

# Appendix 9.1

**LANDSCAPING WORKS STATUS – August 2019**

| <b>Landscape Works</b>                        | <b>FYE 2020 Budget</b> | <b>Detailed Design</b> | <b>City of Wanneroo Approval</b> | <b>Proposed Construction Commencement</b> | <b>Proposed Completion</b> | <b>Comments</b>  |
|---|------------------------|------------------------|----------------------------------|---|----------------------------|--|
| <b>Biodiversity Conservation Area (South)</b> | \$300,000              | Complete               | Issued                           | September 2019                            | October 2019               | <ul style="list-style-type: none"> <li>• Installation of interpretive signage anticipated to be complete by August 2019.</li> <li>• Extent of remaining rehabilitation works in the BCA and responsibility for maintenance requires resolution with the City of Wanneroo.</li> </ul> |
| <b>Biodiversity Conservation Area (North)</b> | \$118,080              | Complete               | Issued                           | September 2019                            | October 2019               | As above.  |
| <b>Stage 17B Verge Landscaping Works</b>      | \$505,769              | Complete               | Pending                          | August 2019                               | November 2019              | Landscaping design lodged with City of Wanneroo, pending approval.   |
| <b>Stage 11 POS (Phase 2)</b>                 | \$800,000              | Complete               | Pending                          | September 2019                            | February 2020              | Landscaping design lodged with City of Wanneroo, pending approval.   |

# Appendix 9.2

**TAMALA PARK REGIONAL COUNCIL**  
**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2018 TO 30 JUNE 2019**

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**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2018 TO 30 JUNE 2019**

| <u>Operating</u>  | NOTE | 30 June<br>2019<br>Actual<br>\$ | 30 June<br>2019<br>Y-T-D Budget<br>\$ | 2018/19<br>Amended<br>Budget<br>\$ | Variances<br>Budget to<br>Actual<br>Y-T-D<br>% |
|---|------|---------------------------------|---------------------------------------|------------------------------------|--|
| <b>Revenues</b>   |      |                                 |                                       |                                    |  |
| Interest Earnings   |      | 1,200,029                       | 1,100,000                             | 1,100,000                          | 9.09%  |
| Other Revenue   |      | 20,869                          | 2,673                                 | 2,673                              | 0.00%  |
|   |      | 1,220,898                       | 1,102,673                             | 1,102,673                          | 10.72%   |
| <b>Expenses</b>   |      |                                 |                                       |                                    |  |
| Employee Costs  |      | (601,160)                       | (725,924)                             | (725,924)                          | (17.19%)                                       |
| Materials and Contracts Other                                 |      | (168,627)                       | (404,895)                             | (404,895)                          | (58.35%)                                       |
| Depreciation  |      | 0                               | (25,381)                              | (25,381)                           | 0.00%  |
| Utilities   |      | 0                               | (6,450)                               | (6,450)                            | 0.00%  |
| Insurance   |      | (13,026)                        | (13,209)                              | (13,209)                           | (1.39%)  |
| Other Expenditure   |      | (172,313)                       | (186,390)                             | (186,390)                          | (7.55%)  |
|   |      | (955,126)                       | (1,362,249)                           | (1,362,249)                        | (29.89%)                                       |
| <b>Adjustments for Non-Cash<br/>(Revenue) and Expenditure</b> |      |                                 |                                       |                                    |  |
| Depreciation on Assets  |      | 0                               | 25,381                                | 25,381                             | 0.00%  |
| Profit/(loss) on Disposal of Assets                           | 4    | (5,852)                         | (5,852)                               | (5,852)                            | 0.00%  |
| <b>Capital Revenue and (Expenditure)</b>                      |      |                                 |                                       |                                    |  |
| Plant and Equipment   | 3    | (63,101)                        | (79,000)                              | (79,000)                           | 0.00%  |
| Proceeds on disposal  | 4    | 40,909                          | 45,000                                | 45,000                             | 0.00%  |
| <b>LESS MEMBERS EQUITY</b>                                    |      |                                 |                                       |                                    |  |
| <b>Payment for Rates Equivalent</b>                           |      |                                 |                                       |                                    |  |
| <b>Development of Land for Resale</b>                         |      |                                 |                                       |                                    |  |
| Income Sale of Lots - Subdivision                             |      | 9,938,596                       | 8,017,281                             | 8,017,281                          | 23.96%   |
| Income other - Subdivision                                    |      | 0                               | 1,410,945                             | 1,410,945                          | 100.00%  |
| Development Costs - Subdivision                               |      | (5,213,008)                     | (12,861,663)                          | (12,861,663)                       | (59.47%)                                       |
| Contribution Refund   |      | (385,500)                       | (209,337)                             | (209,337)                          | 0.00%  |
| Profit Distributions  |      | (4,000,000)                     | (4,000,000)                           | (4,000,000)                        | 0.00%  |
| Rates equivalent  |      |                                 |                                       |                                    |  |
| Members equity - GST withheld                                 |      | (367,850)                       | 0                                     | 0                                  | 0.00%  |
| <b>Change in Contributed Equity</b>                           | 6    | (27,762)                        | (7,642,774)                           | (7,642,774)                        | (99.64%)                                       |
| 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    | 44,023,569                      | 35,896,782                            | 35,896,782                         |  |

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 30 JUNE 2019**

**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 30 JUNE 2019**

**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 JUNE 2019**

**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 JUNE 2019**

**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 JUNE 2019**

**2. STATEMENT OF OBJECTIVE**

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

**3. ACQUISITION OF ASSETS**

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

|                                    | <b>30 June<br/>2019<br/>Actual<br/>\$</b> | <b>Amended<br/>2018/19<br/>Budget<br/>\$</b> |
|------------------------------------|---|--|
| <b><u>By Program</u></b>           |   |  |
| <b>Other Property and Services</b> |   |  |
| Furniture and equipment            | 0   | 16,000                                       |
| Motor Vehicle                      | 63,101                                    | 63,000                                       |
|                                    | <b>63,101</b>                             | <b>79,000</b>                                |
| <b><u>By Class</u></b>             |   |  |
| Plant and Equipment                | 63,101                                    | 79,000                                       |
|                                    | <b>63,101</b>                             | <b>79,000</b>                                |

**4. DISPOSALS OF ASSETS**

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

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2018 TO 30 JUNE 2019**

**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**

|                                 | <b>30 June<br/>2019<br/>Actual<br/>\$</b> | <b>30 June<br/>2018<br/>Actual<br/>\$</b> |
|---------------------------------|---|---|
| Town of Victoria Park           | 3,680,063                                 | 3,660,229                                 |
| City of Perth                   | 3,680,063                                 | 3,660,229                                 |
| Town of Cambridge               | 3,680,063                                 | 3,660,229                                 |
| City of Joondalup               | 7,360,126                                 | 7,320,458                                 |
| City of Wanneroo                | 7,360,126                                 | 7,320,458                                 |
| Town of Vincent                 | 3,680,063                                 | 3,660,229                                 |
| City of Stirling                | 14,720,251                                | 14,640,914                                |
| <b>TOTAL</b>                    | <b>44,160,756</b>                         | <b>43,922,746</b>                         |
| <b>Total Movement in equity</b> | <b>238,010</b>                            |   |

Movement in Contributed Equity Represented by:

|                                      | <b>GST Withheld<br/>30 June<br/>2019<br/>\$</b> | <b>Development<br/>Expenses<br/>30 June<br/>2019<br/>\$</b> | <b>Land Sales<br/>30 June<br/>2019<br/>\$</b> | <b>Return of<br/>Contribution<br/>30 June<br/>2019<br/>\$</b> | <b>Contributed<br/>Equity<br/>30 June<br/>2019<br/>\$</b> | <b>Rates<br/>Equivalent<br/>30 June<br/>2018<br/>\$</b> |
|--------------------------------------|---|---|---|---|---|---|
| Town of Victoria Park                | (30,654)  | (434,417)   | 828,216                                       | (333,333)   | (32,125)  | 0   |
| City of Perth                        | (30,654)  | (434,417)   | 828,216                                       | (333,333)   | (32,125)  | 0   |
| Town of Cambridge                    | (30,654)  | (434,417)   | 828,216                                       | (333,333)   | (32,125)  | 0   |
| City of Joondalup                    | (61,308)  | (868,835)   | 1,656,433                                     | (666,667)   | (64,250)  | 0   |
| City of Wanneroo                     | (61,308)  | (868,835)   | 1,656,433                                     | (666,667)   | (64,250)  | 0   |
| Town of Vincent                      | (30,654)  | (434,417)   | 828,216                                       | (333,333)   | (32,125)  | 0   |
| City of Stirling                     | (122,617)                                       | (1,737,670)   | 3,312,866                                     | (1,333,334)   | (128,500)   | 0   |
|                                      | (367,850)                                       | (5,213,008)   | 9,938,596                                     | (4,000,000)   | (385,500)   | 0   |
| Members Contributed Equity Movements |   |   | (27,762)                                      |   |   |   |
| TPRC Net Result                      |   |   | 265,772                                       |   |   |   |
| <b>Total Movement in equity</b>      |   |   | <b>238,010</b>                                |   |   |   |

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2018 TO 30 JUNE 2019**

**7. NET CURRENT ASSETS**

| Composition of Estimated Net Current Asset Position | 30 June<br>2019<br>Actual<br>\$ | Brought<br>Forward<br>1-Jul<br>\$ |
|---|---------------------------------|-----------------------------------|
| <b>CURRENT ASSETS</b>                               |                                 |                                   |
| Cash - Unrestricted                                 | 43,975,870                      | 43,846,407                        |
| Receivables   | 358,090                         | 251,049                           |
| Settlement Bonds                                    | 0                               | 400                               |
|   | <b>44,333,960</b>               | <b>44,097,856</b>                 |
| <b>LESS: CURRENT LIABILITIES</b>                    |                                 |                                   |
| Payables and Provisions                             | (310,391)                       | (290,105)                         |
| <b>NET CURRENT ASSET POSITION</b>                   | <b>44,023,569</b>               | <b>43,807,751</b>                 |

**8. RATING INFORMATION**

The Regional Council does not levy rates on property.

**9. TRUST FUNDS**

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

**TAMALA PARK REGIONAL COUNCIL**  
**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2018 TO 31 MAY 2019**

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**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2018 TO 31 MAY 2019**

| <u>Operating</u>  | NOTE | 31 May<br>2019<br>Actual<br>\$ | 31 May<br>2019<br>Y-T-D Budget<br>\$ | 2018/19<br>Amended<br>Budget<br>\$ | Variances<br>Budget to<br>Actual<br>Y-T-D<br>% |
|---|------|--------------------------------|--------------------------------------|------------------------------------|--|
| <b>Revenues</b>   |      |                                |                                      |                                    |  |
| Interest Earnings   |      | 1,090,837                      | 1,033,127                            | 1,100,000                          | 5.59%  |
| Other Revenue   |      | 13,462                         | 2,673                                | 2,673                              | 0.00%  |
|   |      | 1,104,299                      | 1,035,800                            | 1,102,673                          | 6.61%  |
| <b>Expenses</b>   |      |                                |                                      |                                    |  |
| Employee Costs  |      | (547,420)                      | (662,657)                            | (725,924)                          | (17.39%)                                       |
| Materials and Contracts Other                                 |      | (144,024)                      | (371,148)                            | (404,895)                          | (61.19%)                                       |
| Depreciation  |      | 0                              | 0                                    | (25,381)                           | 0.00%  |
| Utilities   |      | 0                              | (5,375)                              | (6,450)                            | 0.00%  |
| Insurance   |      | (13,026)                       | (13,209)                             | (13,209)                           | (1.39%)  |
| Other Expenditure   |      | (172,294)                      | (185,515)                            | (186,390)                          | (7.13%)  |
|   |      | (876,764)                      | (1,237,904)                          | (1,362,249)                        | (29.17%)                                       |
| <b>Adjustments for Non-Cash<br/>(Revenue) and Expenditure</b> |      |                                |                                      |                                    |  |
| Depreciation on Assets  |      | 0                              | 0                                    | 25,381                             | 0.00%  |
| Profit/(loss) on Disposal of Assets                           | 4    | (5,852)                        | (5,852)                              | (5,852)                            | 0.00%  |
| <b>Capital Revenue and (Expenditure)</b>                      |      |                                |                                      |                                    |  |
| Plant and Equipment   | 3    | (63,101)                       | (66,000)                             | (79,000)                           | 0.00%  |
| Proceeds on disposal  | 4    | 40,909                         | 45,000                               | 45,000                             | 0.00%  |
| <b>LESS MEMBERS EQUITY</b>                                    |      |                                |                                      |                                    |  |
| <b>Payment for Rates Equivalent</b>                           |      |                                |                                      |                                    |  |
| <b>Development of Land for Resale</b>                         |      |                                |                                      |                                    |  |
| Income Sale of Lots - Subdivision                             |      | 9,302,820                      | 7,263,484                            | 8,017,281                          | 28.08%   |
| Income other - Subdivision                                    |      | 0                              | 1,410,945                            | 1,410,945                          | 100.00%  |
| Development Costs - Subdivision                               |      | (4,675,688)                    | (12,843,296)                         | (12,861,663)                       | (63.59%)                                       |
| Contribution Refund   |      | (133,442)                      | 0                                    | (209,337)                          | 0.00%  |
| Profit Distributions  |      | (2,000,000)                    | (2,000,000)                          | (4,000,000)                        | 0.00%  |
| Rates equivalent  |      |                                |                                      |                                    |  |
| Members equity - GST withheld                                 |      | (339,710)                      | 0                                    | 0                                  | 0.00%  |
| <b>Change in Contributed Equity</b>                           | 6    | 2,153,980                      | (6,168,867)                          | (7,642,774)                        | (134.92%)                                      |
| 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    | 46,167,074                     | 37,415,780                           | 35,896,782                         |  |

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**  
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**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 MAY 2019**

**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 MAY 2019**

**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 MAY 2019**

**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 31 MAY 2019**

**2. STATEMENT OF OBJECTIVE**

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

**3. ACQUISITION OF ASSETS**

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

|                                    | <b>31 May<br/>2019<br/>Actual<br/>\$</b> | <b>Amended<br/>2018/19<br/>Budget<br/>\$</b> |
|------------------------------------|--|--|
| <b><u>By Program</u></b>           |  |  |
| <b>Other Property and Services</b> |  |  |
| Furniture and equipment            | 0  | 16,000                                       |
| Motor Vehicle                      | 63,101                                   | 63,000                                       |
|                                    | <b>63,101</b>                            | <b>79,000</b>                                |
| <b><u>By Class</u></b>             |  |  |
| Plant and Equipment                | 63,101                                   | 79,000                                       |
|                                    | <b>63,101</b>                            | <b>79,000</b>                                |

