	43,922,746	34,478,185	21,431,624	20,396,187	20,080,452	19,275,190	17,898,799	16,838,811	15,811,639	14,926,738	13,888,005	153,754	(1,653,597)
Revaluation Surplus	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Total equity	45,732,329	36,287,768	23,241,207	22,205,770	21,890,035	21,084,773	19,708,382	18,648,394	17,621,222	16,736,321	15,697,588	1,963,337	155,986

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CHANGES IN EQUITY**

	ACTUAL	PROPOSED ESTIMATES											
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Retained surplus													
Balance as at 1 July	1,636,727	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230
Total comprehensive Income	166503	0	0	0	0	0	0	0	0	0	0	0	0
Balance as at 30 June	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230	1,803,230
Contributed Equity													
Balance as at 1 July	39,550,381	43,922,746	34,478,185	21,431,624	20,396,187	20,080,452	19,275,190	17,898,799	16,838,811	15,811,639	14,926,738	13,888,005	153,754
Members Contributions	4,372,365	(9,444,561)	(13,046,560)	(1,035,438)	(315,735)	(805,262)	(1,376,391)	(1,059,988)	(1,027,171)	(884,901)	(1,038,734)	(13,734,251)	(1,807,351)
Balance as at 30 June	43,922,746	34,478,185	21,431,624	20,396,187	20,080,452	19,275,190	17,898,799	16,838,811	15,811,639	14,926,738	13,888,005	153,754	(1,653,597)
Revaluation Surplus													
Balance as at 1 July	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Changes in Revaluation of Non - Current Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance as at 30 June	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Total equity	45,732,329	36,287,768	23,241,207	22,205,770	21,890,035	21,084,773	19,708,382	18,648,394	17,621,222	16,736,321	15,697,588	1,963,337	155,986

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CASH FLOWS**

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	ACTUAL	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES
Cash Flows from operating activities													
PAYMENTS													
Employee Costs	(550,056)	(725,924)	(750,758)	(776,447)	(803,020)	(830,509)	(858,944)	(888,359)	(918,786)	(950,263)	(982,823)	(1,016,506)	(1,051,350)
Materials & Contracts													
Professional Consulting Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	(136,537)	(404,895)	(404,767)	(414,886)	(425,258)	(435,890)	(446,787)	(457,957)	(469,405)	(306,248)	(253,636)	(259,977)	(266,476)
Utilities	0	(6,450)	(6,611)	(6,777)	(6,946)	(7,120)	(7,298)	(7,480)	(7,667)	(7,859)	(8,055)	(8,257)	(8,463)
Insurance	(10,894)	(13,880)	(14,227)	(14,583)	(14,947)	(15,321)	(15,704)	(16,096)	(16,499)	(16,911)	(17,334)	(17,767)	(18,212)
Goods and Services Tax	(190)	0	0	0	0	0	0	0	0	0	0	0	0
Other	(170,341)	(186,390)	(191,050)	(195,826)	(200,722)	(205,740)	(210,883)	(216,155)	(221,559)	(227,098)	(232,776)	(238,595)	(237,382)
	(868,018)	(1,337,538)	(1,367,413)	(1,408,518)	(1,450,893)	(1,494,579)	(1,539,616)	(1,586,047)	(1,633,917)	(1,508,379)	(1,494,624)	(1,541,102)	(1,581,883)
RECEIPTS													
Contributions and Donations Reimbursements	24,727	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560	0
Interest Received	1,103,965	1,040,633	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	150,000	30,000
	1128692	1042633	662050	662101.25	662153.7813	662207.6258	662262.8164	662319.3868	662377.3715	662436.8058	662497.7259	152560.1691	30000
Net Cash flows from Operating Activities	260,674	(294,905)	(705,363)	(746,417)	(788,740)	(832,371)	(877,353)	(923,728)	(971,540)	(845,942)	(832,126)	(1,388,542)	(1,551,883)
Cash flows from investing activities													
Payments													
Development of Land for Resale	(16,488,721)	(21,277,191)	(30,287,176)	(21,228,773)	(31,337,804)	(31,367,092)	(29,039,379)	(26,517,815)	(34,995,926)	(33,483,669)	(6,949,921)	(3,291,420)	(233,495)
Purchase Buildings	0	0	0	(50,000)	0	0	0	0	0	0	0	0	0
Purchase Plant and Equipment	0	(66,000)	(27,563)	(69,300)	(28,941)	(72,765)	(30,388)	(76,403)	(31,907)	(80,223)	(33,502)	(84,235)	0
Purchase Furniture and Equipment	0	(16,000)	0	(10,000)	0	0	(11,000)	0	0	(10,000)	0	0	0
	(16,488,721)	(21,359,191)	(30,314,739)	(21,358,073)	(31,366,745)	(31,439,857)	(29,080,767)	(26,594,218)	(35,027,833)	(33,573,892)	(6,983,423)	(3,375,655)	(233,495)
Receipts													
Disposal of Furniture and Equipment	0	45,000	0	47,250	17,640	49,613	18,522	52,093	19,448	54,698	20,421	57,433	0
Contributions from Other Parties													
	0	45,000	0	47,250	17,640	49,613	18,522	52,093	19,448	54,698	20,421	57,433	0
Net cash flows from investing activities	(16,488,721)	(21,314,191)	(30,314,739)	(21,310,823)	(31,349,105)	(31,390,245)	(29,062,245)	(26,542,125)	(35,008,385)	(33,519,195)	(6,963,003)	(3,318,222)	(233,495)
Cash flows from financing activities													
Income Sale of Lots -Subdivision	22,035,529	14,405,835	28,494,629	40,182,148	49,355,653	58,696,889	65,194,407	70,644,599	82,850,714	102,244,010	58,722,785	5,241,637	0
Income Other -Subdivision	0	1,950,000	3,628,294	3,889,933	10,553,353	1,766,077	1,400,898	2,774,573	1,117,971	2,224,790	2,045,040	1,123,085	0
Contribution to be Returned	2,825,557	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0	0	0
Profit Distributions	(4,000,000)	(4,000,000)	(14,000,000)	(23,000,000)	(28,000,000)	(29,000,000)	(38,000,000)	(47,000,000)	(49,000,000)	(71,000,000)	(54,000,000)	(13,597,089)	0
Net cash flows from financing activities	20,861,086	12,146,498	17,968,432	20,964,401	31,838,368	31,419,524	28,570,369	26,405,881	34,962,146	33,465,851	6,767,825	(7,232,367)	0
Net (decrease)/increase in cash held	4,633,039	(9,462,598)	(13,051,669)	(1,092,839)	(299,476)	(803,092)	(1,369,228)	(1,059,972)	(1,017,779)	(899,285)	(1,027,304)	(11,939,131)	(1,785,378)
Cash at the Beginning of Reporting Period	39,213,368	43,846,407	34,383,809	21,332,139	20,239,300	19,939,824	19,136,732	17,767,503	16,707,532	15,689,753	14,790,468	13,763,163	1,824,033
Cash at the End of Reporting Period	43,846,407	34,383,809	21,332,139	20,239,300	19,939,824	19,136,732	17,767,503	16,707,532	15,689,753	14,790,468	13,763,163	1,824,033	38,655