**4. DISPOSALS OF ASSETS**

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

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2018 TO 31 MAY 2019**

**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**

|                                 | <b>31 May<br/>2019<br/>Actual<br/>\$</b> | <b>30 June<br/>2018<br/>Actual<br/>\$</b> |
|---------------------------------|--|---|
| Town of Victoria Park           | 3,860,598                                | 3,660,229                                 |
| City of Perth                   | 3,860,598                                | 3,660,229                                 |
| Town of Cambridge               | 3,860,598                                | 3,660,229                                 |
| City of Joondalup               | 7,721,196                                | 7,320,458                                 |
| City of Wanneroo                | 7,721,196                                | 7,320,458                                 |
| Town of Vincent                 | 3,860,598                                | 3,660,229                                 |
| City of Stirling                | 15,442,390                               | 14,640,914                                |
| <b>TOTAL</b>                    | <b>46,327,175</b>                        | <b>43,922,746</b>                         |
| <b>Total Movement in equity</b> | <b>2,404,429</b>                         |   |

Movement in Contributed Equity Represented by:

|                                      | <b>GST Withheld<br/>31 May<br/>2019<br/>\$</b> | <b>Development<br/>Expenses<br/>31 May<br/>2019<br/>\$</b> | <b>Land Sales<br/>31 May<br/>2019<br/>\$</b> | <b>Return of<br/>Contribution<br/>31 May<br/>2019<br/>\$</b> | <b>Contributed<br/>Equity<br/>31 May<br/>2019<br/>\$</b> | <b>Rates<br/>Equivalent<br/>31 May<br/>2018<br/>\$</b> |
|--------------------------------------|--|--|--|--|--|--|
| Town of Victoria Park                | (28,309)                                       | (389,640)  | 775,235                                      | (166,667)  | (9,211)  | 0  |
| City of Perth                        | (28,309)                                       | (389,640)  | 775,235                                      | (166,667)  | (9,211)  | 0  |
| Town of Cambridge                    | (28,309)                                       | (389,640)  | 775,235                                      | (166,667)  | (9,211)  | (22,914)   |
| City of Joondalup                    | (56,618)                                       | (779,282)  | 1,550,470                                    | (333,333)  | (18,421)   | 0  |
| City of Wanneroo                     | (56,618)                                       | (779,282)  | 1,550,470                                    | (333,333)  | (18,421)   | 0  |
| Town of Vincent                      | (28,309)                                       | (389,640)  | 775,235                                      | (166,667)  | (9,211)  | 0  |
| City of Stirling                     | (113,237)                                      | (1,558,564)  | 3,100,940                                    | (666,666)  | (36,842)   | 0  |
|                                      | (339,710)                                      | (4,675,688)  | 9,302,820                                    | (2,000,000)  | (110,528)  | (22,914)   |
| Members Contributed Equity Movements |  |  | 2,176,894                                    |  |  |  |
| TPRC Net Result                      |  |  | 227,535                                      |  |  |  |
| <b>Total Movement in equity</b>      |  |  | <b>2,404,429</b>                             |  |  |  |

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2018 TO 31 MAY 2019**

**7. NET CURRENT ASSETS**

| Composition of Estimated Net Current Asset Position | 31 May<br>2019<br>Actual<br>\$ | Brought<br>Forward<br>1-Jul<br>\$ |
|---|--------------------------------|-----------------------------------|
| <b>CURRENT ASSETS</b>                               |                                |                                   |
| Cash - Unrestricted                                 | 46,168,257                     | 43,846,407                        |
| Receivables   | 287,166                        | 251,049                           |
| Settlement Bonds                                    | 0                              | 400                               |
|   | <b>46,455,423</b>              | <b>44,097,856</b>                 |
| <b>LESS: CURRENT LIABILITIES</b>                    |                                |                                   |
| Payables and Provisions                             | (288,352)                      | (290,105)                         |
| <b>NET CURRENT ASSET POSITION</b>                   | <b>46,167,071</b>              | <b>43,807,751</b>                 |

**8. RATING INFORMATION**

The Regional Council does not levy rates on property.

**9. TRUST FUNDS**

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

# Appendix 9.3

**Tamala Park Regional Council  
Summary Payment List  
June 2019**

| <b>Date</b> | <b>Num</b> | <b>Name</b>                     | <b>Description</b>                                 | <b>Amount</b> |
|-------------|------------|---------------------------------|--|---------------|
| 4/06/2019   | CON-147    | City of Wanneroo                | GST owing April 2019                               | -430.91       |
| 6/06/2019   | ET-4657    | Employee costs                  | Wages for period 23/05/19 - 05/06/19               | -11,741.20    |
| 6/06/2019   | ET-4660    | Australian Super                | Superannuation for period 23/05/19 - 05/06/19      | -663.87       |
| 6/06/2019   |            | Butler Settineri                | Fees for Interim Audit FYE 2019                    | -3,540.04     |
| 6/06/2019   |            | Capital Transport Services      | Courier charges (16/05/19 - 27/05/19)              | -26.45        |
| 6/06/2019   |            | City of Vincent                 | GST owing April 2019                               | -215.00       |
| 6/06/2019   |            | Digital Meal                    | SEO Retainer - Month 5 of 6                        | -708.40       |
| 6/06/2019   |            | Kyocera Mita                    | Printing costs (May 2019)                          | -63.73        |
| 6/06/2019   |            | LD Total                        | Landscaping services                               | -42,122.03    |
| 6/06/2019   |            | Market Creations                | Printing of business cards (S O'Sullivan)          | -154.00       |
| 6/06/2019   |            | Moore Stephens                  | Accounting services                                | -3,118.50     |
| 6/06/2019   |            | Officeworks                     | Office supplies                                    | -90.64        |
| 6/06/2019   |            | Riskwest Management Consultar   | Risk Management Services - Final Payment           | -1,452.00     |
| 6/06/2019   |            | Signs & Lines                   | Signage  | -9,022.84     |
| 6/06/2019   |            | WALGA Recruitment               | Online advertising for Manager Project Coordinatic | -774.54       |
| 6/06/2019   | ET-4661    | McMullen Nolan Group            | Pegging bore locations                             | -374.00       |
| 6/06/2019   | ET-4662    | Water Corporation               | Sales Office 2 water charges for period 21/03/19 - | -189.09       |
| 12/06/2019  | ET-4663    | Westpac Bank                    | Payment of credit card charges (CEO & EA) - Jun    | -683.83       |
| 12/06/2019  | CH-200566  | City of Wanneroo                | Stage 26 Subdivision Clearance Fee                 | -1,520.00     |
| 12/06/2019  | CH-200567  | McMullen Nolan Group            | Stage 26 Landgate Fee                              | -3,124.00     |
| 12/06/2019  | CH-200568  | McMullen Nolan Group            | Stage 26 WAPC Lodgement Fee                        | -935.00       |
| 13/06/2019  | CON-148    | City of Perth - Supplier        | GST July-Aug 2018 & Feb-Apr 2019                   | -14,868.03    |
| 20/06/2019  | ET-4665    | Employee costs                  | Wages for period 06/06/19 - 19/06/19               | -12,188.21    |
| 20/06/2019  | ET-4668    | Australian Super                | Superannuation for period 06/06/19 - 19/06/19      | -728.56       |
| 20/06/2019  |            | Burgess Rawson                  | GST Valuations (May 2019)                          | -110.00       |
| 20/06/2019  |            | Capital Transport Services (WA) | Courier charges (04/06/2019)                       | -13.80        |
| 20/06/2019  |            | City of Stirling                | TPRC office rent (July 2019)                       | -3,276.04     |
| 20/06/2019  |            | City of Wanneroo                | SO3 rates & Stage 26 fees                          | -5,126.33     |
| 20/06/2019  |            | Cossill & Webley                | Engineering services                               | -6,586.74     |
| 20/06/2019  |            | Coterra Environment             | Environmental consulting services (February 2019)  | -3,969.63     |
| 20/06/2019  |            | Creative Design + Planning      | Monthly retainer (May 2019)                        | -10,890.00    |
| 20/06/2019  |            | Dale Alcock Homes Pty Ltd       | WELS Rebate - Lot 2134                             | -1,000.00     |
| 20/06/2019  |            | Green House Studios             | Graphic design for Food Truck Fridays              | -698.50       |
| 20/06/2019  |            | Intelligent Home                | Sales Office 3 - supply and install CCTV system    | -2,420.00     |
| 20/06/2019  |            | Keiki Early Learning            | Creche services - Display Village Opening          | -825.00       |
| 20/06/2019  |            | Kevin Smith Cleaning            | Cleaning of TPRC office (May 2019)                 | -132.00       |
| 20/06/2019  |            | LD Total                        | Landscaping  | -8,144.40     |
| 20/06/2019  |            | McLeods Barristers & Solicitors | Legal fees   | -8,127.02     |
| 20/06/2019  |            | McMullen Nolan Group            | Stage 26 Surveying Fees                            | -5,687.00     |
| 20/06/2019  |            | Murphy, David                   | WELS Rebate - Lot 2105                             | -1,000.00     |
| 20/06/2019  |            | Neverfail                       | Bottled water x 3                                  | -41.75        |
| 20/06/2019  |            | New Living Cleaning             | Sales Office 3 Cleaning (May 2019)                 | -610.00       |
| 20/06/2019  |            | R J Vincent & Co                | Stage 26 Civil Works (Cert 3)                      | -315,952.01   |
| 20/06/2019  |            | Satterley Property Group        | Community Development Services (May 2019)          | -660.00       |
| 20/06/2019  |            | Spectur Ltd                     | Security cameras                                   | -352.00       |
| 20/06/2019  |            | Stantons International          | Probity services - Updates to Evaluation Plan      | -85.25        |
| 20/06/2019  |            | Treacy Fencing                  | Fencing - Lot 931                                  | -2,512.95     |
| 20/06/2019  | ET-4669    | Synergy                         |  | -1,359.00     |
| 20/06/2019  | CH-200569  | City of Wanneroo                | Stage 26 Footpath Bond                             | -4,377.04     |
| 27/06/2019  |            | Arbor Logic                     | Tree assessment                                    | -891.00       |
| 27/06/2019  |            | Because We Care                 | Doggy bags   | -2,128.50     |
| 27/06/2019  |            | City of Joondalup               | Dividend 13 & Rates Reimbursement                  | -379,162.12   |
| 27/06/2019  |            | City of Perth                   | Dividend 13 & Rates Reimbursement                  | -189,581.08   |
| 27/06/2019  |            | City of Stirling                | Dividend 13 & Rates Reimbursement & GST May        | -760,704.44   |
| 27/06/2019  |            | City of Vincent                 | Dividend 13 & Rates Reimbursement                  | -189,581.08   |
| 27/06/2019  |            | City of Wanneroo                | Dividend 13 & Rates Reimbursement                  | -379,162.12   |
| 27/06/2019  |            | Cossill & Webley                | Foreshore path design (Claim 2)                    | -4,320.38     |
| 27/06/2019  |            | Creative Design + Planning      | Monthly general planning fee (June 2019)           | -10,890.00    |
| 27/06/2019  |            | Digital Meal                    | SEO retainer (month 6)                             | -708.40       |
| 27/06/2019  |            | Dominic Carbone & Assoc         | GST Accountancy Services (May 2019)                | -528.00       |
| 27/06/2019  |            | Hickey, Mark                    | Builder Referral Fee - Lot 2102                    | -2,000.00     |

|              |         |                                 |  |                                    |
|--------------|---------|---------------------------------|--|------------------------------------|
| 27/06/2019   |         | Khoe, DK & Ngaditowo, L         | Solar Panel Rebate - Lot 868                       | -2,000.00                          |
| 27/06/2019   |         | LD Total                        | Landscaping  | -23,752.14                         |
| 27/06/2019   |         | Neverfail                       | Bottled water x 1                                  | -14.75                             |
| 27/06/2019   |         | New Living Cleaning             | Sales Office 3 Cleaning                            | -875.54                            |
| 27/06/2019   |         | Plan E                          | Landscape architect services                       | -18,315.00                         |
| 27/06/2019   |         | Planning Institute of Australia | Annual Membership (CEO)                            | -632.00                            |
| 27/06/2019   |         | Soliman, Mena                   | Builder Referral Fee - Lot 2113                    | -2,000.00                          |
| 27/06/2019   |         | Swann Rubbish Removal           | Rubbish removal - 8 x lots                         | -1,900.00                          |
| 27/06/2019   |         | The Brand Agency                | EOFY Campaign Cutouts                              | -3,079.99                          |
| 27/06/2019   |         | Total Eden                      | Stage 12/13 Bore drilling                          | -29,487.48                         |
| 27/06/2019   |         | Town of Cambridge               | 13th Dividend Payment - TPRC Project               | -166,666.67                        |
| 27/06/2019   |         | Town of Victoria Park           | Dividend 13 & Rates Reimbursement                  | -189,581.08                        |
| 27/06/2019   |         | Treacy Fencing                  | Fencing  | -10,653.50                         |
| 27/06/2019   | ET-4670 | Alinta Energy                   | Sales Office 2 - Gas supply charges for period 11/ | -25.30                             |
| 27/06/2019   | ET-4671 | Synergy                         |  | -1,944.55                          |
| 27/06/2019   | ET-4353 | National Australia Bank         | Bank charges NAB At-Call AC                        | -10.00                             |
| 28/06/2019   | ET-4672 | City of Wanneroo                | GST owing May 2019                                 | -1,190.09                          |
| <b>Total</b> |         |                                 |  | <b><u><u>-2,864,476.54</u></u></b> |

**Tamala Park Regional Council  
Summary Payment List  
May 2019**

| <b>Date</b> | <b>Num</b> | <b>Name</b>                     | <b>Description</b>                                   | <b>Amount</b> |
|-------------|------------|---------------------------------|--|---------------|
| 9/05/2019   | ET-4646    | Australian Taxation Office      | IAS (April 2019)                                     | -13,387.00    |
| 9/05/2019   | ET-4647    | Employee costs                  | Wages for period 25/04/19 - 08/05/19                 | -8,476.74     |
| 9/05/2019   | ET-4649    | Australian Super                | Superannuation for period 25/04/19 - 08/05/19        | -230.06       |
| 9/05/2019   |            | Burgess Rawson                  | GST Valuation (April 2019)                           | -55.00        |
| 9/05/2019   |            | Capital Transport Services      | Courier charges (18/04/19 - 29/04/19)                | -26.45        |
| 9/05/2019   |            | City of Stirling                | GST (March 2019) & Rent (June 2019)                  | -8,342.04     |
| 9/05/2019   |            | Cossill & Webley                | Engineering services                                 | -8,590.90     |
| 9/05/2019   |            | Creative Design + Planning      | Monthly Retainer (December 2018)                     | -10,890.00    |
| 9/05/2019   |            | Digital Meal                    | SEO Retainer (Month 2/6)                             | -708.40       |
| 9/05/2019   |            | Docushred                       | Security bin   | -51.70        |
| 9/05/2019   |            | Imagesource                     | LSP Amendment signs                                  | -847.00       |
| 9/05/2019   |            | Intermission Media              | Sales Office opening videography                     | -850.00       |
| 9/05/2019   |            | Kevin Smith Cleaning Services   | Cleaning of TPRC office (April 2019)                 | -132.00       |
| 9/05/2019   |            | Kyocera Mita                    | Printing charges (April 2019)                        | -62.69        |
| 9/05/2019   |            | LD Total                        | Landscaping services                                 | -58,725.94    |
| 9/05/2019   |            | Marketforce                     | Statutory Advertising                                | -510.56       |
| 9/05/2019   |            | McMullen Nolan Group            | Stage 26 surveying                                   | -7,326.00     |
| 9/05/2019   |            | Moore Stephens                  | Accounting services (March 2019)                     | -2,601.50     |
| 9/05/2019   |            | Neverfail                       | Bottled water x 1                                    | -14.75        |
| 9/05/2019   |            | New Living Cleaning             | Cleaning of Sales Office 3 (April 2019)              | -610.00       |
| 9/05/2019   |            | Officeworks                     | Office supplies                                      | -239.87       |
| 9/05/2019   |            | Rochelle Zaknich Communications | Communications consulting services                   | -800.00       |
| 9/05/2019   |            | Satterley Property Group        | Community development fees (March 2019)              | -11,325.60    |
| 9/05/2019   |            | Stewart, Ian                    | WELS Rebate - Lot 2104                               | -1,000.00     |
| 9/05/2019   |            | Swann Rubbish Removal           | Rubbish Removal - Lot 989                            | -380.00       |
| 9/05/2019   |            | UDIA (WA)                       | 2019/2020 Membership Subscription                    | -4,712.00     |
| 9/05/2019   |            | WALGA Recruitment               | Recruitment of Project Coordinator                   | -5,500.00     |
| 9/05/2019   | ET-4650    | Australian Taxation Office      | BAS (January - March 2019)                           | -13,711.00    |
| 14/05/2019  | ET-4656    | Westpac Bank                    | Payment of credit card charges (CEO & EA) - February | -317.04       |
| 23/05/2019  | ET-4651    | Employee costs                  | Wages for period 13/05/19 - 22/05/19                 | -11,183.91    |
| 23/05/2019  | ET-4654    | Australian Super                | Superannuation for period 09/05/19 - 22/05/19        | -577.11       |
| 23/05/2019  |            | Anderson, Claire                | Elected member attendance fee 20 January 2019 - 19 / | -2,613.75     |
| 23/05/2019  |            | Caddy, Karen                    | Elected member attendance fee 20 January 2019 - 19 / | -2,613.75     |
| 23/05/2019  |            | Carat Australia Media Services  | Stage 26 press release                               | -566.42       |
| 23/05/2019  |            | Chester, John                   | Elected member attendance fee 20 January 2019 - 19 / | -2,613.75     |
| 23/05/2019  |            | City of Stirling                | GST April & IT services                              | -2,346.82     |
| 23/05/2019  |            | Cole, Emma                      | Elected member attendance fee 20 January 2019 - 19 / | -2,613.75     |
| 23/05/2019  |            | Cossill & Webley                | Beach WWPS Variation                                 | -656.48       |
| 23/05/2019  |            | Dominic Carbone & Assoc         | GST Accountancy Services (April 2019)                | -528.00       |
| 23/05/2019  |            | Dunne, Lorna                    | Solar Panel Rebate - Lot 773                         | -2,000.00     |
| 23/05/2019  |            | EventPro Perth                  | Easter event PA hire                                 | -165.00       |
| 23/05/2019  |            | Fenn, Samantha                  | Elected member attendance fee 20 January 2019 - 19 / | -2,613.75     |
| 23/05/2019  |            | Ferrante, Joe                   | Elected member attendance fee 20 January 2019 - 19 / | -2,613.75     |
| 23/05/2019  |            | Hammond, Andrew                 | Elected member attendance fee 20 January 2019 - 19 / | -2,613.75     |
| 23/05/2019  |            | hyd20 Hydrology                 | Grove LWMS Addendum                                  | -990.00       |
| 23/05/2019  |            | Imagesource                     | Signage  | -622.60       |
| 23/05/2019  |            | Italiano, Giovanni              | Chairman allowance 20 January 2019 - 19 April 2019   | -8,886.50     |
| 23/05/2019  |            | Jones, Nige                     | Elected member attendance fee 20 January 2019 - 19 / | -2,613.75     |
| 23/05/2019  |            | Learning Horizons               | CEO Performance Review 2019                          | -6,050.00     |
| 23/05/2019  |            | Neverfail                       | Water bottle x 1                                     | -13.50        |
| 23/05/2019  |            | Plan E                          | Landscape architects                                 | -9,608.50     |
| 23/05/2019  |            | R J Vincent & Co                | Civil works  | -146,094.86   |
| 23/05/2019  |            | Realestate.com.au               | Central Sales Office listing                         | -528.00       |
| 23/05/2019  |            | Sandri, Bianca                  | Elected member attendance fee 20 January 2019 - 19 / | -2,613.75     |
| 23/05/2019  |            | Satterley Property Group        | Community development & UDIA lunch reimbursement     | -3,016.40     |
| 23/05/2019  |            | Signs & Lines                   | Stage 26 sign - remove & store & DA application      | -1,290.63     |
| 23/05/2019  |            | Social Garden                   | Digital sale campaign (May 2019)                     | -5,500.00     |
| 23/05/2019  |            | Spectur Ltd                     | Security cameras x 2                                 | -176.00       |
| 23/05/2019  |            | Timmermanis, Andres             | Elected member attendance fee 20 January 2019 - 19 / | -2,613.75     |
| 23/05/2019  |            | Town of Cambridge               | Rates equivalent payment for 2018/19 financial year  | -22,914.41    |
| 23/05/2019  |            | Treacy Fencing                  | Fencing  | -12,513.49    |

|              |                                 |  |                                  |
|--------------|---------------------------------|--|----------------------------------|
| 23/05/2019   | Treby, Brett                    | Deputy Chairman allowance 20 January 2019 - 19 April     | -3,855.25                        |
| 23/05/2019   | ET-4655 Water Corporation       | Sales Office 3 water charges for period 18/03/19 - 16/04 | -213.85                          |
| 28/05/2019   | CON-146 Town of Cambridge       | GST Feb - April 2019                                     | -2,225.30                        |
| 31/05/2019   | ET-4352 National Australia Bank | Bank charges NAB At-Call AC                              | -10.00                           |
| <b>Total</b> |                                 |  | <b><u><u>-429,094.77</u></u></b> |

# Appendix 9.4

23 July 2019

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

Dear Tony

### **Catalina Financial Report for June 2019**

Please find attached the Catalina Financial Report for June 2019. 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 June 2019 to 30 June 2019.

Residential settlement revenue for the financial year to 30 June 2019 is \$8.6m which is \$5.9m behind the approved 'June 2018' budget.

Sales for FYE2019 are \$8.3m unfavourable to budget due to 23 less residential lot sales for the year.

Overall FYE2019 expenditure is \$13.1m under budget per the approved 'June 2018' budget, with \$4.3m spent against a budget of \$17.5m. The main areas of variances are summarised below:

- Lot Production is \$3.2m under budget, noting the following variances:
  - Stage 17B \$0.4m under budget due to timing of the construction of a group housing site, which is now forecast for the year 2021;
  - Stage 18A \$0.3m under budget due to cost savings;
  - Stage 18B \$0.8m under budget due to timing of the construction of group housing sites, which will now be constructed as residential lots under stage 18C in the next financial year;
  - Stage 26 \$1.2m under budget due to timing, works now commenced;
  - \$0.5m combined minor variances.
  
- Landscaping is \$2.7m under budget, noting the following variances:
  - Stage 14A \$0.2m under budget due to cost savings;
  - Stage 17 \$0.5m under budget as works are yet to commence, with designs sitting with the City of Wanneroo for approval;
  - Stage 10 BCA \$0.2m under budget as works are yet to commence, recommendation with the TPRC;
  - Stage 25 Greenlink \$0.4m under budget due to timing;
  - Stage 11 Phase 2 \$0.4m under budget as works yet to commence;
  - \$1.0m combined minor variances.

- Infrastructure is \$1.3m under budget, noting the following variances:
  - Connolly Drive Greenlink Intersection \$0.3m below budget as works postponed to next financial year;
  - Aviator Blvd Extension \$0.8m below budget as works postponed to next financial year;
  - \$0.2m combined minor variances.
- Infrastructure Refunds is (\$1.2m) behind budget as refund is yet to be received for the Waste Water Pump Station. This is expected within the next 6 months.
- Indirect Consultants \$284k under budget due to the construction program being slowed down in line with sales.
- WAPC Land Acquisition \$5.1m under budget as settlement not yet required, now forecast for Dec-19.
- Special Sites & Fixed Assets \$175k under budget due to savings on the construction of the Catalina Beach Sales Office
- P&L expenditure is \$1.5m under budget, noting the following variances:
  - Marketing \$0.3m under budget due to timing of invoice payments and approval pending on new initiatives;
  - Community Development \$0.1m under budget due to timing of invoice payments;
  - Central Cell Sales Office Carpark Makegood \$0.1m under budget due to timing of the completion of the Beach Sales Office;
  - Contingency \$0.8m not required;
  - \$0.2m Combined minor variances for other Overheads.