**TAMALA PARK REGIONAL COUNCIL
RATE SETTING STATEMENT**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES	PROPOSED ESTIMATES
REVENUE	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
General Purpose Funding	1,040,633	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	150,000	30,000
Other Property and Services	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560	0
	\$1,042,633	\$662,050	\$662,101	\$662,154	\$662,208	\$662,263	\$662,319	\$662,377	\$662,437	\$662,498	\$152,560	\$30,000
LESS EXPENDITURE												
Governance	(186,390)	(191,050)	(195,826)	(200,722)	(205,740)	(210,883)	(216,155)	(221,559)	(227,098)	(232,776)	(238,595)	(237,382)
Other Property & Services	(1,168,351)	(1,198,817)	(1,238,391)	(1,276,077)	(1,315,264)	(1,357,024)	(1,395,376)	(1,432,386)	(1,303,638)	(1,284,445)	(1,325,705)	(1,366,474)
	(1,354,741)	(1,389,866)	(1,434,217)	(1,476,799)	(1,521,004)	(1,567,908)	(1,611,532)	(1,653,945)	(1,530,736)	(1,517,221)	(1,564,300)	(1,603,856)
<i>Increase(Decrease)</i>	(312,108)	(727,816)	(772,115)	(814,645)	(858,796)	(905,645)	(949,212)	(991,568)	(868,299)	(854,723)	(1,411,740)	(1,573,856)
ADD												
Book Value of Assets Sold Written Back	46,760	0	46,200	19,294	48,510	20,259	50,935	21,272	53,482	22,335	56,156	0
Provision for Employee Entitlements	0	0	0	0	0	0	0	0	0	0	0	0
Income Sale of Lots -Subdivision	14,405,835	28,494,629	40,182,148	49,355,653	58,696,889	65,194,407	70,644,599	82,850,714	102,244,010	58,722,785	5,241,637	0
Income Other -Subdivision	1,950,000	3,628,294	3,889,933	10,553,353	1,766,077	1,400,898	2,774,573	1,117,971	2,224,790	2,045,040	1,123,085	0
Profit/Loss on the Disposal of Assets	(1,760)	0	1,050	(1,654)	1,103	(1,737)	1,158	(1,824)	1,216	(1,915)	1,277	0
Depreciation Written Back	17,203	22,453	25,698	25,905	26,425	28,292	25,485	20,028	22,357	22,597	23,198	21,973
Provision for Audit Fees	0	0	0	0	0	0	0	0	0	0	0	0
	16,418,038	32,145,376	44,145,029	59,952,551	60,539,003	66,642,119	73,496,750	84,008,161	104,545,855	60,810,842	6,445,353	21,973
<i>Sub Total</i>	16,105,930	31,417,560	43,372,914	59,137,906	59,680,207	65,736,474	72,547,538	83,016,594	103,677,556	59,956,119	5,033,613	-1,551,883
LESS CAPITAL PROGRAMME												
Purchase Land & Buildings	0	0	(50,000)	0	0	0	0	0	0	0	0	0
Development of Land for Resale	(21,277,191)	(30,287,176)	(21,228,773)	(31,337,804)	(31,367,092)	(29,039,379)	(26,517,815)	(34,995,926)	(33,483,669)	(6,949,921)	(3,291,420)	(233,495)
Purchase Plant and Equipment	(66,000)	(27,563)	(69,300)	(28,941)	(72,765)	(30,388)	(76,403)	(31,907)	(80,223)	(33,502)	(84,235)	0
Purchase Furniture and Equipment	(16,000)	0	(10,000)	0	0	(11,000)	0	0	(10,000)	0	0	0
Contribution Refund	(209,337)	(154,491)	(107,680)	(70,638)	(43,442)	(24,936)	(13,291)	(6,539)	(2,949)	0	0	0
Profit Distributions	(4,000,000)	(14,000,000)	(23,000,000)	(28,000,000)	(29,000,000)	(38,000,000)	(47,000,000)	(49,000,000)	(71,000,000)	(54,000,000)	(13,597,089)	0
Contribution Returned	0	0	0	0	0	0	0	0	0	0	0	0
	(25,568,528)	(44,469,229)	(44,465,753)	(59,437,383)	(60,483,299)	(67,105,703)	(73,607,509)	(84,034,372)	(104,576,842)	(60,983,423)	(16,972,744)	(233,495)
ABNORMAL ITEMS												
Rounding	0	0	0	0	0	0	0	0	0	0	0	0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Sub Total</i>	(9,462,598)	(13,051,669)	(1,092,839)	(299,476)	(803,092)	(1,369,228)	(1,059,972)	(1,017,779)	(899,285)	(1,027,304)	(11,939,131)	(1,785,378)
LESS FUNDING FROM												
Opening Funds	43,807,751	34,345,153	21,293,484	20,200,645	19,901,169	19,098,077	17,728,849	16,668,877	15,651,098	14,751,813	13,724,509	1,785,378
Closing Funds (surplus/deficit)	(34,345,153)	(21,293,484)	(20,200,645)	(19,901,169)	(19,098,077)	(17,728,849)	(16,668,877)	(15,651,098)	(14,751,813)	(13,724,509)	(1,785,378)	0
	9,462,598	13,051,669	1,092,839	299,476	803,092	1,369,228	1,059,972	1,017,779	899,285	1,027,304	11,939,131	1,785,378
TO BE MADE UP FROM RATES	-0	-0	-0	-0	-0	-0	0	0	-0	-0	0	0

APPENDIX 4

CAPITAL WORKS PROGRAM

Scenario 1

**TAMALA PARK REGIONAL COUNCIL
CAPITAL WORKS PROGRAM**

	EXPENDITURE											
PLANT	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
OTHER PROPERTY AND SERVICES												
Motor Vehicle CEO	\$66,000	\$0	\$69,300	\$0	\$72,765	\$0	\$76,403	\$0	\$80,223	\$0	\$84,235	\$0
Motor Vehicle Works	\$0	\$27,563	\$0	\$28,941	\$0	\$30,388	\$0	\$31,907	\$0	\$33,502	\$0	\$0
TOTAL EXPENDITURE	\$66,000	\$27,563	\$69,300	\$28,941	\$72,765	\$30,388	\$76,403	\$31,907	\$80,223	\$33,502	\$84,235	\$0

	REVENUE											
FUNDING SOURCES	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
PROCEEDS SALE OF PLANT	\$45,000	\$0	\$47,250	\$17,640	\$49,613	\$18,522	\$52,093	\$19,448	\$54,698	\$20,421	\$57,433	\$0
COUNCIL FUNDS	\$21,000	\$27,563	\$22,050	\$11,301	\$23,152	\$11,866	\$24,310	\$12,459	\$25,525	\$13,081	\$26,802	\$0
TOTAL FUNDING	\$66,000	\$27,563	\$69,300	\$28,941	\$72,765	\$30,388	\$76,403	\$31,907	\$80,223	\$33,502	\$84,235	\$0

	EXPENDITURE											
FURNITURE AND EQUIPMENT	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
OTHER PROPERTY AND SERVICES												
General Office Equipment	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office Furniture CEO	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telephones	\$0	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0
Conference Room TV	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Computer Equipment	\$0	\$0	\$10,000	\$0	\$0	\$10,000	\$0	\$0	\$10,000	\$0	\$0	\$0
TOTAL EXPENDITURE	\$16,000	\$0	\$10,000	\$0	\$0	\$11,000	\$0	\$0	\$10,000	\$0	\$0	\$0

	REVENUE											
FUNDING SOURCES	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
COUNCIL FUNDS	\$16,000	\$0	\$10,000	\$0	\$0	\$11,000	\$0	\$0	\$10,000	\$0	\$0	\$0
TOTAL FUNDING	\$16,000	\$0	\$10,000	\$0	\$0	\$11,000	\$0	\$0	\$10,000	\$0	\$0	\$0

**TAMALA PARK REGIONAL COUNCIL
CAPITAL WORKS PROGRAM**

EXPENDITURE												
LAND AND BUILDINGS	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
OTHER PROPERTY AND SERVICES Office Refurbishment	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURE	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

REVENUE												
FUNDING SOURCES	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
COUNCIL FUNDS	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL FUNDING	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