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

Yours faithfully



**Ross Carmichael**  
General Manager - Finance

Catalina Actual vs Budget Analysis

| Tamala Park Cashflow FY2019              |                        | Actual MTD Vs Budget Jun 2019 |                            |                  | Year to date Vs Budget to Jun 2019 |                   |                    | Full Year         |                                      | Project to date Vs Budget to Jun 2019 |                    |                    | Bud Comparison: Jun 18 Approved  |
|--|------------------------|-------------------------------|----------------------------|------------------|------------------------------------|-------------------|--------------------|-------------------|--------------------------------------|---------------------------------------|--------------------|--------------------|--|
| Job Description                          | Account Description    | Actual 1 month to Jun 2019    | Budget 1 month to Jun 2019 | Variance         | YTD to Jun 2019                    | YTD budget        | Variance           | Budget 2019       | YTD Act vs Full Year Budget Variance | PTD to Jun 2019                       | PTD budget         | Variance           | Comments regarding variance  |
| <b>REVENUE</b>                           |                        |                               |                            |                  |                                    |                   |                    |                   |                                      |                                       |                    |                    |  |
| Settlements                              | Settlement revenue     | 644,000                       | 1,354,458                  | (710,458)        | 8,551,000                          | 14,405,835        | (5,854,835)        | 14,405,835        | (5,854,835)                          | 237,098,500                           | 242,953,335        | (5,854,835)        | 28 settlements YTD ex GST Margin scheme. GST Margin as detailed in Burgess Rawson valuations |
| Margin GST                               | Margin GST             | (7,312)                       | (18,182)                   | 10,869           | (79,441)                           | (200,000)         | 120,559            | (200,000)         | 120,559                              | (3,511,564)                           | (3,622,232)        | 110,668            |  |
| Direct Selling Costs                     |                        | (32,958)                      | (62,119)                   | 29,161           | (457,455)                          | (748,279)         | 290,824            | (748,279)         | 290,824                              | (10,788,427)                          | (11,032,566)       | 244,139            | Includes Commission and Management Fees  |
| Interest Income                          |                        | 0                             | 0                          | 0                | 11,058                             | 0                 | 11,058             | 0                 | 11,058                               | 85,114                                | 74,056             | 11,058             | Penalty interest income on settlements   |
| Forfeited Deposits                       |                        | 0                             | 0                          | 0                | 1,818                              | 0                 | 1,818              | 0                 | 1,818                                | 22,727                                | 20,909             | 1,818              |  |
| Other Income                             | Special sites revenue  | 0                             | 0                          | 0                | 1,373,209                          | 1,772,727         | (399,518)          | 1,772,727         | (399,518)                            | 3,290,721                             | 3,690,239          | (399,518)          | Stage 11 Local Centre settled in Aug   |
| Rebate Allowance                         |                        | (24,359)                      | (191,931)                  | 167,573          | (403,354)                          | (2,700,807)       | 2,297,452          | (2,700,807)       | 2,297,452                            | (5,728,292)                           | (8,106,611)        | 2,378,319          | Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates  |
|  |                        | <b>579,371</b>                | <b>1,082,226</b>           | <b>(502,855)</b> | <b>8,996,835</b>                   | <b>12,529,477</b> | <b>(3,532,642)</b> | <b>12,529,477</b> | <b>(3,532,642)</b>                   | <b>220,468,779</b>                    | <b>223,977,130</b> | <b>(3,508,351)</b> |  |
| <b>LOT PRODUCTION</b>                    |                        |                               |                            |                  |                                    |                   |                    |                   |                                      |                                       |                    |                    |  |
| Earthworks Stages 1-4, 6                 | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 2,122,407                             | 2,122,407          | 0                  |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 157,827                               | 157,827            | 0                  |  |
| <b>Total Earthworks Stages 1-4, 6</b>    |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>2,280,234</b>                      | <b>2,280,234</b>   | <b>(0)</b>         |  |
| Earthworks Stages 5 & 7                  | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 2,368,798                             | 2,368,798          | 0                  |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 121,827                               | 121,827            | 0                  |  |
| <b>Total Earthworks Stages 5 &amp; 7</b> |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>2,490,625</b>                      | <b>2,490,625</b>   | <b>0</b>           |  |
| Earthworks Stage 8                       | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 1,265,418                             | 1,265,418          | 0                  |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 63,366                                | 63,366             | 0                  |  |
| <b>Total Earthworks Stage 8</b>          |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>1,328,784</b>                      | <b>1,328,784</b>   | <b>0</b>           |  |
| Earthworks Stages 9-11                   | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 4,066,094                             | 4,066,094          | 0                  |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 99,325                                | 99,325             | 0                  |  |
| <b>Total Earthworks Stages 9-11</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>4,165,419</b>                      | <b>4,165,419</b>   | <b>0</b>           |  |
| Earthworks Stages 12-13                  | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 1,139,937                             | 1,139,937          | 0                  |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 108,025                               | 108,025            | 0                  |  |
| <b>Total Earthworks Stage 12-13</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>1,247,962</b>                      | <b>1,247,962</b>   | <b>0</b>           |  |
| Earthworks Stages 14-18                  | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 1,738,744                             | 1,738,744          | 0                  |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 250,660                               | 250,660            | 0                  |  |
| <b>Total Earthworks Stage 14-18</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>1,989,404</b>                      | <b>1,989,404</b>   | <b>0</b>           |  |
| Earthworks Stage 20-24                   | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 27,113                                | 27,113             | 0                  |  |
| <b>Total Earthworks Stage 20-24</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>27,113</b>                         | <b>27,113</b>      | <b>0</b>           |  |
| Earthworks Stages 25-27                  | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 3,603,087                             | 3,603,087          | (0)                |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 2,655             | 2,655              | 2,655             | 2,655                                | 186,216                               | 192,859            | 6,643              |  |
| <b>Total Earthworks Stage 25-27</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>2,655</b>      | <b>2,655</b>       | <b>2,655</b>      | <b>2,655</b>                         | <b>3,789,303</b>                      | <b>3,795,945</b>   | <b>6,643</b>       |  |
| Earthworks Stages 36-40                  | Direct Consultants     | 0                             | 9,375                      | 9,375            | 0                                  | 76,250            | 76,250             | 76,250            | 76,250                               | 0                                     | 76,250             | 76,250             |  |
| <b>Total Earthworks Stage 36-40</b>      |                        | <b>0</b>                      | <b>9,375</b>               | <b>9,375</b>     | <b>0</b>                           | <b>76,250</b>     | <b>76,250</b>      | <b>76,250</b>     | <b>76,250</b>                        | <b>0</b>                              | <b>76,250</b>      | <b>76,250</b>      |  |
| Stage 1                                  | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 3,208,532                             | 3,208,532          | 0                  |  |
|  | Authorities Fees       | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 158,201                               | 158,201            | (0)                |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 214,916                               | 214,916            | 0                  |  |
| <b>Total Stage 1</b>                     |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>3,581,649</b>                      | <b>3,581,649</b>   | <b>(0)</b>         |  |
| Stage 2                                  | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 2,691,287                             | 2,691,287          | 0                  |  |
|  | Authorities Fees       | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 210,292                               | 210,292            | 0                  |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 2,400             | 2,400              | 2,400             | 2,400                                | 164,171                               | 166,571            | 2,400              |  |
| <b>Total Stage 2</b>                     |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>2,400</b>      | <b>2,400</b>       | <b>2,400</b>      | <b>2,400</b>                         | <b>3,065,749</b>                      | <b>3,068,150</b>   | <b>2,400</b>       |  |
| Stage3                                   | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 2,010,933                             | 2,010,933          | 0                  |  |
|  | Authorities Fees       | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 284,155                               | 284,155            | (0)                |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 187,648                               | 187,648            | 0                  |  |
| <b>Total Stage 3</b>                     |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>2,482,736</b>                      | <b>2,482,736</b>   | <b>(0)</b>         |  |
| Stage 4                                  | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 2,298,741                             | 2,298,741          | 0                  |  |
|  | Authorities Fees       | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 284,471                               | 284,471            | 0                  |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 219,983                               | 219,983            | 0                  |  |
| <b>Total Stage 4</b>                     |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>2,803,195</b>                      | <b>2,803,195</b>   | <b>0</b>           |  |
| Stage 5                                  | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 2,796,102                             | 2,796,102          | (0)                |  |
|  | Authorities Fees       | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 392,082                               | 392,082            | 0                  |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 388,371                               | 388,371            | 0                  |  |
| <b>Total Stage 5</b>                     |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>3,576,555</b>                      | <b>3,576,555</b>   | <b>(0)</b>         |  |
| Stage 6A                                 | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 297,465                               | 297,465            | 0                  |  |
|  | Authorities Fees       | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 50,207                                | 50,207             | 0                  |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 39,033                                | 39,033             | 0                  |  |
| <b>Total Stage 6A</b>                    |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>0</b>          | <b>0</b>           | <b>0</b>          | <b>0</b>                             | <b>386,705</b>                        | <b>386,705</b>     | <b>0</b>           |  |
| Stage 6B                                 | Siteworks / Earthworks | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 708,104                               | 708,104            | 0                  |  |
|  | Authorities Fees       | 0                             | 0                          | 0                | 0                                  | 0                 | 0                  | 0                 | 0                                    | 202,417                               | 202,417            | 0                  |  |
|  | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 490               | 490                | 490               | 490                                  | 121,650                               | 121,650            | 490                |  |
| <b>Total Stage 6B</b>                    |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>0</b>                           | <b>490</b>        | <b>490</b>         | <b>490</b>        | <b>490</b>                           | <b>1,031,681</b>                      | <b>1,032,171</b>   | <b>490</b>         |  |

Catalina Actual vs Budget Analysis

| Tamala Park Cashflow FY2019 |                        | Actual MTD Vs Budget Jun 2019 |                            |               | Year to date Vs Budget to Jun 2019 |                |                | Full Year      |                                      | Project to date Vs Budget to Jun 2019 |                  |                | Bud Comparison: Jun 18 Approved |
|-----------------------------|------------------------|-------------------------------|----------------------------|---------------|------------------------------------|----------------|----------------|----------------|--------------------------------------|---------------------------------------|------------------|----------------|---------------------------------|
| Job Description             | Account Description    | Actual 1 month to Jun 2019    | Budget 1 month to Jun 2019 | Variance      | YTD to Jun 2019                    | YTD budget     | Variance       | Budget 2019    | YTD Act vs Full Year Budget Variance | PTD to Jun 2019                       | PTD budget       | Variance       | Comments regarding variance     |
| Stage 6C                    | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 484,386                               | 484,386          | 0              |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 90,611                                | 90,611           | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 52,015                                | 52,015           | 0              |                                 |
| <b>Total Stage 6C</b>       |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>                             | <b>627,012</b>                        | <b>627,012</b>   | <b>0</b>       |                                 |
| Stage 7                     | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 2,257,683                             | 2,257,684        | 1              |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 425,907                               | 425,907          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 290,878                               | 290,878          | (0)            |                                 |
| <b>Total Stage 7</b>        |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>                             | <b>2,974,468</b>                      | <b>2,974,469</b> | <b>1</b>       |                                 |
| Stage 8                     | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 2,494,187                             | 2,494,187        | 0              |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 314,992                               | 314,992          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 251,105                               | 251,105          | 0              |                                 |
| <b>Total Stage 8</b>        |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>                             | <b>3,060,284</b>                      | <b>3,060,284</b> | <b>0</b>       |                                 |
| Stage 9                     | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 2,418,198                             | 2,418,198        | 0              |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 406,804                               | 406,804          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 236,848                               | 236,848          | 0              |                                 |
| <b>Total Stage 9</b>        |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>                             | <b>3,061,850</b>                      | <b>3,061,850</b> | <b>0</b>       |                                 |
| Stage 10                    | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 1,229,760                             | 1,229,760        | 0              |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 160,060                               | 160,060          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 141,355                               | 141,355          | 0              |                                 |
| <b>Total Stage 10</b>       |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>                             | <b>1,531,175</b>                      | <b>1,531,175</b> | <b>0</b>       |                                 |
| Stage 11                    | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 2,778,422                             | 2,778,422        | (0)            |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 463,449                               | 463,449          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 336,976                               | 336,976          | 0              |                                 |
| <b>Total Stage 11</b>       |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>                             | <b>3,578,848</b>                      | <b>3,578,848</b> | <b>(0)</b>     |                                 |
| Stage 12                    | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 2,077,002                             | 2,077,002        | 0              |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 258,204                               | 258,204          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 535            | 535            | 535            | 535                                  | 247,233                               | 247,768          | 535            |                                 |
| <b>Total Stage 12</b>       |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>535</b>     | <b>535</b>     | <b>535</b>     | <b>535</b>                           | <b>2,582,440</b>                      | <b>2,582,975</b> | <b>535</b>     |                                 |
| Stage 13A                   | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 1,932,316                             | 1,932,316        | 0              |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 264,752                               | 264,752          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 5,445          | 5,445          | 5,445          | 5,445                                | 172,787                               | 178,231          | 5,444          |                                 |
| <b>Total Stage 13A</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>5,445</b>   | <b>5,445</b>   | <b>5,445</b>   | <b>5,445</b>                         | <b>2,369,855</b>                      | <b>2,375,300</b> | <b>5,444</b>   |                                 |
| Stage 13B                   | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 2,115,792                             | 2,115,792        | 0              |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 195,434                               | 195,434          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 464            | 464            | 464            | 464                                  | 241,636                               | 242,101          | 465            |                                 |
| <b>Total Stage 13B</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>464</b>     | <b>464</b>     | <b>464</b>     | <b>464</b>                           | <b>2,552,862</b>                      | <b>2,553,327</b> | <b>465</b>     |                                 |
| Stage 14A                   | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 2,221,820                             | 2,221,820        | 0              |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 467,540                               | 467,540          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 42,530         | 42,530         | 42,530         | 42,530                               | 301,549                               | 344,079          | 42,530         |                                 |
| <b>Total Stage 14A</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>42,530</b>  | <b>42,530</b>  | <b>42,530</b>  | <b>42,530</b>                        | <b>2,990,908</b>                      | <b>3,033,438</b> | <b>42,530</b>  |                                 |
| Stage 14B                   | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 64,011         | 64,011         | 64,011         | 64,011                               | 482,855                               | 564,861          | 82,006         |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 3,985          | 3,985          | 3,985          | 3,985                                | 110,991                               | 114,976          | 3,985          |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 35,100         | 35,100         | 35,100         | 35,100                               | 17,639                                | 52,739           | 35,100         |                                 |
| <b>Total Stage 14B</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>103,096</b> | <b>103,096</b> | <b>103,096</b> | <b>103,096</b>                       | <b>611,485</b>                        | <b>732,576</b>   | <b>121,091</b> |                                 |
| Stage 15                    | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 1,999,681                             | 1,999,681        | 0              |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 357,841                               | 357,841          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 3,820          | 3,820          | 3,820          | 3,820                                | 263,241                               | 267,061          | 3,820          |                                 |
| <b>Total Stage 15</b>       |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>3,820</b>   | <b>3,820</b>   | <b>3,820</b>   | <b>3,820</b>                         | <b>2,620,763</b>                      | <b>2,624,583</b> | <b>3,820</b>   |                                 |
| Stage 16A                   | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 9,844                                 | 9,844            | 0              |                                 |
|                             | Direct Consultants     | 0                             | 15,850                     | 15,850        | 0                                  | 95,097         | 95,097         | 95,097         | 95,097                               | 17,605                                | 112,703          | 95,097         |                                 |
| <b>Total Stage 16A</b>      |                        | <b>0</b>                      | <b>15,850</b>              | <b>15,850</b> | <b>0</b>                           | <b>95,097</b>  | <b>95,097</b>  | <b>95,097</b>  | <b>95,097</b>                        | <b>27,449</b>                         | <b>122,546</b>   | <b>95,097</b>  |                                 |
| Stage 16B                   | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 26,000                                | 26,000           | 0              |                                 |
| <b>Total Stage 16B</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>                             | <b>26,000</b>                         | <b>26,000</b>    | <b>0</b>       |                                 |
| Stage 17A                   | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 732,033                               | 732,033          | 0              |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 161,279                               | 161,279          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 5,000          | 5,000          | 5,000          | 5,000                                | 110,250                               | 115,250          | 5,000          |                                 |
| <b>Total Stage 17A</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>5,000</b>   | <b>5,000</b>   | <b>5,000</b>   | <b>5,000</b>                         | <b>1,003,563</b>                      | <b>1,008,563</b> | <b>5,000</b>   |                                 |
| Stage 17B                   | Siteworks / Earthworks | 0                             | 0                          | 0             | (11,630)                           | 357,441        | 369,072        | 357,441        | 369,072                              | 1,273,015                             | 1,642,087        | 369,072        |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 973            | 973            | 973            | 973                                  | 194,411                               | 195,384          | 973            |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 1,832                              | 13,564         | 11,731         | 13,564         | 11,731                               | 180,869                               | 192,600          | 11,731         |                                 |
| <b>Total Stage 17B</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>(9,798)</b>                     | <b>371,978</b> | <b>381,776</b> | <b>371,978</b> | <b>381,776</b>                       | <b>1,648,295</b>                      | <b>2,030,071</b> | <b>381,776</b> |                                 |
| Stage 18A                   | Siteworks / Earthworks | 0                             | 0                          | 0             | 0                                  | 173,979        | 173,979        | 173,979        | 173,979                              | 871,358                               | 1,045,337        | 173,979        |                                 |
|                             | Authorities Fees       | 0                             | 0                          | 0             | 0                                  | 0              | 0              | 0              | 0                                    | 216,537                               | 216,537          | 0              |                                 |
|                             | Direct Consultants     | 0                             | 0                          | 0             | 0                                  | 170,536        | 170,536        | 170,536        | 170,536                              | 125,664                               | 296,200          | 170,536        |                                 |
| <b>Total Stage 18A</b>      |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>      | <b>0</b>                           | <b>344,515</b> | <b>344,515</b> | <b>344,515</b> | <b>344,515</b>                       | <b>1,213,559</b>                      | <b>1,558,074</b> | <b>344,515</b> |                                 |
| Stage 18B                   | Siteworks / Earthworks | 0                             | 375,609                    | 375,609       | 0                                  | 751,219        | 751,219        | 751,219        | 751,219                              | 1,486,381                             | 2,237,600        | 751,219        |                                 |

Catalina Actual vs Budget Analysis

| Tamala Park Cashflow FY2019                       |                        | Actual MTD Vs Budget Jun 2019 |                            |                  | Year to date Vs Budget to Jun 2019 |                  |                  | Full Year        |                                      | Project to date Vs Budget to Jun 2019 |                   |                  | Bud Comparison: Jun 18 Approved     |
|---|------------------------|-------------------------------|----------------------------|------------------|------------------------------------|------------------|------------------|------------------|--------------------------------------|---------------------------------------|-------------------|------------------|-------------------------------------|
| Job Description                                   | Account Description    | Actual 1 month to Jun 2019    | Budget 1 month to Jun 2019 | Variance         | YTD to Jun 2019                    | YTD budget       | Variance         | Budget 2019      | YTD Act vs Full Year Budget Variance | PTD to Jun 2019                       | PTD budget        | Variance         | Comments regarding variance         |
|   | Authorities Fees       | 0                             | 0                          | 0                | 0                                  | 3,510            | 3,510            | 3,510            | 3,510                                | 267,438                               | 270,948           | 3,510            |                                     |
|   | Direct Consultants     | 0                             | 4,300                      | 4,300            | 0                                  | 8,600            | 8,600            | 8,600            | 8,600                                | 191,390                               | 199,990           | 8,600            |                                     |
| <b>Total Stage 18B</b>                            |                        | <b>0</b>                      | <b>379,909</b>             | <b>379,909</b>   | <b>0</b>                           | <b>763,329</b>   | <b>763,329</b>   | <b>763,329</b>   | <b>763,329</b>                       | <b>1,945,209</b>                      | <b>2,708,538</b>  | <b>763,329</b>   |                                     |
| Stage 25  | Siteworks / Earthworks | 0                             | 0                          | 0                | 10,071                             | 65,321           | 55,250           | 65,321           | 55,250                               | 5,523,981                             | 5,579,231         | 55,250           |                                     |
|   | Authorities Fees       | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 212,929                               | 212,929           | 0                |                                     |
|   | Direct Consultants     | 0                             | 0                          | 0                | 0                                  | 21,020           | 21,020           | 21,020           | 21,020                               | 280,279                               | 297,991           | 17,713           |                                     |
| <b>Total Stage 25</b>                             |                        | <b>0</b>                      | <b>0</b>                   | <b>0</b>         | <b>10,071</b>                      | <b>86,341</b>    | <b>76,270</b>    | <b>86,341</b>    | <b>76,270</b>                        | <b>6,017,188</b>                      | <b>6,090,150</b>  | <b>72,962</b>    |                                     |
| Stage 26  | Siteworks / Earthworks | 287,229                       | 0                          | (287,229)        | 529,632                            | 1,408,636        | 879,004          | 1,408,636        | 879,004                              | 545,996                               | 1,199,122         | 653,126          |                                     |
|   | Authorities Fees       | 10,314                        | 0                          | (10,314)         | 10,314                             | 257,650          | 247,336          | 257,650          | 247,336                              | 236,542                               | 483,878           | 247,336          |                                     |
|   | Direct Consultants     | 7,783                         | 0                          | (7,783)          | 25,994                             | 84,125           | 58,131           | 84,125           | 58,131                               | 104,369                               | 162,500           | 58,131           |                                     |
| <b>Total Stage 26</b>                             |                        | <b>305,325</b>                | <b>0</b>                   | <b>(305,325)</b> | <b>565,940</b>                     | <b>1,750,411</b> | <b>1,184,471</b> | <b>1,750,411</b> | <b>1,184,471</b>                     | <b>886,907</b>                        | <b>1,845,500</b>  | <b>958,593</b>   |                                     |
| Stage 27  | Direct Consultants     | 0                             | 24,611                     | 24,611           | 0                                  | 24,611           | 24,611           | 24,611           | 24,611                               | 0                                     | 24,611            | 24,611           |                                     |
| <b>Total Stage 27</b>                             |                        | <b>0</b>                      | <b>24,611</b>              | <b>24,611</b>    | <b>0</b>                           | <b>24,611</b>    | <b>24,611</b>    | <b>24,611</b>    | <b>24,611</b>                        | <b>0</b>                              | <b>24,611</b>     | <b>24,611</b>    |                                     |
| Various Stages                                    | Clearance Bonds        | 4,377                         | 0                          | (4,377)          | (15,887)                           | 86,868           | 102,755          | 86,868           | 102,755                              | 247,245                               | 350,000           | 102,755          |                                     |
| <b>TOTAL LOT PRODUCTION</b>                       |                        | <b>309,703</b>                | <b>429,745</b>             | <b>120,043</b>   | <b>550,326</b>                     | <b>3,765,835</b> | <b>3,215,509</b> | <b>3,765,835</b> | <b>3,215,509</b>                     | <b>75,824,477</b>                     | <b>78,832,784</b> | <b>3,008,307</b> | Within budget                       |
| <b>LANDSCAPING</b>                                |                        |                               |                            |                  |                                    |                  |                  |                  |                                      |                                       |                   |                  |                                     |
| Stage 7 Landscaping                               | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 169,816                               | 169,816           | 0                | Within total FY19 Lanscaping budget |
| Stage 7 Landscaping                               | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 7,193                                 | 7,193             | 0                |                                     |
| Stage 8 Landscaping                               | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 412,952                               | 412,952           | 0                |                                     |
| Stage 8 Landscaping                               | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 30,857                                | 30,857            | 0                |                                     |
| Stage 9 Landscaping Aviator Blvd Greenlink        | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 104,134                               | 104,134           | 0                |                                     |
| Stage 9 Landscaping Aviator Blvd Greenlink        | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 11,489                                | 11,489            | 0                |                                     |
| Stage 10 POS (10.1)                               | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 198,747                               | 198,747           | 0                |                                     |
| Stage 10 POS (10.1)                               | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 14,417                                | 14,417            | 0                |                                     |
| Stage 11 Landscape Consultancy                    | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 1,331,874                             | 1,331,874         | 0                |                                     |
| Stage 11 Landscape Consultancy                    | Landscape Consulting   | 0                             | 0                          | 0                | 22,610                             | 38,746           | 16,136           | 38,746           | 16,136                               | 147,539                               | 163,675           | 16,136           |                                     |
| Stage 12 Landscaping                              | Landscape Construction | 0                             | 0                          | 0                | 21,452                             | 27,817           | 6,365            | 27,817           | 6,365                                | 236,650                               | 243,015           | 6,365            |                                     |
| Stage 12 Landscaping                              | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 27,377                                | 27,377            | 0                |                                     |
| Stage 13 Landscaping                              | Landscape Construction | 0                             | 1,865                      | 1,865            | 6,693                              | 17,200           | 10,507           | 17,200           | 10,507                               | 789,993                               | 800,500           | 10,507           |                                     |
| Stage 13 Landscaping                              | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 18,575           | 18,575           | 18,575           | 18,575                               | 61,433                                | 80,009            | 18,575           |                                     |
| Stage 14A Landscaping                             | Landscape Construction | 0                             | 0                          | 0                | 282,344                            | 403,000          | 120,656          | 403,000          | 120,656                              | 542,704                               | 663,360           | 120,656          |                                     |
| Stage 14A Landscaping                             | Landscape Consulting   | 0                             | 0                          | 0                | (4,639)                            | 53,267           | 57,906           | 53,267           | 57,906                               | 12,013                                | 66,336            | 54,323           |                                     |
| Stage 14B Landscaping                             | Landscape Construction | 0                             | 0                          | 0                | 28,732                             | 31,506           | 2,775            | 31,506           | 2,775                                | 213,926                               | 216,701           | 2,775            |                                     |
| Stage 14B Landscaping                             | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 17,213           | 17,213           | 17,213           | 17,213                               | 15,457                                | 32,670            | 17,213           |                                     |
| Stage 15 Landscaping                              | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 985              | 985              | 985              | 985                                  | 114,948                               | 115,933           | 985              |                                     |
| Stage 15 Landscaping                              | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 18,838                                | 18,838            | 0                |                                     |
| Stage 16A Landscaping                             | Landscape Consulting   | 0                             | 13,281                     | 13,281           | 0                                  | 132,814          | 132,814          | 132,814          | 132,814                              | 11,303                                | 144,117           | 132,814          |                                     |
| Stage 17 Landscaping                              | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 505,769          | 505,769          | 505,769          | 505,769                              | 0                                     | 505,769           | 505,769          |                                     |
| Stage 17 Landscaping                              | Landscape Consulting   | 0                             | 0                          | 0                | 210                                | 212              | 2                | 212              | 2                                    | 2,720                                 | 2,722             | 2                |                                     |
| Stage 18 Landscaping                              | Landscape Construction | 0                             | 0                          | 0                | 265,611                            | 267,780          | 2,169            | 267,780          | 2,169                                | 265,611                               | 267,780           | 2,169            |                                     |
| Stage 18 Landscaping                              | Landscape Consulting   | 0                             | 0                          | 0                | 7,280                              | 9,807            | 2,527            | 9,807            | 2,527                                | 46,251                                | 48,778            | 2,527            |                                     |
| Stage 8 Landscaping Verge Landscaping Lot 475     | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 1,001                                 | 1,001             | 0                |                                     |
| Stage 8 Landscaping Street Trees / Streetscapes   | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 63,552                                | 63,552            | 0                |                                     |
| Stage 8 Landscaping Street Trees / Streetscapes   | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 2,587                                 | 2,587             | 0                |                                     |
| Stage 10 Biodiversity Conservation Area           | Landscape Construction | 0                             | 0                          | 0                | 149,627                            | 300,000          | 150,373          | 300,000          | 150,373                              | 225,263                               | 375,636           | 150,373          |                                     |
| Stage 10 Biodiversity Conservation Area           | Landscape Consulting   | 0                             | 0                          | 0                | 10,000                             | 19,552           | 9,552            | 19,552           | 9,552                                | 28,012                                | 37,564            | 9,552            |                                     |
| Stage 9 Biodiversity Conservation Area            | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 40,000                                | 40,000            | 0                |                                     |
| Stage 9 Biodiversity Conservation Area            | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 3,120                                 | 3,120             | 0                |                                     |
| Stage 10 Biodiversity Conservation Area           | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 116,647                               | 116,647           | 0                |                                     |
| Stage 10 Biodiversity Conservation Area           | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 7,918                                 | 7,918             | 0                |                                     |
| Seed Collection                                   | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 12,750           | 12,750           | 12,750           | 12,750                               | 7,250                                 | 20,000            | 12,750           |                                     |
| Stage 8 Medium Density Lot Verges                 | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 19,598                                | 19,598            | 0                |                                     |
| Stage 8 Medium Density Lot Verges                 | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 1,346                                 | 1,346             | 0                |                                     |
| Stage 9 Medium Density Lot Verges                 | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 95,700                                | 95,700            | 0                |                                     |
| Stage 9 Medium Density Lot Verges                 | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 6,371            | 6,371            | 6,371            | 6,371                                | 5,500                                 | 11,871            | 6,371            |                                     |
| School Oval                                       | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 44,219                                | 44,219            | 0                |                                     |
| Marmion Ave Eastern Verge Upgrade                 | Landscape Construction | 0                             | 0                          | 0                | 6,303                              | 29,559           | 23,256           | 29,559           | 23,256                               | 269,451                               | 292,707           | 23,256           |                                     |
| Marmion Ave Eastern Verge Upgrade                 | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 19,583           | 19,583           | 19,583           | 19,583                               | 19,688                                | 39,271            | 19,583           |                                     |
| Western Cell Long Beach Prom Entry Statement      | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 1,838            | 1,838            | 1,838            | 1,838                                | 19,164                                | 21,001            | 1,838            |                                     |
| Western Cell Long Beach Prom Greenlink            | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 11,880                                | 11,880            | (0)              |                                     |
| Western Cell Marmion Ave Verge                    | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 11,517           | 11,517           | 11,517           | 11,517                               | 19,196                                | 30,713            | 11,517           |                                     |
| Western Cell POS                                  | Landscape Consulting   | 0                             | 0                          | 0                | 4,417                              | 20,909           | 16,492           | 20,909           | 16,492                               | 83,145                                | 101,137           | 17,992           |                                     |
| Western Cell POS2                                 | Landscape Consulting   | 0                             | 890                        | 890              | 0                                  | 32,063           | 32,063           | 32,063           | 32,063                               | 64,091                                | 96,154            | 32,063           |                                     |
| West Cell Bore, Pump, Electrics & Iron Filtration | Landscape Construction | 0                             | 0                          | 0                | 0                                  | 37,592           | 37,592           | 37,592           | 37,592                               | 112,408                               | 150,000           | 37,592           |                                     |
| West Cell Bore, Pump, Electrics & Iron Filtration | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 5,534            | 5,534            | 5,534            | 5,534                                | 9,466                                 | 15,000            | 5,534            |                                     |
| Western Cell Long Beach Prom Medians              | Landscape Consulting   | 0                             | 0                          | 0                | 0                                  | 0                | 0                | 0                | 0                                    | 19,357                                | 19,357            | (0)              |                                     |