APPENDIX 5

DEPRECIATION SCHEDULES

Scenario 1

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE**

2017-18

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	101,260	23,250	65,016	189,526
Assets Acquired during the year	0	0	0	0
Assets Disposed during the year	0	0	0	0
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	101,260	23,250	65,016	189,526
Depreciation at the beginning of the year	(22,156)	(8,997)	(8,493)	(39,646)
Depreciation Expense Raised	(5,539)	(4,852)	(9,762)	(20,153)
Depreciation Expense Written Back on Disposals	0	0	0	0
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(27,695)	(13,849)	(18,255)	(59,799)
Net Asset Values at the end of the year	73,565	9,401	46,761	129,727

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2018-19**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	101,260	23,250	65,016	189,526
Assets Acquired during the year		16,000	66,000	82,000
Assets Disposed during the year	0	0	(65,016)	(65,016)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	101,260	39,250	66,000	206,510
Depreciation at the beginning of the year	(27,695)	(13,849)	(18,255)	(59,799)
Depreciation Expense Raised	(2,532)	(4,772)	(9,900)	(17,203)
Depreciation Expense Written Back on Disposals	0	0	18,255	18,255
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(30,227)	(18,621)	(9,900)	(58,747)
Net Asset Values at the end of the year	71,034	20,630	56,100	147,763

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2019-20**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	101,260	39,250	66,000	206,510
Assets Acquired during the year	0	0	27,563	27,563
Assets Disposed during the year	0	0	0	0
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	101,260	39,250	93,563	234,073
Depreciation at the beginning of the year	(30,227)	(18,621)	(9,900)	(58,747)
Depreciation Expense Raised	(2,532)	(5,888)	(14,034)	(22,453)
Depreciation Expense Written Back on Disposals	0	0	0	0
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(32,758)	(24,508)	(23,934)	(81,200)
Net Asset Values at the end of the year	68,502	14,742	69,629	152,873

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2020-21**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	101,260	39,250	93,563	234,073
Assets Acquired during the year	50,000	10,000	69,300	129,300
Assets Disposed during the year	0	0	(66,000)	(66,000)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	151,260	49,250	96,863	297,373
Depreciation at the beginning of the year	(32,758)	(24,508)	(23,934)	(81,200)
Depreciation Expense Raised	(3,782)	(7,388)	(14,529)	(25,698)
Depreciation Expense Written Back on Disposals	0	0	19,800	19,800
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(36,540)	(31,896)	(18,664)	(87,099)
Net Asset Values at the end of the year	114,721	17,355	78,199	210,274

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2021-22**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	151,260	49,250	96,863	297,373
Assets Acquired during the year	0	0	28,941	28,941
Assets Disposed during the year	0	0	(27,563)	(27,563)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	151,260	49,250	98,241	298,751
Depreciation at the beginning of the year	(36,540)	(31,896)	(18,664)	(87,099)
Depreciation Expense Raised	(3,782)	(7,388)	(14,736)	(25,905)
Depreciation Expense Written Back on Disposals	0	0	8,269	8,269
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(40,321)	(39,283)	(25,131)	(104,735)
Net Asset Values at the end of the year	110,939	9,967	73,110	194,016

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2022-23**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	151,260	49,250	98,241	298,751
Assets Acquired during the year	0	0	72,765	72,765
Assets Disposed during the year	0	0	(69,300)	(69,300)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	151,260	49,250	101,706	302,216
Depreciation at the beginning of the year	(40,321)	(39,283)	(25,131)	(104,735)
Depreciation Expense Raised	(3,782)	(7,388)	(15,256)	(26,425)
Depreciation Expense Written Back on Disposals	0	0	20,790	20,790
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(44,103)	(46,671)	(19,597)	(110,370)
Net Asset Values at the end of the year	107,158	2,580	82,109	191,846

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2023-24**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	151,260	49,250	101,706	302,216
Assets Acquired during the year	0	11,000	30,388	41,388
Assets Disposed during the year	0	0	(28,941)	(28,941)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	151,260	60,250	103,153	314,663
Depreciation at the beginning of the year	(44,103)	(46,671)	(19,597)	(110,370)
Depreciation Expense Raised	(3,782)	(9,038)	(15,473)	(28,292)
Depreciation Expense Written Back on Disposals	0	0	8,683	8,683
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(47,884)	(55,708)	(26,387)	(129,979)
Net Asset Values at the end of the year	103,376	4,542	76,766	184,684

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2024-25**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	151,260	60,250	103,153	314,663
Assets Acquired during the year	0	0	76,403	76,403
Assets Disposed during the year	0	0	(72,765)	(72,765)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	151,260	60,250	106,791	318,301
Depreciation at the beginning of the year	(47,884)	(55,708)	(26,387)	(129,979)
Depreciation Expense Raised	(3,782)	(5,685)	(16,019)	(25,485)
Depreciation Expense Written Back on Disposals	0	0	21,830	21,830
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(51,666)	(61,393)	(20,576)	(133,634)
Net Asset Values at the end of the year	99,595	(1,143)	86,215	184,667

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2025-26**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	151,260	60,250	106,791	318,301
Assets Acquired during the year	0	0	31,907	31,907
Assets Disposed during the year	0	0	(30,388)	(30,388)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	151,260	60,250	108,310	319,820
Depreciation at the beginning of the year	(51,666)	(61,393)	(20,576)	(133,634)
Depreciation Expense Raised	(3,782)	0	(16,247)	(20,028)
Depreciation Expense Written Back on Disposals	0	0	9,117	9,117
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(55,447)	(61,393)	(27,705)	(144,545)
Net Asset Values at the end of the year	95,813	(1,143)	80,605	175,275

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2026-27**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	151,260	60,250	108,310	319,820
Assets Acquired during the year	0	10,000	80,223	90,223
Assets Disposed during the year	0	0	(76,403)	(76,403)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	151,260	70,250	112,130	333,640
Depreciation at the beginning of the year	(55,447)	(61,393)	(27,705)	(144,545)
Depreciation Expense Raised	(3,782)	(1,756)	(16,820)	(22,357)
Depreciation Expense Written Back on Disposals	0	0	22,921	22,921
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(59,229)	(63,149)	(21,604)	(143,981)
Net Asset Values at the end of the year	92,032	7,101	90,526	189,659

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2027-28**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	151,260	70,250	112,130	333,640
Assets Acquired during the year	0	0	33,502	33,502
Assets Disposed during the year	0	0	(31,907)	(31,907)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	151,260	70,250	113,725	335,235
Depreciation at the beginning of the year	(59,229)	(63,149)	(21,604)	(143,981)
Depreciation Expense Raised	(3,782)	(1,756)	(17,059)	(22,597)
Depreciation Expense Written Back on Disposals	0	0	9,572	9,572
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(63,010)	(64,905)	(29,090)	(157,005)
Net Asset Values at the end of the year	88,250	5,345	84,635	178,230

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2028-29**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	151,260	70,250	113,725	335,235
Assets Acquired during the year	0	0	84,235	84,235
Assets Disposed during the year	0	0	(80,223)	(80,223)
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	151,260	70,250	117,737	339,247
Depreciation at the beginning of the year	(63,010)	(64,905)	(29,090)	(157,005)
Depreciation Expense Raised	(3,782)	(1,756)	(17,661)	(23,198)
Depreciation Expense Written Back on Disposals	0	0	24,067	24,067
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(66,792)	(66,661)	(22,684)	(156,137)
Net Asset Values at the end of the year	84,469	3,589	95,053	183,110

**TAMALA PARK REGIONAL COUNCIL
DEPRECIATION SCHEDULE
2029/30**

Program	Land and Buildings	Furniture and Equip.	Plant and Equip.	Total
	\$	\$	\$	\$
Asset Balance at the beginning of the year	151,260	70,250	117,737	339,247
Assets Acquired during the year	0	0	0	0
Assets Disposed during the year	0	0	0	0
Revaluation Increments/(decrements)	0	0	0	0
Asset Balance at the end of the year	151,260	70,250	117,737	339,247
Depreciation at the beginning of the year	(66,792)	(66,661)	(22,684)	(156,137)
Depreciation Expense Raised	(2,558)	(1,756)	(17,661)	(21,974)
Depreciation Expense Written Back on Disposals	0	0	0	0
Revaluation Increments/(decrements)	0	0	0	0
Depreciation	(69,349)	(68,418)	(40,344)	(178,111)
Net Asset Values at the end of the year	81,911	1,833	77,393	161,136

APPENDIX 6

12 YEAR FINANCIAL PLAN

Scenario 1

Tamala Park Regional Council

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

Proceeds Sale of Assets																									
00000 Proceeds Sale of Assets - Motor Vehicle CEO	(\$45,000)	\$0	\$0	\$0	\$0	\$0	(\$47,250)	\$0	\$0	\$0	(\$49,613)	\$0	\$0	\$0	(\$52,093)	\$0	\$0	\$0	(\$54,698)	\$0	\$0	(\$57,433)	\$0	\$0	
00000 Proceeds Sale of Assets - Work Vehicle	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$17,640)	\$0	\$0	\$0	\$0	(\$18,522)	\$0	\$0	\$0	\$0	\$0	(\$19,448)	\$0	\$0	\$0	\$0	\$0	
Written Down Value																									
00000 Written Down Value - Motor Vehicle CEO	\$0	\$46,760	\$0	\$0	\$0	\$0	\$46,200	\$0	\$0	\$0	\$48,510	\$0	\$0	\$0	\$50,935	\$0	\$0	\$0	\$53,482	\$0	\$0	\$0	\$56,156	\$0	\$0
00000 Written Down Value -Work Vehicle	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,294	\$0	\$0	\$0	\$20,259	\$0	\$0	\$0	\$21,272	\$0	\$0	\$0	\$22,335	\$0	\$0	\$0	\$0	\$0
Sub Total - GAINLOSS ON DISPOSAL OF ASSET	(\$45,000)	\$46,760	\$0	\$0	\$0	\$0	(\$1,050)	(\$17,640)	\$19,294	\$0	(\$1,103)	(\$18,522)	\$20,259	\$0	(\$1,158)	(\$19,448)	\$21,272	\$0	(\$1,216)	(\$20,421)	\$22,335	\$0	(\$1,277)	\$0	\$0
Total - GAINLOSS ON DISPOSAL OF ASSET	(\$45,000)	\$46,760	\$0	\$0	\$0	\$0	(\$1,050)	(\$17,640)	\$19,294	\$0	(\$1,103)	(\$18,522)	\$20,259	\$0	(\$1,158)	(\$19,448)	\$21,272	\$0	(\$1,216)	(\$20,421)	\$22,335	\$0	(\$1,277)	\$0	\$0
ABNORMAL ITEMS																									
Sub Total - ABNORMAL ITEMS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total - ABNORMAL ITEMS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total - OPERATING STATEMENT	(\$45,000)	\$46,760	\$0	\$0	\$0	\$0	(\$1,050)	(\$17,640)	\$19,294	\$0	(\$1,103)	(\$18,522)	\$20,259	\$0	(\$1,158)	(\$19,448)	\$21,272	\$0	(\$1,216)	(\$20,421)	\$22,335	\$0	(\$1,277)	\$0	\$0
OTHER GENERAL PURPOSE FUNDING																									
OPERATING EXPENDITURE																									
Sub Total - OTHER GENERAL PURPOSE FUNDING OP/EXP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
OPERATING INCOME																									
I032030 - Interest on Investment	(\$1,040,633)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$150,000)	\$0	(\$30,000)
Sub Total - OTHER GENERAL PURPOSE FUNDING OP/IN	(\$1,040,633)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$150,000)	\$0	(\$30,000)
Total - OTHER GENERAL PURPOSE FUNDING	(\$1,040,633)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$150,000)	\$0	(\$30,000)
Total - GENERAL PURPOSE FUNDING	(\$1,040,633)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$660,000)	\$0	(\$150,000)	\$0	(\$30,000)
GOVERNANCE																									
MEMBERS OF COUNCIL																									
OPERATING EXPENDITURE																									
ED41005 - Chairman Allowance	\$0	\$20,870	\$0	\$21,391	\$0	\$21,926	\$0	\$22,474	\$0	\$23,036	\$0	\$23,612	\$0	\$24,202	\$0	\$24,807	\$0	\$25,428	\$0	\$26,063	\$0	\$26,715	\$0	\$27,383	
ED41010 - Deputy Chair Allowance	\$0	\$5,217	\$0	\$5,348	\$0	\$5,482	\$0	\$5,619	\$0	\$5,759	\$0	\$5,903	\$0	\$6,051	\$0	\$6,202	\$0	\$6,357	\$0	\$6,516	\$0	\$6,679	\$0	\$6,846	
ED41018 - Composite Allowance	\$0	\$137,303	\$0	\$140,736	\$0	\$144,254	\$0	\$147,860	\$0	\$151,557	\$0	\$155,346	\$0	\$159,229	\$0	\$163,210	\$0	\$167,290	\$0	\$171,473	\$0	\$175,759	\$0	\$180,153	
ED41019 - Alternative Member Meeting Fee	\$0	\$2,000	\$0	\$2,050	\$0	\$2,101	\$0	\$2,154	\$0	\$2,208	\$0	\$2,263	\$0	\$2,319	\$0	\$2,377	\$0	\$2,437	\$0	\$2,498	\$0	\$2,560	\$0	\$2,623	
ED41020 - Conference Expenses	\$0	\$10,500	\$0	\$10,763	\$0	\$11,032	\$0	\$11,307	\$0	\$11,590	\$0	\$11,880	\$0	\$12,177	\$0	\$12,481	\$0	\$12,793	\$0	\$13,113	\$0	\$13,441	\$0	\$10,500	
ED41030 - Other Costs	\$0	\$10,500	\$0	\$10,763	\$0	\$11,032	\$0	\$11,307	\$0	\$11,590	\$0	\$11,880	\$0	\$12,177	\$0	\$12,481	\$0	\$12,793	\$0	\$13,113	\$0	\$13,441	\$0	\$10,500	
Sub Total - MEMBERS OF COUNCIL OP/EXP	\$0	\$186,390	\$0	\$191,050	\$0	\$195,826	\$0	\$200,722	\$0	\$205,740	\$0	\$210,883	\$0	\$216,155	\$0	\$221,559	\$0	\$227,098	\$0	\$232,776	\$0	\$238,595	\$0	\$237,382	
OPERATING INCOME																									
Sub Total - MEMBERS OF COUNCIL OP/INC	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total - GOVERNANCE	\$0	\$186,390	\$0	\$191,050	\$0	\$195,826	\$0	\$200,722	\$0	\$205,740	\$0	\$210,883	\$0	\$216,155	\$0	\$221,559	\$0	\$227,098	\$0	\$232,776	\$0	\$238,595	\$0	\$237,382	
Total - GOVERNANCE	\$0	\$186,390	\$0	\$191,050	\$0	\$195,826	\$0	\$200,722	\$0	\$205,740	\$0	\$210,883	\$0	\$216,155	\$0	\$221,559	\$0	\$227,098	\$0	\$232,776	\$0	\$238,595	\$0	\$237,382	
OTHER PROPERTY AND SERVICES																									
SALARIES AND WAGES																									
OPERATING EXPENDITURE																									
New - Gross Total Salaries and Wages	\$0	\$610,598	\$0	\$631,969	\$0	\$654,088	\$0	\$676,981	\$0	\$700,675	\$0	\$725,199	\$0	\$750,581	\$0	\$776,851	\$0	\$804,041	\$0	\$832,182	\$0	\$861,309	\$0	\$891,455	
New - Gross Total Salaries and Wages Allocated	\$0	(\$610,598)	\$0	(\$631,969)	\$0	(\$654,088)	\$0	(\$676,981)	\$0	(\$700,675)	\$0	(\$725,199)	\$0	(\$750,581)	\$0	(\$776,851)	\$0	(\$804,041)	\$0	(\$832,182)	\$0	(\$861,309)	\$0	(\$891,455)	
Sub Total - SALARIES AND WAGES OP/EXP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total - SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