Catalina Actual vs Budget Analysis

| Tamala Park Cashflow FY2019                      |                             | Actual MTD Vs Budget Jun 2019 |                            |                | Year to date Vs Budget to Jun 2019 |                  |                  | Full Year        |                                      | Project to date Vs Budget to Jun 2019 |                   |                  | Bud Comparison: Jun 18 Approved      |
|--|-----------------------------|-------------------------------|----------------------------|----------------|------------------------------------|------------------|------------------|------------------|--------------------------------------|---------------------------------------|-------------------|------------------|--------------------------------------|
| Job Description                                  | Account Description         | Actual 1 month to Jun 2019    | Budget 1 month to Jun 2019 | Variance       | YTD to Jun 2019                    | YTD budget       | Variance         | Budget 2019      | YTD Act vs Full Year Budget Variance | PTD to Jun 2019                       | PTD budget        | Variance         | Comments regarding variance          |
| Catalina Beach Greenlink Stage 25                | Landscape Construction      | 3,518                         | 90,000                     | 86,482         | 543,183                            | 900,000          | 356,817          | 900,000          | 356,817                              | 3,812,656                             | 4,169,473         | 356,817          |                                      |
| Catalina Beach Greenlink Stage 25                | Landscape Consulting        | 10,000                        | 0                          | (10,000)       | 52,851                             | 100,001          | 47,150           | 100,001          | 47,150                               | 118,249                               | 163,658           | 45,409           |                                      |
| Preliminary Landscaping Consultancy              | Landscape Consulting        | 6,650                         | 5,690                      | (960)          | 100,562                            | 106,187          | 5,624            | 106,187          | 5,624                                | 165,808                               | 171,432           | 5,624            |                                      |
| Northern Biodiversity Conservation Area          | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 118,080          | 118,080          | 118,080          | 118,080                              | 330,479                               | 448,559           | 118,080          |                                      |
| Northern Biodiversity Conservation Area          | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 10,750           | 10,750           | 10,750           | 10,750                               | 19,093                                | 29,843            | 10,750           |                                      |
| Neerabup Road Verge Treatment - West             | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 795,713                               | 795,713           | 0                |                                      |
| Neerabup Road Verge Treatment - West             | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 47,056                                | 47,056            | 0                |                                      |
| Neerabup Road Verge Treatment - East             | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 180,487                               | 180,487           | 0                |                                      |
| Neerabup Road Verge Treatment - East             | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 23,134                                | 23,134            | 0                |                                      |
| Neerabup Entry Statement                         | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 87,605                                | 87,605            | 0                |                                      |
| Neerabup Entry Statement                         | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 1,927                                 | 1,927             | 0                |                                      |
| Public Open Space 1                              | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 369,509                               | 369,509           | 0                |                                      |
| Public Open Space 1                              | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 46,158                                | 46,158            | 0                |                                      |
| Public Open Space - Lot 8009                     | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 4,168            | 4,168            | 4,168            | 4,168                                | 166,728                               | 170,896           | 4,168            |                                      |
| Public Open Space - Lot 8009                     | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 11,504                                | 11,504            | 0                |                                      |
| Sales Centre Landscaping                         | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 1,700                                 | 1,700             | 0                |                                      |
| Streetscape To Stage 1                           | Landscape Construction      | 0                             | 0                          | 0              | 7,619                              | 25,611           | 17,992           | 25,611           | 17,992                               | 251,365                               | 269,357           | 17,992           |                                      |
| Public Open Space - Lot 8007                     | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 1,083,262                             | 1,083,262         | 0                |                                      |
| Public Open Space - Lot 8007                     | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 76,262                                | 76,262            | 0                |                                      |
| Irrigation System                                | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 76,010                                | 76,010            | 0                |                                      |
| Irrigation System                                | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 4,801                                 | 4,801             | 0                |                                      |
| Public Art                                       | Landscape Construction      | 0                             | 4,167                      | 4,167          | 18,288                             | 50,000           | 31,713           | 50,000           | 31,713                               | 155,801                               | 187,514           | 31,713           |                                      |
| Public Art                                       | Landscape Consulting        | 0                             | 0                          | 0              | 8,000                              | 5,245            | (2,755)          | 5,245            | (2,755)                              | 13,105                                | 10,350            | (2,755)          |                                      |
| Streescapes Stg 2 Consultancy                    | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 164,882                               | 164,882           | 0                |                                      |
| Streescapes Stg 2 Consultancy                    | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 11,980                                | 11,980            | 0                |                                      |
| Streetscape To Stage 3                           | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 40,537                                | 40,537            | 0                |                                      |
| Aviator Blvd Greenlink (5.2)                     | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 6,072                                 | 6,072             | 0                |                                      |
| Neerabup Road Verge Treatment Stg4               | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 206,713                               | 206,713           | 0                |                                      |
| Neerabup Road Verge Treatment Stg4               | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 12,759                                | 12,759            | 0                |                                      |
| Neerabup Road Verge Treatment Stg5               | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 157,346                               | 157,346           | 0                |                                      |
| Neerabup Road Verge Treatment Stg5               | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 14,093                                | 14,093            | 0                |                                      |
| Public Open Space Stage 6                        | Landscape Construction      | 0                             | 0                          | 0              | 1,356                              | 13,516           | 12,160           | 13,516           | 12,160                               | 145,252                               | 157,412           | 12,160           |                                      |
| Public Open Space Stage 6                        | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 8,973            | 8,973            | 8,973            | 8,973                                | 6,768                                 | 15,741            | 8,973            |                                      |
| Sales Centre Landscaping Stg 2                   | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 6,798                                 | 6,798             | (0)              |                                      |
| Sales Centre Landscaping Stg 2                   | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 7,527                                 | 7,527             | 0                |                                      |
| Public Access Way 2.1                            | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 150,700                               | 150,700           | 0                |                                      |
| Public Access Way 2.1                            | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 11,232                                | 11,232            | 0                |                                      |
| Aviator Blvd Entry Stmt                          | Landscape Construction      | 0                             | 0                          | 0              | 3,992                              | 4,583            | 591              | 4,583            | 591                                  | 511,858                               | 512,449           | 591              |                                      |
| Aviator Blvd Entry Stmt                          | Landscape Consulting        | 0                             | 0                          | 0              | 820                                | 10,740           | 9,920            | 10,740           | 9,920                                | 27,897                                | 37,817            | 9,920            |                                      |
| Roundabout                                       | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 7,162                                 | 7,162             | 0                |                                      |
| Roundabout                                       | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 1,035                                 | 1,035             | 0                |                                      |
| Fauna Relocation                                 | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 10,000           | 10,000           | 10,000           | 10,000                               | 37,080                                | 47,080            | 10,000           |                                      |
| Western Cell Entry Statement & Greenlink         | Landscape Construction      | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 59,051                                | 59,051            | 0                |                                      |
| Stage 11 Landscape Phase 2                       | Landscape Construction      | 0                             | 66,667                     | 66,667         | 0                                  | 400,000          | 400,000          | 400,000          | 400,000                              | 0                                     | 400,000           | 400,000          |                                      |
| Catalina Grove Initial Scoping Works             | Landscape Consulting        | 0                             | 0                          | 0              | 0                                  | 3,197            | 3,197            | 3,197            | 3,197                                | 16,803                                | 20,000            | 3,197            |                                      |
| Catalina Central Landscape Upgrade               | Landscape Construction      | 0                             | 0                          | 0              | 86,376                             | 219,659          | 133,283          | 219,659          | 133,283                              | 820,749                               | 954,032           | 133,283          |                                      |
| Catalina Central Landscape Upgrade               | Landscape Consulting        | 0                             | 0                          | 0              | 9,441                              | 9,441            | 1                | 9,441            | 1                                    | 63,128                                | 63,128            | 1                |                                      |
| Stage 12/13 Greenlink New Bore                   | Landscape Construction      | 26,807                        | 0                          | (26,807)       | 70,354                             | 200,000          | 129,646          | 200,000          | 129,646                              | 70,354                                | 200,000           | 129,646          |                                      |
| Catalina Beach Display Village Verge Landscaping | Landscape Construction      | 0                             | 0                          | 0              | 49,257                             | 70,000           | 20,743           | 70,000           | 20,743                               | 49,257                                | 70,000            | 20,743           |                                      |
| Bore 6   | Landscape Construction      | 0                             | 0                          | 0              | 30,906                             | 0                | (30,906)         | 0                | (30,906)                             | 30,906                                | 0                 | (30,906)         |                                      |
| Catalina Beach Stage 26 Landscaping              | Landscape Construction      | 0                             | 10,000                     | 10,000         | 0                                  | 20,000           | 20,000           | 20,000           | 20,000                               | 0                                     | 20,000            | 20,000           |                                      |
| Neerabup Rd Median - Roulettes to Marmion        | Landscape Construction      | 0                             | 11,750                     | 11,750         | 0                                  | 117,500          | 117,500          | 117,500          | 117,500                              | 0                                     | 117,500           | 117,500          |                                      |
| Early Stock Procurement                          | Landscape Consulting        | 0                             | 8,333                      | 8,333          | 0                                  | 100,000          | 100,000          | 100,000          | 100,000                              | 0                                     | 100,000           | 100,000          |                                      |
| <b>TOTAL LANDSCAPING</b>                         |                             | <b>46,975</b>                 | <b>212,644</b>             | <b>165,669</b> | <b>1,783,642</b>                   | <b>4,529,608</b> | <b>2,745,966</b> | <b>4,529,608</b> | <b>2,745,966</b>                     | <b>16,554,151</b>                     | <b>19,296,293</b> | <b>2,742,142</b> | Within budget                        |
| <b>INDIRECT CONSULTANTS</b>                      |                             |                               |                            |                |                                    |                  |                  |                  |                                      |                                       |                   |                  |                                      |
| Planning - indirect                              | Planning                    | 19,800                        | 19,292                     | (508)          | 233,905                            | 231,500          | (2,405)          | 231,500          | (2,405)                              | 2,260,072                             | 2,254,167         | (5,905)          | Within total FY19 Consultants budget |
|  | Architect                   | 0                             | 1,288                      | 1,288          | 5,200                              | 15,456           | 10,256           | 15,456           | 10,256                               | 15,100                                | 26,356            | 11,256           |                                      |
|  | Environmental               | 3,609                         | 4,040                      | 432            | 49,093                             | 48,486           | (607)            | 48,486           | (607)                                | 321,674                               | 322,300           | 626              |                                      |
|  | Geotechnical                | 0                             | 698                        | 698            | 5,900                              | 9,771            | 3,871            | 9,771            | 3,871                                | 12,300                                | 16,171            | 3,871            |                                      |
|  | Title - Survey & Legal fees | 340                           | 2,500                      | 2,160          | 9,340                              | 30,000           | 20,660           | 30,000           | 20,660                               | 153,160                               | 173,820           | 20,660           |                                      |
|  | Engineering fees            | 6,437                         | 8,574                      | 2,137          | 30,075                             | 102,889          | 72,814           | 102,889          | 72,814                               | 194,375                               | 267,188           | 72,814           |                                      |
|  | Traffic planning            | 0                             | 349                        | 349            | 2,000                              | 4,885            | 2,885            | 4,885            | 2,885                                | 84,181                                | 87,067            | 2,885            |                                      |
|  | Landscaping consultancy     | 0                             | 0                          | 0              | 0                                  | 0                | 0                | 0                | 0                                    | 1,000                                 | 0                 | (1,000)          |                                      |
|  | Miscellaneous Consultants   | 0                             | 4,167                      | 4,167          | 182                                | 50,000           | 49,818           | 50,000           | 49,818                               | 4,082                                 | 53,900            | 49,818           |                                      |
|  | Planning - fire & safety    | 0                             | 0                          | 0              | 150                                | 20,000           | 19,850           | 20,000           | 19,850                               | 150                                   | 20,000            | 19,850           |                                      |
|  | Planning - Hydrology        | 0                             | 3,750                      | 3,750          | 7,322                              | 45,000           | 37,678           | 45,000           | 37,678                               | 114,747                               | 152,425           | 37,678           |                                      |