Tamala Park Regional Council

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

UNCLASSIFIED

OPERATING EXPENDITURE

Administration

E145005 - Salaries - Basic Costs	\$0	\$610,598	\$0	\$631,969	\$0	\$654,088	\$0	\$676,981	\$0	\$700,675	\$0	\$725,199	\$0	\$750,581	\$0	\$776,851	\$0	\$804,041	\$0	\$832,182	\$0	\$861,309	\$0	\$891,455
E145007 - Salaries Occ. Superannuation	\$0	\$58,007	\$0	\$60,037	\$0	\$62,138	\$0	\$64,313	\$0	\$66,564	\$0	\$68,894	\$0	\$71,305	\$0	\$73,801	\$0	\$76,384	\$0	\$79,057	\$0	\$81,824	\$0	\$84,688
E145009 - Salaries WALGS Superannuation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
E145011 - Advertising Staff Vacancies	\$0	\$5,519	\$0	\$5,657	\$0	\$5,798	\$0	\$5,943	\$0	\$6,092	\$0	\$6,244	\$0	\$6,400	\$0	\$6,560	\$0	\$6,724	\$0	\$6,893	\$0	\$7,065	\$0	\$7,241
E145015 - Insurance W/comp.	\$0	\$9,000	\$0	\$9,225	\$0	\$9,456	\$0	\$9,692	\$0	\$9,934	\$0	\$10,183	\$0	\$10,437	\$0	\$10,698	\$0	\$10,966	\$0	\$11,240	\$0	\$11,521	\$0	\$11,809
E145017 - Medical Exam. Costs	\$0	\$300	\$0	\$308	\$0	\$315	\$0	\$323	\$0	\$331	\$0	\$339	\$0	\$348	\$0	\$357	\$0	\$366	\$0	\$375	\$0	\$384	\$0	\$394
E145019 - Staff Training & Dev.	\$0	\$5,000	\$0	\$5,125	\$0	\$5,253	\$0	\$5,384	\$0	\$5,519	\$0	\$5,657	\$0	\$5,798	\$0	\$5,943	\$0	\$6,092	\$0	\$6,244	\$0	\$6,400	\$0	\$6,560
E145020 - Conference Expenses	\$0	\$10,000	\$0	\$10,250	\$0	\$10,506	\$0	\$10,769	\$0	\$11,038	\$0	\$11,314	\$0	\$11,597	\$0	\$11,887	\$0	\$12,184	\$0	\$12,489	\$0	\$12,801	\$0	\$13,121
E145021 - Telephone - Staff Reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
E145024 - Travel Expenses CEO	\$0	\$5,000	\$0	\$5,125	\$0	\$5,253	\$0	\$5,384	\$0	\$5,519	\$0	\$5,657	\$0	\$5,798	\$0	\$5,943	\$0	\$6,092	\$0	\$6,244	\$0	\$6,400	\$0	\$6,560
E145025 - Other Accom & Property Costs	\$0	\$43,000	\$0	\$44,075	\$0	\$45,177	\$0	\$46,306	\$0	\$47,464	\$0	\$48,651	\$0	\$49,867	\$0	\$51,113	\$0	\$52,391	\$0	\$53,701	\$0	\$55,044	\$0	\$56,420
E145027 - Advertising General	\$0	\$16,557	\$0	\$16,971	\$0	\$17,395	\$0	\$17,830	\$0	\$18,276	\$0	\$18,733	\$0	\$19,201	\$0	\$19,681	\$0	\$20,180	\$0	\$20,699	\$0	\$21,237	\$0	\$21,794
E145029 - Advertising Public/Statutory	\$0	\$5,000	\$0	\$5,125	\$0	\$5,253	\$0	\$5,384	\$0	\$5,519	\$0	\$5,657	\$0	\$5,798	\$0	\$5,943	\$0	\$6,092	\$0	\$6,244	\$0	\$6,400	\$0	\$6,560
E145031 - Graphics Consumables	\$0	\$5,000	\$0	\$5,125	\$0	\$5,253	\$0	\$5,384	\$0	\$5,519	\$0	\$5,657	\$0	\$5,798	\$0	\$5,943	\$0	\$6,092	\$0	\$6,244	\$0	\$6,400	\$0	\$6,560
E145033 - Photocopying	\$0	\$2,000	\$0	\$2,050	\$0	\$2,101	\$0	\$2,154	\$0	\$2,208	\$0	\$2,263	\$0	\$2,319	\$0	\$2,377	\$0	\$2,437	\$0	\$2,498	\$0	\$2,560	\$0	\$2,624
E145037 - Postage, Courier & Freight	\$0	\$1,200	\$0	\$1,230	\$0	\$1,261	\$0	\$1,292	\$0	\$1,325	\$0	\$1,358	\$0	\$1,392	\$0	\$1,426	\$0	\$1,462	\$0	\$1,499	\$0	\$1,536	\$0	\$1,575
E145039 - Printing	\$0	\$5,000	\$0	\$5,125	\$0	\$5,253	\$0	\$5,384	\$0	\$5,519	\$0	\$5,657	\$0	\$5,798	\$0	\$5,943	\$0	\$6,092	\$0	\$6,244	\$0	\$6,400	\$0	\$6,560
E145043 - Stationery	\$0	\$2,000	\$0	\$2,050	\$0	\$2,101	\$0	\$2,154	\$0	\$2,208	\$0	\$2,263	\$0	\$2,319	\$0	\$2,377	\$0	\$2,437	\$0	\$2,498	\$0	\$2,560	\$0	\$2,624
E145045 - Other Admin Expenses	\$0	\$5,000	\$0	\$5,125	\$0	\$5,253	\$0	\$5,384	\$0	\$5,519	\$0	\$5,657	\$0	\$5,798	\$0	\$5,943	\$0	\$6,092	\$0	\$6,244	\$0	\$6,400	\$0	\$6,560
E145047 - Office Telephones & Faxes	\$0	\$2,000	\$0	\$2,050	\$0	\$2,101	\$0	\$2,154	\$0	\$2,208	\$0	\$2,263	\$0	\$2,319	\$0	\$2,377	\$0	\$2,437	\$0	\$2,498	\$0	\$2,560	\$0	\$2,624
E145049 - Mobil Phones, Pages, Radios	\$0	\$2,000	\$0	\$2,050	\$0	\$2,101	\$0	\$2,154	\$0	\$2,208	\$0	\$2,263	\$0	\$2,319	\$0	\$2,377	\$0	\$2,437	\$0	\$2,498	\$0	\$2,560	\$0	\$2,624
E145053 - Bank Charges	\$0	\$2,208	\$0	\$2,263	\$0	\$2,319	\$0	\$2,377	\$0	\$2,437	\$0	\$2,498	\$0	\$2,560	\$0	\$2,624	\$0	\$2,690	\$0	\$2,757	\$0	\$2,826	\$0	\$2,897
E145055 - Credit Charges	\$0	\$200	\$0	\$205	\$0	\$210	\$0	\$215	\$0	\$221	\$0	\$226	\$0	\$232	\$0	\$238	\$0	\$244	\$0	\$250	\$0	\$256	\$0	\$262
E145057 - Audit Fees	\$0	\$10,450	\$0	\$10,711	\$0	\$10,979	\$0	\$11,255	\$0	\$11,535	\$0	\$11,823	\$0	\$12,119	\$0	\$12,422	\$0	\$12,732	\$0	\$13,051	\$0	\$13,377	\$0	\$13,711
E145059 - Membership Fees	\$0	\$7,880	\$0	\$8,077	\$0	\$8,279	\$0	\$8,486	\$0	\$8,698	\$0	\$8,915	\$0	\$9,138	\$0	\$9,366	\$0	\$9,601	\$0	\$9,841	\$0	\$10,087	\$0	\$10,339
E145061 - Legal Expenses (General)	\$0	\$20,000	\$0	\$20,500	\$0	\$21,013	\$0	\$21,538	\$0	\$22,076	\$0	\$22,628	\$0	\$23,194	\$0	\$23,774	\$0	\$24,368	\$0	\$24,977	\$0	\$25,602	\$0	\$26,242
E145069 - Valuation Fees	\$0	\$30,000	\$0	\$30,750	\$0	\$31,519	\$0	\$32,307	\$0	\$33,114	\$0	\$33,942	\$0	\$34,791	\$0	\$35,661	\$0	\$36,554	\$0	\$37,471	\$0	\$38,412	\$0	\$39,378
E145075 - Promotions	\$0	\$10,000	\$0	\$10,250	\$0	\$10,506	\$0	\$10,769	\$0	\$11,038	\$0	\$11,314	\$0	\$11,597	\$0	\$11,887	\$0	\$12,184	\$0	\$12,489	\$0	\$12,801	\$0	\$13,121
E145077 - Business Hospitality Expenses	\$0	\$20,000	\$0	\$20,500	\$0	\$21,013	\$0	\$21,538	\$0	\$22,076	\$0	\$22,628	\$0	\$23,194	\$0	\$23,774	\$0	\$24,368	\$0	\$24,977	\$0	\$25,602	\$0	\$26,242
E145079 - Consultancy	\$0	\$20,000	\$0	\$20,500	\$0	\$21,013	\$0	\$21,538	\$0	\$22,076	\$0	\$22,628	\$0	\$23,194	\$0	\$23,774	\$0	\$24,368	\$0	\$24,977	\$0	\$25,602	\$0	\$26,242
E145082 - Lawyers	\$0	\$30,000	\$0	\$30,750	\$0	\$31,519	\$0	\$32,307	\$0	\$33,114	\$0	\$33,942	\$0	\$34,791	\$0	\$35,661	\$0	\$36,554	\$0	\$37,471	\$0	\$38,412	\$0	\$39,378
E145083 - Research	\$0	\$25,000	\$0	\$25,625	\$0	\$26,266	\$0	\$26,925	\$0	\$27,595	\$0	\$28,285	\$0	\$28,992	\$0	\$29,717	\$0	\$30,468	\$0	\$31,244	\$0	\$32,046	\$0	\$32,874
E145100 - Safety Clothes and Equipment	\$0	\$1,000	\$0	\$1,025	\$0	\$1,051	\$0	\$1,077	\$0	\$1,104	\$0	\$1,131	\$0	\$1,159	\$0	\$1,189	\$0	\$1,219	\$0	\$1,250	\$0	\$1,281	\$0	\$1,312
E145086 - Probity Auditor	\$0	\$15,000	\$0	\$15,375	\$0	\$15,759	\$0	\$16,153	\$0	\$16,557	\$0	\$16,971	\$0	\$17,395	\$0	\$17,830	\$0	\$18,276	\$0	\$18,733	\$0	\$19,190	\$0	\$19,658
E145087 - Computer Software Mice	\$0	\$5,125	\$0	\$5,253	\$0	\$5,384	\$0	\$5,519	\$0	\$5,657	\$0	\$5,798	\$0	\$5,943	\$0	\$6,092	\$0	\$6,244	\$0	\$6,400	\$0	\$6,560	\$0	\$6,724
E145088 - Accounting Management	\$0	\$50,000	\$0	\$51,250	\$0	\$52,531	\$0	\$53,845	\$0	\$55,191	\$0	\$56,570	\$0	\$57,985	\$0	\$59,434	\$0	\$60,928	\$0	\$62,458	\$0	\$64,024	\$0	\$65,626
E145089 - Computer Software Purchase	\$0	\$20,000	\$0	\$20,500	\$0	\$21,013	\$0	\$21,538	\$0	\$22,076	\$0	\$22,628	\$0	\$23,194	\$0	\$23,774	\$0	\$24,368	\$0	\$24,977	\$0	\$25,602	\$0	\$26,242
E145091 - Computer Sundries	\$0	\$5,125	\$0	\$5,253	\$0	\$5,384	\$0	\$5,519	\$0	\$5,657	\$0	\$5,798	\$0	\$5,943	\$0	\$6,092	\$0	\$6,244	\$0	\$6,400	\$0	\$6,560	\$0	\$6,724
E145092 - Data Communication Links	\$0	\$5,000	\$0	\$5,125	\$0	\$5,253	\$0	\$5,384	\$0	\$5,519	\$0	\$5,657	\$0	\$5,798	\$0	\$5,943	\$0	\$6,092	\$0	\$6,244	\$0	\$6,400	\$0	\$6,560
E145093 - Internet Provider Costs	\$0	\$7,500	\$0	\$7,688	\$0	\$7,880	\$0	\$8,077	\$0	\$8,279	\$0	\$8,486	\$0	\$8,698	\$0	\$8,915	\$0	\$9,138	\$0	\$9,366	\$0	\$9,601	\$0	\$9,841
E145094 - Plant & Equipment Purchase Non-Capital	\$0	\$2,000	\$0	\$2,050	\$0	\$2,101	\$0	\$2,154	\$0	\$2,208	\$0	\$2,263	\$0	\$2,319	\$0	\$2,377	\$0	\$2,437	\$0	\$2,498	\$0	\$2,560	\$0	\$2,624
E145095 - Furniture & Equipment Purchase	\$0	\$5,000	\$0	\$5,125	\$0	\$5,253	\$0	\$5,384	\$0	\$5,519	\$0	\$5,657	\$0	\$5,798	\$0	\$5,943	\$0	\$6,092	\$0	\$6,244	\$0	\$6,400	\$0	\$6,560
E145097 - Hire of Equipment	\$0	\$2,000	\$0	\$2,050	\$0	\$2,101	\$0	\$2,154	\$0	\$2,208	\$0	\$2,263	\$0	\$2,319	\$0	\$2,377	\$0	\$2,437	\$0	\$2,498	\$0	\$2,560	\$0	\$2,624
E145099 - Vehicle Operating Expense	\$0	\$6,000	\$0	\$6,150	\$0	\$6,304	\$0	\$6,461	\$0	\$6,623	\$0	\$6,788	\$0	\$6,958	\$0	\$7,132	\$0	\$7,310	\$0	\$7,493	\$0	\$7,681	\$0	\$7,873
E145013 - Fringe Benefit Tax -Motor Vehicle	\$0	\$16,500	\$0	\$16,913	\$0	\$17,335	\$0	\$17,769	\$0	\$18,213	\$0	\$18,668	\$0	\$19,135	\$0	\$19,613	\$0	\$20,104	\$0	\$20,608	\$0	\$21,121	\$0	\$21,649
E145101 - Consumable Stores	\$0	\$1,000	\$0	\$1,025	\$0	\$1,051	\$0	\$1,077	\$0	\$1,104	\$0	\$1,131	\$0	\$1,159	\$0	\$1,189	\$0	\$1,219	\$0	\$1,249	\$0	\$1,280	\$0	\$1,312
E145103 - New papers & Periodicals	\$0	\$200	\$0	\$205	\$0	\$210	\$0	\$215	\$0	\$221	\$0	\$226	\$0	\$232	\$0	\$238	\$0	\$244	\$0	\$250	\$0	\$256	\$0	\$262
E145041 - Signage/Decals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
E145105 - Publications & Brochures	\$0	\$500	\$0	\$513	\$0	\$525	\$0	\$538	\$0	\$552	\$0	\$566	\$0	\$580	\$0	\$594	\$0	\$609	\$0	\$624	\$0	\$640	\$0	\$656
E145107 - Subscriptions	\$0	\$500	\$0	\$513	\$0	\$525	\$0	\$538	\$0	\$552	\$0	\$566	\$0	\$580	\$0	\$594	\$0	\$609	\$0	\$624	\$0	\$640	\$0	\$656
E145109 - Parking Expenses	\$0	\$200	\$0	\$205	\$0	\$210	\$0	\$215	\$0	\$221	\$0	\$226	\$0	\$232	\$0	\$238	\$0	\$244	\$0	\$250	\$0	\$256	\$0	\$262
E145111 - Plans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0</									