Catalina Actual vs Budget Analysis

| Tamala Park Cashflow FY2019 |   | Actual MTD Vs Budget Jun 2019 |                            |                    | Year to date Vs Budget to Jun 2019 |                    |                    | Full Year          |                                      | Project to date Vs Budget to Jun 2019 |                    |                    | Bud Comparison: Jun 18 Approved   |
|-----------------------------|---|-------------------------------|----------------------------|--------------------|------------------------------------|--------------------|--------------------|--------------------|--------------------------------------|---------------------------------------|--------------------|--------------------|---|
| Job Description             | Account Description   | Actual 1 month to Jun 2019    | Budget 1 month to Jun 2019 | Variance           | YTD to Jun 2019                    | YTD budget         | Variance           | Budget 2019        | YTD Act vs Full Year Budget Variance | PTD to Jun 2019                       | PTD budget         | Variance           | Comments regarding variance   |
|                             | Planning - Sustainability   | 0                             | 3,000                      | 3,000              | 0                                  | 30,000             | 30,000             | 30,000             | 30,000                               | 26,805                                | 56,805             | 30,000             | Within budget<br>Within total FY19 Infrastructure budget<br>Within budget |
|                             | Acoustic & Noise Consult  | 0                             | 833                        | 833                | 0                                  | 20,000             | 20,000             | 20,000             | 20,000                               | 0                                     | 20,000             | 20,000             |   |
|                             | Tree Mapping  | 810                           | 0                          | (810)              | 810                                | 19,500             | 18,690             | 19,500             | 18,690                               | 1,616                                 | 20,306             | 18,690             |   |
|                             | <b>TOTAL INDIRECT CONSULTANTS</b>   | <b>30,996</b>                 | <b>48,492</b>              | <b>17,495</b>      | <b>343,977</b>                     | <b>627,487</b>     | <b>283,510</b>     | <b>627,487</b>     | <b>283,510</b>                       | <b>3,189,262</b>                      | <b>3,470,505</b>   | <b>281,244</b>     |   |
|                             | <b>INFRASTRUCTURE</b>   |                               |                            |                    |                                    |                    |                    |                    |                                      |                                       |                    |                    |   |
|                             | Marmion relocation services   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 450,680                               | 450,680            | 0                  |   |
|                             | Marmion relocation services   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 48,750                                | 48,750             | 0                  |   |
|                             | Neerabup Road Key Largo Intersection  | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 974,127                               | 974,127            | 0                  |   |
|                             | Neerabup Road Key Largo Intersection Eng  | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 54,024                                | 54,024             | 0                  |   |
|                             | Neerabup Rd Maroochydore Way Intersection   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 1,498,274                             | 1,480,279          | (17,995)           |   |
|                             | Neerabup Rd Maroochydore Way Intersection   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 97,321                                | 97,321             | 0                  |   |
|                             | Connolly Drive Green Link Intersection  | 0                             | 0                          | 0                  | 9,400                              | 300,000            | 290,600            | 300,000            | 290,600                              | 9,400                                 | 300,000            | 290,600            |   |
|                             | Connolly Drive Green Link Intersection  | 0                             | 8,302                      | 8,302              | 0                                  | 24,905             | 24,905             | 24,905             | 24,905                               | 99,619                                | 124,523            | 24,905             |   |
|                             | Neerabup Road Green Link Underpass  | 0                             | 0                          | 0                  | 42,534                             | 103,066            | 60,531             | 103,066            | 60,531                               | 2,296,934                             | 2,400,000          | 103,066            |   |
|                             | EPBC Offset - foraging  | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 490,000                               | 490,000            | 0                  |   |
|                             | Gravity Sewer   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 1,518,761                             | 1,518,761          | 0                  |   |
|                             | Gravity Sewer Engineering   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 100,778                               | 100,778            | 0                  |   |
|                             | Marmion Avenue Green Link Intersection  | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 3,041,955                             | 3,041,955          | 0                  |   |
|                             | Marmion Avenue Green Link Intersection Eng  | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 151,585                               | 151,585            | 0                  |   |
|                             | Asbestos and rubbish removal - Gen Allowance  | 2,334                         | 1,667                      | (667)              | 9,696                              | 16,667             | 6,971              | 16,667             | 6,971                                | 24,614                                | 52,771             | 28,157             |   |
|                             | UXO - Search Western Cell Phase 2   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 14,500                                | 14,500             | 0                  |   |
|                             | UXO - Search Western Cell Phase 2   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 1,625                                 | 1,625              | 0                  |   |
|                             | Aviator Blvd Extension St 25 to Long Beach Prom incl services extensions (exc Beach Access Tr | 0                             | 129,750                    | 129,750            | 0                                  | 778,500            | 778,500            | 778,500            | 778,500                              | 1,500                                 | 780,000            | 778,500            |   |
|                             | Aviator Blvd Extension St 25 to Long Beach Prom incl services extensions (exc Beach Access Tr | 0                             | 0                          | 0                  | 0                                  | 21,008             | 21,008             | 21,008             | 21,008                               | 29,692                                | 50,700             | 21,008             |   |
|                             | Housing Auth Dist Plan Scheme 2   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 162,919                               | 162,919            | 0                  |   |
|                             | Raise existing bore on Connolly Drive   | 0                             | 0                          | 0                  | 0                                  | 2,004              | 2,004              | 2,004              | 2,004                                | 0                                     | 2,004              | 2,004              |   |
|                             | Waste Water Pump Station (West)   | 0                             | 0                          | 0                  | 10,216                             | 66,188             | 55,972             | 66,188             | 55,972                               | 1,797,746                             | 1,853,717          | 55,971             |   |
|                             | Rubbish removal - General Allowance   | 866                           | 8,256                      | 7,391              | 6,926                              | 82,562             | 75,636             | 82,562             | 75,636                               | 17,314                                | 92,950             | 75,636             |   |
|                             | <b>INFRASTRUCTURE</b>   | <b>3,199</b>                  | <b>147,974</b>             | <b>144,775</b>     | <b>78,772</b>                      | <b>1,394,899</b>   | <b>1,316,127</b>   | <b>1,394,899</b>   | <b>1,316,127</b>                     | <b>12,882,117</b>                     | <b>14,243,969</b>  | <b>1,361,852</b>   |   |
|                             | <b>INFRASTRUCTURE REFUNDS</b>   |                               |                            |                    |                                    |                    |                    |                    |                                      |                                       |                    |                    |   |
|                             | Neerabup Road Reimbursement   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | (432,548)                             | (432,548)          | 0                  |   |
|                             | Waste Water Pump Station (West)   | 0                             | (1,247,117)                | (1,247,117)        | 0                                  | (1,247,117)        | (1,247,117)        | (1,247,117)        | (1,247,117)                          | 0                                     | (1,247,117)        | (1,247,117)        |   |
|                             | <b>INFRASTRUCTURE REFUNDS</b>   | <b>0</b>                      | <b>(1,247,117)</b>         | <b>(1,247,117)</b> | <b>0</b>                           | <b>(1,247,117)</b> | <b>(1,247,117)</b> | <b>(1,247,117)</b> | <b>(1,247,117)</b>                   | <b>(432,548)</b>                      | <b>(1,679,665)</b> | <b>(1,247,117)</b> |   |
|                             | <b>TOTAL INFRASTRUCTURE</b>   | <b>3,199</b>                  | <b>(1,099,143)</b>         | <b>(1,102,342)</b> | <b>78,772</b>                      | <b>147,782</b>     | <b>69,010</b>      | <b>147,782</b>     | <b>69,010</b>                        | <b>12,449,569</b>                     | <b>12,564,304</b>  | <b>114,735</b>     |   |
|                             | <b>SPECIAL SITES &amp; FIXED ASSETS</b>   |                               |                            |                    |                                    |                    |                    |                    |                                      |                                       |                    |                    |   |
|                             | Lot 1 Group Housing Site Construction   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 172,782                               | 172,782            | 0                  |   |
|                             | Removal of temp sales office  | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 8,636                                 | 8,636              | 0                  |   |
|                             | Sales Office Building   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 573,050                               | 573,981            | 932                |   |
|                             | Sales Office Retrofit   | 0                             | 0                          | 0                  | 300                                | 30,000             | 29,700             | 30,000             | 29,700                               | 300                                   | 30,000             | 29,700             |   |
|                             | Sales Office Carparks   | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 98,087                                | 98,087             | 0                  |   |
|                             | Temp Sales office services  | 0                             | 0                          | 0                  | 0                                  | 0                  | 0                  | 0                  | 0                                    | 3,812                                 | 3,812              | 0                  |   |
|                             | Sales Office Construction Western   | 0                             | 8,333                      | 8,333              | 340,533                            | 465,771            | 125,238            | 465,771            | 125,238                              | 624,762                               | 750,000            | 125,238            |   |
|                             | Sales office carparks Western   | 0                             | 0                          | 0                  | 231,095                            | 236,617            | 5,522              | 236,617            | 5,522                                | 234,478                               | 240,000            | 5,522              |   |
|                             | Security Cameras  | 0                             | 1,250                      | 1,250              | 0                                  | 15,000             | 15,000             | 15,000             | 15,000                               | 19,560                                | 34,560             | 15,000             |   |
|                             | <b>TOTAL SPECIAL SITES &amp; FIXED ASSETS</b>   | <b>0</b>                      | <b>9,583</b>               | <b>9,583</b>       | <b>571,928</b>                     | <b>747,388</b>     | <b>175,460</b>     | <b>747,388</b>     | <b>175,460</b>                       | <b>1,735,467</b>                      | <b>1,911,859</b>   | <b>176,392</b>     |   |
|                             | <b>TOTAL CONSTRUCTION</b>   | <b>390,873</b>                | <b>(398,679)</b>           | <b>(789,552)</b>   | <b>3,328,644</b>                   | <b>9,818,099</b>   | <b>6,489,455</b>   | <b>9,818,099</b>   | <b>6,489,455</b>                     | <b>109,752,927</b>                    | <b>116,075,745</b> | <b>6,322,818</b>   |   |
|                             | <b>LAND</b>   | <b>0</b>                      | <b>0</b>                   | <b>0</b>           | <b>0</b>                           | <b>5,103,000</b>   | <b>5,103,000</b>   | <b>5,103,000</b>   | <b>5,103,000</b>                     | <b>0</b>                              | <b>5,103,000</b>   | <b>5,103,000</b>   |   |
|                             | <b>PROFIT &amp; LOSS EXPENDITURE</b>  |                               |                            |                    |                                    |                    |                    |                    |                                      |                                       |                    |                    |   |
|                             | <b>Sales &amp; Marketing</b>  |                               |                            |                    |                                    |                    |                    |                    |                                      |                                       |                    |                    |   |
|                             | Brand Development   | 1,288                         | 10,833                     | 9,545              | 69,942                             | 130,000            | 60,058             | 130,000            | 60,058                               | 205,835                               | 265,893            | 60,058             |   |
|                             | Sales Office & Builder Rel.   | 0                             | 2,500                      | 2,500              | 24,603                             | 30,000             | 5,397              | 30,000             | 5,397                                | 110,761                               | 122,705            | 11,943             |   |
|                             | Brochures   | 0                             | 2,833                      | 2,833              | 2,850                              | 34,000             | 31,150             | 34,000             | 31,150                               | 139,835                               | 170,835            | 31,000             |   |
|                             | Advertising   | 2,800                         | 9,583                      | 6,783              | 74,719                             | 115,000            | 40,281             | 115,000            | 40,281                               | 767,806                               | 826,431            | 58,625             |   |
|                             | Signage   | 8,203                         | 7,500                      | (703)              | 69,634                             | 90,000             | 20,366             | 90,000             | 20,366                               | 400,481                               | 421,081            | 20,600             |   |
|                             | Website   | 0                             | 2,500                      | 2,500              | 0                                  | 30,000             | 30,000             | 30,000             | 30,000                               | 9,891                                 | 40,516             | 30,625             |   |
|                             | Promotions  | 0                             | 5,000                      | 5,000              | 0                                  | 60,000             | 60,000             | 60,000             | 60,000                               | 19,550                                | 88,903             | 69,353             |   |
|                             | Public Relations  | 0                             | 417                        | 417                | 800                                | 5,000              | 4,200              | 5,000              | 4,200                                | 6,564                                 | 16,838             | 10,275             |   |
|                             | <b>Total Sales and Marketing</b>  | <b>12,291</b>                 | <b>41,167</b>              | <b>28,876</b>      | <b>242,549</b>                     | <b>494,000</b>     | <b>251,451</b>     | <b>494,000</b>     | <b>251,451</b>                       | <b>1,660,723</b>                      | <b>1,953,201</b>   | <b>292,478</b>     |   |
|                             | <b>Total Community Development</b>  | <b>1,985</b>                  | <b>16,042</b>              | <b>14,057</b>      | <b>80,304</b>                      | <b>192,500</b>     | <b>112,196</b>     | <b>192,500</b>     | <b>112,196</b>                       | <b>370,616</b>                        | <b>483,756</b>     | <b>113,140</b>     |   |
|                             | <b>Administration</b>   |                               |                            |                    |                                    |                    |                    |                    |                                      |                                       |                    |                    |   |
|                             | Audit and Tax   | 558                           | 0                          | (558)              | 9,263                              | 10,000             | 737                | 10,000             | 737                                  | 224,966                               | 222,805            | (2,161)            |   |
|                             | Cleaning  | 892                           | 1,000                      | 108                | 3,752                              | 12,000             | 8,248              | 12,000             | 8,248                                | 31,385                                | 39,207             | 7,822              |   |
|                             | Computer Costs  | 0                             | 500                        | 500                | 0                                  | 6,000              | 6,000              | 6,000              | 6,000                                | 0                                     | 6,163              | 6,163              |   |
|                             | Couriers  | 0                             | 300                        | 300                | 0                                  | 3,600              | 3,600              | 3,600              | 3,600                                | 1,338                                 | 12,425             | 11,087             |   |
|                             | Electricity & Gas   | 3,027                         | 1,000                      | (2,027)            | 17,620                             | 12,000             | (5,620)            | 12,000             | (5,620)                              | 95,438                                | 89,850             | (5,588)            |   |
|                             | Insurance   | 0                             | 500                        | 500                | 0                                  | 6,000              | 6,000              | 6,000              | 6,000                                | 0                                     | 6,000              | 6,000              |   |
|                             | Legal fees  | 0                             | 4,167                      | 4,167              | 4,092                              | 50,000             | 45,908             | 50,000             | 45,908                               | 182,614                               | 228,531            | 45,917             |   |

**Catalina Actual vs Budget Analysis**

| Tamala Park Cashflow FY2019      |                             | Actual MTD Vs Budget Jun 2019 |                            |                  | Year to date Vs Budget to Jun 2019 |                   |                   | Full Year         |                                      | Project to date Vs Budget to Jun 2019 |                    |                   | Bud Comparison: Jun 18 Approved                       |
|----------------------------------|-----------------------------|-------------------------------|----------------------------|------------------|------------------------------------|-------------------|-------------------|-------------------|--------------------------------------|---------------------------------------|--------------------|-------------------|---|
| Job Description                  | Account Description         | Actual 1 month to Jun 2019    | Budget 1 month to Jun 2019 | Variance         | YTD to Jun 2019                    | YTD budget        | Variance          | Budget 2019       | YTD Act vs Full Year Budget Variance | PTD to Jun 2019                       | PTD budget         | Variance          | Comments regarding variance                           |
|                                  | Licenses & Fees             | 0                             | 500                        | 500              | 550                                | 6,000             | 5,450             | 6,000             | 5,450                                | 470                                   | 6,647              | 6,177             |   |
|                                  | Postage, Print & Stationery | 0                             | 500                        | 500              | 0                                  | 6,000             | 6,000             | 6,000             | 6,000                                | 2,244                                 | 34,991             | 32,748            |   |
|                                  | Rent - Sales Office & Cprk  | 0                             | 6,667                      | 6,667            | 56,044                             | 80,000            | 23,956            | 80,000            | 23,956                               | 467,350                               | 475,906            | 8,556             |   |
|                                  | Sundry Office Expenses      | 0                             | 1,500                      | 1,500            | 0                                  | 18,000            | 18,000            | 18,000            | 18,000                               | 1,076                                 | 22,308             | 21,231            |   |
|                                  | Training                    | 0                             | 2,083                      | 2,083            | 0                                  | 25,000            | 25,000            | 25,000            | 25,000                               | 0                                     | 25,000             | 25,000            |   |
|                                  | Valuations                  | 100                           | 3,333                      | 3,233            | 6,500                              | 40,000            | 33,500            | 40,000            | 33,500                               | 147,063                               | 180,563            | 33,500            |   |
|                                  | Rates & Taxes               | 485                           | 0                          | (485)            | 116,072                            | 159,390           | 43,318            | 159,390           | 43,318                               | 475,018                               | 788,986            | 313,968           |   |
|                                  | Maintenance                 | 61,387                        | 44,797                     | (16,590)         | 406,676                            | 417,060           | 10,385            | 417,060           | 10,385                               | 1,516,808                             | 1,506,586          | (10,222)          |   |
|                                  | Maint- Carpark Makegood     | 0                             | 0                          | 0                | 53,798                             | 171,913           | 118,114           | 171,913           | 118,114                              | 53,798                                | 171,913            | 118,114           |   |
|                                  | Security                    | 2,520                         | 3,000                      | 480              | 4,609                              | 36,000            | 31,391            | 36,000            | 31,391                               | 26,527                                | 58,338             | 31,812            |   |
| <b>Total Administration</b>      |                             | <b>68,968</b>                 | <b>69,847</b>              | <b>879</b>       | <b>678,975</b>                     | <b>1,058,963</b>  | <b>379,988</b>    | <b>1,058,963</b>  | <b>379,988</b>                       | <b>3,226,094</b>                      | <b>3,876,219</b>   | <b>650,125</b>    | Within budget   |
|                                  | Contingency                 | 11,463                        | (14,154)                   | (25,618)         | 24,490                             | 827,760           | 803,270           | 827,760           | 803,270                              | 2,108,094                             | 803,270            | (1,304,824)       | Actual Contingency spend applied to cost types above. |
|                                  | Contingency Offset Transfer | (11,463)                      | (11,463)                   | 0                | (24,490)                           | (24,490)          | 0                 | (24,490)          | 0                                    | (2,108,094)                           | 0                  | 2,108,094         |   |
| <b>Total Finance</b>             |                             | <b>0</b>                      | <b>(25,618)</b>            | <b>(25,618)</b>  | <b>0</b>                           | <b>803,270</b>    | <b>803,270</b>    | <b>803,270</b>    | <b>803,270</b>                       | <b>0</b>                              | <b>803,270</b>     | <b>803,270</b>    |   |
| <b>Total P&amp;L Expenditure</b> |                             | <b>83,243</b>                 | <b>101,437</b>             | <b>18,194</b>    | <b>1,001,827</b>                   | <b>2,548,733</b>  | <b>1,546,906</b>  | <b>2,548,733</b>  | <b>1,546,906</b>                     | <b>5,257,434</b>                      | <b>7,116,447</b>   | <b>1,859,013</b>  |   |
| <b>Grand Expense Total</b>       |                             | <b>474,116</b>                | <b>(16,221)</b>            | <b>(474,116)</b> | <b>4,330,471</b>                   | <b>17,469,832</b> | <b>13,139,361</b> | <b>17,469,832</b> | <b>13,139,361</b>                    | <b>115,010,360</b>                    | <b>128,295,192</b> | <b>13,284,831</b> | Within budget   |