Tamala Park Regional Council

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

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Tamala Park Regional Council

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

	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure
INFRASTRUCTURE ASSETS - OTHER																								
Land Development Costs																								
New-Land & Special Sites Development	\$0	\$6,022,300	\$0	\$12,118,959	\$0	\$0	\$0	\$50,000	\$0	\$365,683	\$0	\$615,298	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
99.4 - Land Develop - Consultants	\$0	\$627,487	\$0	\$613,480	\$0	\$633,359	\$0	\$667,858	\$0	\$659,534	\$0	\$664,072	\$0	\$672,070	\$0	\$706,741	\$0	\$530,457	\$0	\$155,578	\$0	\$0	\$0	\$0
99.5 - Land Develop - Landscape	\$0	\$4,528,779	\$0	\$2,352,646	\$0	\$3,933,140	\$0	\$6,644,585	\$0	\$2,859,959	\$0	\$2,359,402	\$0	\$2,574,828	\$0	\$2,967,680	\$0	\$3,983,272	\$0	\$0	\$0	\$0	\$0	\$0
99.1 - Land Develop - Infrastructure	\$0	\$141,182	\$0	\$928,586	\$0	(\$2,592,158)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
99.9 - Land Develop - Bulk Earthworks	\$0	\$78,905	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
99.2 - Land Develop - Lot Production	\$0	\$3,600,062	\$0	\$8,479,219	\$0	\$12,069,859	\$0	\$13,773,118	\$0	\$18,009,346	\$0	\$16,060,976	\$0	\$13,097,658	\$0	\$20,299,001	\$0	\$18,228,053	\$0	\$0	\$0	\$0	\$0	\$0
99.6 - Land Develop - Admin Land Dev	\$0	\$869,990	\$0	\$990,252	\$0	\$943,045	\$0	\$940,617	\$0	\$932,778	\$0	\$918,737	\$0	\$901,748	\$0	\$883,733	\$0	\$820,887	\$0	\$559,136	\$0	\$156,321	\$0	\$90,705
New-Community Development	\$0	\$192,500	\$0	\$205,304	\$0	\$205,304	\$0	\$205,304	\$0	\$205,304	\$0	\$192,500	\$0	\$192,500	\$0	\$192,500	\$0	\$192,500	\$0	\$0	\$0	\$0	\$0	\$0
New-Contingency	\$0	\$827,760	\$0	\$775,254	\$0	\$783,395	\$0	\$350,000	\$0	\$1,185,443	\$0	\$1,073,509	\$0	\$906,083	\$0	\$1,288,208	\$0	\$1,221,810	\$0	\$42,718	\$0	\$1,702	\$0	\$0
New-finance	\$0	\$86,868	\$0	\$0	\$0	\$0	\$0	\$1,140,554	\$0	\$350,000	\$0	(\$350,000)	\$0	\$0	\$0	\$350,000	\$0	(\$700,000)	\$0	(\$700,000)	\$0	\$1,048,892	\$0	\$4,535
Debtors /Creditors Movement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Consultancy																								
-Env Innovation Consultancies																								
-Admin-Operational Consultancies																								
E145451 - GST management	\$0	\$20,000	\$0	\$20,000	\$0	\$20,000	\$0	\$20,000	\$0	\$20,000	\$0	\$20,000	\$0	\$20,000	\$0	\$20,000	\$0	\$20,000	\$0	\$20,000	\$0	\$20,000	\$0	\$0
E145452 - Recruitment, Human Resources	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0
Property Development Services																								
-Property Admin and Approvals																								
E145041 - Signage/Decals	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0
E145042 - Branding/Marketing	\$0	\$10,000	\$0	\$10,000	\$0	\$10,000	\$0	\$10,000	\$0	\$10,000	\$0	\$10,000	\$0	\$10,000	\$0	\$10,000	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
-Mice Services-Land																								
E145204 - Fences/Walls	\$0	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0
E145206 - MiceServices-Land	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0
-Sales Expenditure																								
E145216 - Direct Selling Expenses	\$0	\$3,734,358	\$0	\$3,404,139	\$0	\$4,773,800	\$0	\$7,069,330	\$0	\$6,108,759	\$0	\$6,724,591	\$0	\$7,212,233	\$0	\$7,398,246	\$0	\$8,017,450	\$0	\$5,975,131	\$0	\$2,032,291	\$0	\$150,474
E145218 - Sales and Marketing	\$0	\$494,000	\$0	\$401,803	\$0	\$475,344	\$0	\$529,602	\$0	\$676,246	\$0	\$659,192	\$0	\$682,866	\$0	\$714,496	\$0	\$681,027	\$0	\$139,650	\$0	\$0	\$0	\$0
-Other Expenditure																								
E145029 - Advertising Public/Statutory	\$0	\$10,000																			\$0	\$0	\$0	\$0
E145061 - Legal Expenses (General)	\$0	\$10,000																			\$0	\$0	\$0	\$0
E145086 - Probity Auditor	\$0	\$5,000																			\$0	\$0	\$0	\$0
Sub Total - CAPITAL WORKS	\$0	\$21,277,191	\$0	\$30,317,642	\$0	\$21,273,088	\$0	\$31,418,968	\$0	\$31,401,052	\$0	\$28,966,277	\$0	\$26,287,986	\$0	\$34,848,605	\$0	\$33,023,456	\$0	\$6,192,213	\$0	\$3,259,206	\$0	\$245,714
Total - OTHER	\$0	\$21,277,191	\$0	\$30,317,642	\$0	\$21,273,088	\$0	\$31,418,968	\$0	\$31,401,052	\$0	\$28,966,277	\$0	\$26,287,986	\$0	\$34,848,605	\$0	\$33,023,456	\$0	\$6,192,213	\$0	\$3,259,206	\$0	\$245,714
Total - INFRASTRUCTURE ASSETS - OTHER	\$0	\$21,277,191	\$0	\$30,317,642	\$0	\$21,273,088	\$0	\$31,418,968	\$0	\$31,401,052	\$0	\$28,966,277	\$0	\$26,287,986	\$0	\$34,848,605	\$0	\$33,023,456	\$0	\$6,192,213	\$0	\$3,259,206	\$0	\$245,714
GRAND TOTALS	(\$61,251,219)	\$61,251,219	(\$66,992,511)	\$66,992,511	(\$64,187,094)	\$64,187,094	(\$77,040,034)	\$77,040,034	(\$74,313,305)	\$74,313,305	(\$75,965,404)	\$75,965,404	(\$78,499,677)	\$78,499,677	(\$83,309,565)	\$83,309,565	(\$95,765,388)	\$95,765,388	(\$60,750,953)	\$60,750,953	(\$18,853,046)	\$18,853,046	(\$1,827,597)	\$1,827,597

Appendix 9.12

Program

Gold Coast, 26-28 March 2019

Day 1 – Tuesday, 26 March | Study Tours and Welcome Party

Times	Session
10.00am - 5.00pm	Registration ▼
	Study Tours Presented by Burchills ▼
7.00pm - 11.00pm	Oliver Hume Welcome Party ▼

Day 2 – Wednesday, 27 March | Plenary Sessions and Twilight with Trade

Times	Session
9.00am - 4.00pm	Registration ▼
9.00am - 10.00am	Business Lounge Breakfast and Coffee ▼
10.00am	2019 UDIA National Congress welcome
10.10am	Market Outlook Saul Eslake, Economist ▼
10.40am	Urban revolution: One home at a time Debbie Jackson, Assistant Director - Regeneration and Economic Development, Mayor of London (UK) ▼
11.10am	Breaking the housing mould Chris Key, Greystar ▼
11.50am	State of the Land Research4's Colin Keane and UDIA National President Darren Cooper ▼
12.30pm	Business Lounge Lunch and Coffee ▼
1.30pm	Stay tuned All will be revealed soon!
2.15pm	Stay tuned All will be revealed soon!
3.00pm	Future of Australian suburbs Joel Kotkin USA ▼
4.00-6.00pm	Twilight With Trade ▼

Times	Session
9.00am - 4.00pm	Registration ▼
8.30am - 9.30am	Business Lounge Breakfast and Coffee ▼
9.30am	Welcome
9.35am	People make places: Sparking urban regeneration Richard Florida, Urbanist and Founder of the Creative Class (via video conference) ▼
10.05am	Homebuyers of tomorrow Claire Madden, Social Researcher and Demographer ▼
10.45am	The ins and outs of co-living Ben Provan, Open Door ▼
11.45am	Age is just a number baby! Gea Sijpkes, Humanitas Deventer ▼
12.30pm	Business Lounge Lunch and Coffee ▼
1.30pm	Stay tuned All will be revealed soon!
2.15pm	Closing Keynote All will be revealed soon!
3.30pm	UDIA 2019 National Congress concludes
7.00-11.00pm	2019 UDIA National Awards for Excellence gala dinner ▼

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Appendix 9.13

15 November 2018

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

Via email: luke.aitken@tamalapark.wa.gov.au

Dear Tony

RE: SALES AND MARKETING CAMPAIGN

The Tamala Park Regional Council (TPRC) meeting held on 16 August 2018 approved the participation in a Spring Campaign. The Council resolution is detailed below;

APPROVES participation in the Sales and Marketing -Spring Campaign to provide a \$20,000 discount on selected house and land packages at Catalina Estate as detailed in the Satterley Property Group advice, commencing 5 September 2018 to 30 November 2018, subject to a minimum of 10 builders participating in the Spring Campaign.

APPROVES the following for the duration of the Sales and Marketing -Spring Campaign:
A discount of \$10,000 applying to all lots in Catalina;
The deletion of the Early Construction Rebate from all lots;
The use of a \$2,000 referral fee to the Builder's Sales Representative for providing a qualified sales lead that results in the settlement of a lot at Catalina and that this fee be paid directly by the TPRC.

The performance of the campaign (up to 5 November) has been measured against the proposed Key Performance Indicators (KPIs) below;

MEASURE	ACTUAL
Brand Component	
Website traffic increase by 15-20% (to the equal pre-campaign period and/or equal period YoY) estimated average of 1,720 users per month.	33% growth compared to pre-campaign period (27 Jun -31 Aug vs 1 Sept - 5 Nov). 55% growth compared against last year.
Registration of interest submissions, requests to call and/or send e-mail (total enquiries) to comprise 1.7%	1.79% conversion. 45 web traffic per month.

of the web traffic estimated average of 26 per month.	
Lead enquiry to be 10% of the total enquiries - estimated average of 2 or 3 leads per month.	Lead enquiry 20-22% of 135 campaign leads (excludes organic leads over this period). 13-14 per month.
Retail (Lead Generation)	
30% exposure to Catalina advertising of the total monthly search volume.	72.54% of relevant key term searches have been served a Catalina advert
Approximately 700 per month to land on the Catalina lead capture page.	Average traffic to the Catalina lead capture page is 850 unique visitors.
Of these, 9% convert to leads (up to 63 leads per month).	8% have converted into leads. 67 leads per month. Whilst the conversion percentage is below the KPI, the total leads are up due to higher number of visitors.
Of those, 20% are nurtured into actionable requests (13 actionable requests per month).	20% conversion. 27 actionable requests.
Sales	
14 sales	13 offers written (as at 5/11/2018)

The proposed KPIs are on track to be met or exceeded, except for the traffic to lead conversion percentage. However, whilst the conversion percentage is sitting 1% below the KPI the total number of targeted leads will be met due to the overall higher volumes and performance of the campaign.

The builder's sales representative incentive of \$2,000 has assisted in 5 of the 13 sales. The initial uptake of this incentive was slow as sales representatives who previously did not refer to Catalina took time to move potential sales toward Catalina. During the latter part of the campaign the uptake has been high. The estimated long-term uptake of this incentive should it be extended is anticipated to be 60% of sales.

The campaign has performed well and has increased the exposure of Catalina to the public and the builder's sales representatives. The overall market conditions continue to be challenging with Catalina maintaining its market share over the campaign period when compared to the 3 months prior. However, market share for the corridor this financial year is down compared to last financial year from 11% to 7% (from 10% to 7% when adjusted for cancellations). The campaign was unable to achieve market share growth due to all major projects entering into a campaign of similar size and value.

Below details gross sales by each project in the corridor over September/October.

Estate	Developer	Sep	Oct	TOTAL	%
Alkimos Beach (Alkimos)	Lendlease / LandCorp	14	10	24	18%
Amberton (Eglinton)	Stockland	13	9	22	16%
Allara (Eglinton)	Satterley / LandCorp	4	11	15	11%
Eden Beach (Jindalee)	Satterley	4	11	15	11%
Trinity (Alkimos)	LWP	6	8	14	10%

Alkimos Vista (Alkimos)	Lendlease / LandCorp	8	3	11	8%
Shorehaven (Alkimos)	Peet	2	8	10	7%
Catalina (Clarkson)	Satterley / TPRC	5	4	9	7%
Burns Beach (Burns Beach)	Peet	5	3	8	6%
East of the Beach (Eglinton)	Urban Quarter	2	2	4	3%
Kinross (Kinross)	Peet	1	2	3	2%
Beaumaris (Iluka)	Satterley	-	1	1	1%
NORTH-WEST METRO ESTATES TOTAL		64	72	136	100%

The strong performance of the campaign and the slow state of the general land sales market has prompted Satterley to offer the opportunity to all its estates to refresh the campaign and extend through to Easter. This will protect the projects from losing market share or potentially increase market share should competitors finish their campaigns.

The refreshed campaign would seek to partner only with the builders who are genuinely offering a \$10,000 discount to the purchaser. Several of the current builders within the campaign have been seen trying to manipulate contracts to not offer the full discount. Through the refresh Satterley is looking to remove these builders from the campaign.

The combined campaign and builder representative incentive have managed to keep Catalina relatively competitive in the corridor. However, it should be noted that some of the major estates are now reducing prices in conjunction with aggressive rebate structures. Satterley believe that Catalina will need to be priced well in the market as well as provide rebates to remain appealing to potential purchasers.

The approved budget includes a provision of \$268,000 for rebates of which \$128,000 remains. Furthermore, the proposed mid-year budget review has proposed an increase to the remaining budget, up to \$360,000. Should the mid-year budget be adopted no further provisions will be required to cover the sales rebates for this campaign period. However, should the mid-year budget not be adopted further provisions may be required to cover all potential rebate costs.

It is the recommendation of Satterley that TPRC extend the resolutions made on 16 August 2018 and continue to promote and offer a discount of \$10,000 for all lots at Catalina, as well as continue the builder sales representative incentive of \$2,000, until Monday 22 April 2019.

Please do not hesitate to contact the undersigned should you require further information.

Yours sincerely



Carl Buckley

Project Director

Appendix 9.15

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Appendix 9.16

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Appendix 9.17

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Appendix 9.18

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Appendix 9.19

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