**Contingency Summary**

|   |                 |
|---|-----------------|
| YTD Budget                                | 827,760         |
| Contingency Transferred (Actual & Budget) | <u>(24,490)</u> |
| Contingency not yet used                  | <u>803,270</u>  |

List of Contingency items transferred year to date

| Period | Job Description                      | Amount        |
|--------|--------------------------------------|---------------|
| Jul-18 | Bore Replacement                     | 5,597         |
| Sep-18 | Stage 12/13 Streetscapes             | 830           |
| Dec-18 | Waste Water Pump Station Engineering | 6,600         |
| Jun-19 | Landscape Maintenance                | 11,463        |
|        |                                      | <u>24,490</u> |

Note: Actual Contingency spend in prior years is reported against the job that the spend relates to.

**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             | -                    | -                 |
| <b>Sep Qtr</b>           | -                             | -             | <b>10</b>     | <b>12</b>     | <b>6</b>           | <b>5</b>      | -                    | -                 |
| Oct-2018                 | -                             | -             | 1             | 4             | 1                  | 9             | -                    | -                 |
| Nov-2018                 | -                             | -             | 3             | 4             | 6                  | 3             | -                    | -                 |
| Dec-2018                 | -                             | -             | (3)           | 3             | 1                  | 4             | 2,000,000            | 2,000,000         |
| <b>Dec Qtr</b>           | -                             | -             | <b>1</b>      | <b>11</b>     | <b>8</b>           | <b>16</b>     | <b>2,000,000</b>     | <b>2,000,000</b>  |
| Jan-2019                 | -                             | -             | 1             | 3             | 2                  | 2             | -                    | -                 |
| Feb-2019                 | -                             | 38            | -             | 4             | 3                  | 3             | -                    | -                 |
| Mar-2019                 | -                             | -             | 2             | 5             | 4                  | 5             | -                    | -                 |
| <b>Mar Qtr</b>           | -                             | <b>38</b>     | <b>3</b>      | <b>12</b>     | <b>9</b>           | <b>10</b>     | -                    | -                 |
| Apr-2019                 | -                             | -             | 4             | 5             | 1                  | 5             | -                    | -                 |
| May-2019                 | -                             | -             | 7             | 5             | 2                  | 4             | -                    | -                 |
| Jun-2019                 | -                             | -             | 2             | 5             | 2                  | 4             | 2,000,000            | 2,000,000         |
| <b>Jun Qtr</b>           | -                             | -             | <b>13</b>     | <b>15</b>     | <b>5</b>           | <b>13</b>     | <b>2,000,000</b>     | <b>2,000,000</b>  |
| <b>PTD</b>               | <b>966</b>                    | <b>1,004</b>  | <b>928</b>    | <b>951</b>    | <b>914</b>         | <b>930</b>    | <b>75,000,000</b>    | <b>75,000,000</b> |
| <b>Full 2018/19 Year</b> | -                             | <b>38</b>     | <b>27</b>     | <b>50</b>     | <b>28</b>          | <b>44</b>     | <b>4,000,000</b>     | <b>4,000,000</b>  |
| <b>2019/20</b>           |                               | <b>45</b>     | <b>60</b>     |               | <b>48</b>          |               | <b>5,000,000</b>     |                   |
| <b>2020/21</b>           |                               | <b>52</b>     | <b>75</b>     |               | <b>66</b>          |               | <b>13,000,000</b>    |                   |

- 2 residential lots settled in June comprising:

|          |             |
|----------|-------------|
|          | <u>Lots</u> |
| Stage 25 | 2           |

- A \$2m distribution has been paid in June 2019.

**1.2 Sales & Settlements**

|                            | <u>MTH Act</u> | <u>MTH Bgt</u> | <u>YTD Act</u> | <u>YTD Bgt</u> | <u>PTD Act</u>       | <u>PTD Bgt</u> |
|----------------------------|----------------|----------------|----------------|----------------|----------------------|----------------|
| <b>Residential</b>         |                |                |                |                |                      |                |
| - Sales #                  | 2              | 5              | 27             | 50             | 928                  | 951            |
| - Sales \$                 | 625,000        | 1,708,068      | 8,540,000      | 16,837,204     | 241,555,500          | 249,852,704    |
| - Sales \$/lot             | 312,500        | 341,614        | 316,296        | 336,744        | 260,297              | 262,726        |
| - Settlements #            | 2              | 4              | 28             | 44             | 914                  | 930            |
| - Settlements \$           | 644,000        | 1,354,459      | 8,551,000      | 14,405,834     | 237,098,500          | 242,953,334    |
| - Settlements \$/lot       | 322,000        | 338,615        | 305,393        | 327,405        | 259,408              | 261,240        |
| <b>Special Sites</b>       |                |                |                |                |                      |                |
| - 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      |
| <b>Lots Under Contract</b> |                |                |                |                |                      |                |
| - Unsettled sales #        | 14             |                |                | 1              | Titled               |                |
| - Unsettled sales \$       | 4,457,000      |                |                | 13             | 972 incl. Spec sites |                |
| - Unsettled sales \$/lot   | 318,357        |                |                |                |                      |                |

- The month of April achieved 4 sales.

**1.3 Cashflow - MTD Actuals to budget**

|                                 | <u>MTD Act</u>        | <u>MTD Bgt</u>          | <u>Variance</u>           |
|---------------------------------|-----------------------|-------------------------|---------------------------|
| <b><u>Income</u></b>            |                       |                         |                           |
| Settlement Revenue              | 644,000               | 1,354,458               | (710,458)                 |
| Margin GST                      | (7,312)               | (18,182)                | 10,869                    |
| Direct selling costs            | (32,958)              | (62,119)                | 29,161                    |
| Interest Income                 | -                     | -                       | -                         |
| Forfeited Deposits              | -                     | -                       | -                         |
| Other Income                    | -                     | -                       | -                         |
| Rebate Allowance                | (24,359)              | (191,931)               | 167,573                   |
|                                 | <u>579,371</u>        | <u>1,082,226</u>        | <u>(502,855)</u>          |
| <b><u>Development costs</u></b> |                       |                         |                           |
| WAPC Land Acq.                  | -                     | -                       | -                         |
| Lot production                  | 309,703               | 429,745                 | 120,043                   |
| Landscaping                     | 46,975                | 212,644                 | 165,669                   |
| Consultants                     | 30,996                | 48,492                  | 17,495                    |
| Infrastructure                  | 3,199                 | (1,099,143)             | (1,102,342)               |
| Sales office building           | -                     | 9,583                   | 9,583                     |
|                                 | <u>390,873</u>        | <u>(398,679)</u>        | <u>(789,552)</u>          |
| <b><u>Overheads</u></b>         |                       |                         |                           |
| Sales & marketing               | 12,291                | 41,167                  | 28,876                    |
| Community Develop.              | 1,985                 | 16,042                  | 14,057                    |
| Administration                  | 68,968                | 69,847                  | 879                       |
| Finance/Contingency             | -                     | (25,618)                | (25,618)                  |
|                                 | <u>83,243</u>         | <u>101,437</u>          | <u>18,194</u>             |
|                                 |                       |                         |                           |
| <b>Net Cashflow</b>             | <b><u>105,254</u></b> | <b><u>1,379,468</u></b> | <b><u>(1,274,214)</u></b> |

**1.4 Cashflow - YTD Actuals to budget**

|                                 | <u>YTD Act</u>          | <u>YTD Bgt</u>            | <u>Variance</u>         |
|---------------------------------|-------------------------|---------------------------|-------------------------|
| <b><u>Income</u></b>            |                         |                           |                         |
| Settlement Revenue              | 8,551,000               | 14,405,835                | (5,854,835)             |
| Margin GST                      | (79,441)                | (200,000)                 | 120,559                 |
| Direct selling costs            | (457,455)               | (748,279)                 | 290,824                 |
| Interest Income                 | 11,058                  | -                         | 11,058                  |
| Forfeited Deposits              | 1,818                   | -                         | 1,818                   |
| Other Income                    | 1,373,209               | 1,772,727                 | (399,518)               |
| Rebate Allowance                | (403,354)               | (2,700,807)               | 2,297,452               |
|                                 | <u>8,996,835</u>        | <u>12,529,477</u>         | <u>(3,532,642)</u>      |
| <b><u>Development costs</u></b> |                         |                           |                         |
| WAPC Land Acq.                  | -                       | 5,103,000                 | 5,103,000               |
| Lot production                  | 550,326                 | 3,765,835                 | 3,215,509               |
| Landscaping                     | 1,783,642               | 4,529,608                 | 2,745,966               |
| Consultants                     | 343,977                 | 627,487                   | 283,510                 |
| Infrastructure                  | 78,772                  | 147,782                   | 69,010                  |
| Sales office building           | 571,928                 | 747,388                   | 175,460                 |
|                                 | <u>3,328,644</u>        | <u>14,921,099</u>         | <u>11,592,455</u>       |
| <b><u>Overheads</u></b>         |                         |                           |                         |
| Sales & marketing               | 242,549                 | 494,000                   | 251,451                 |
| Community Develop.              | 80,304                  | 192,500                   | 112,196                 |
| Administration                  | 678,975                 | 1,058,963                 | 379,988                 |
| Finance/Contingency             | -                       | 803,270                   | 803,270                 |
|                                 | <u>1,001,827</u>        | <u>2,548,733</u>          | <u>1,546,906</u>        |
|                                 |                         |                           |                         |
| <b>Net Cashflow</b>             | <b><u>4,666,364</u></b> | <b><u>(4,940,356)</u></b> | <b><u>9,606,719</u></b> |

**1.5 Bonds**

|                  | <u>Last Year</u> | <u>Last Month</u> | <u>This Month</u> |
|------------------|------------------|-------------------|-------------------|
| City of Wanneroo | 263,132          | 242,868           | 247,245           |
|                  | <u>263,132</u>   | <u>242,868</u>    | <u>247,245</u>    |

Bonds relate to stage 25 early clearances and a stage 26 footpath bond.

**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)     | 644,000        | 1,354,459      | (710,459)      | 8,551,000        | 14,405,834       | (5,854,834)        | 237,098,500        | 242,953,334        |
| - Revenue \$/lot           | 322,000        | 338,615        |                | 305,393          | 327,405          |                    | 259,408            | 261,240            |
| - Selling & GST \$         | (589,667)      | 140,681        | 730,349        | 356,445          | 1,577,937        | 1,221,493          | 21,343,437         | 22,564,930         |
| - Selling & GST \$/lot     | (294,834)      | 35,170         |                | 12,730           | 35,862           |                    | 23,352             | 24,263             |
| - Cost of sales \$         | 106,427        | 417,605        | 311,178        | 2,859,082        | 4,583,187        | 1,724,105          | 84,772,250         | 86,496,356         |
| - Cost of sales \$/lot     | 53,213         | 104,401        |                | 102,110          | 104,163          |                    | 92,749             | 93,007             |
| - Gross profit \$          | 1,127,241      | 796,173        | 331,068        | 5,335,474        | 8,244,710        | (2,909,236)        | 130,982,813        | 133,892,048        |
| - Gross profit \$/lot      | 563,620        | 199,043        |                | 190,553          | 187,380          |                    | 143,307            | 143,970            |
| - Gross profit Mgn %       | 175.04%        | 58.78%         |                | 62.40%           | 57.23%           |                    | 55.24%             | 55.11%             |
| - Special Sites \$         | -              | -              | -              | 799,660          | 406,256          | 393,404            | 2,114,938          | 1,721,534          |
| - Other income \$          | -              | -              | -              | 12,876           | -                | 12,876             | 255,411            | 242,535            |
| - Sales & Marketing \$     | 21,781         | 63,600         | 41,819         | 300,428          | 763,200          | 462,772            | 2,015,940          | 2,478,712          |
| - Administration \$        | 103,831        | 71,627         | (32,204)       | 747,605          | 1,041,295        | 293,689            | 3,730,574          | 4,024,263          |
| - Finance/Other \$         | 198,181        | -              | (198,181)      | 198,181          | -                | (198,181)          | 198,181            | -                  |
| - Contingency \$           | -              | (14,161)       | (14,161)       | -                | 572,937          | 572,937            | -                  | 572,937            |
| <b>- Net profit \$</b>     | <b>803,448</b> | <b>675,107</b> | <b>128,341</b> | <b>4,901,796</b> | <b>6,273,534</b> | <b>(1,371,739)</b> | <b>127,408,467</b> | <b>128,780,206</b> |
| <b>- Net profit \$/lot</b> | <b>401,724</b> | <b>168,777</b> |                | <b>175,064</b>   | <b>142,580</b>   |                    | <b>139,397</b>     | <b>138,473</b>     |

- YTD Gross profit is \$2.9m unfavourable to budget mainly due to 16 fewer settlements to date and lot mix settled for FY2019. Incentives provisions were written back by \$665k (favourable) in June have offset some of the adverse variance.
- YTD Special Sites budget includes the sale of the Central Cell Sales Office at a loss of \$412k. The Sales Office is not yet sold or settled.
- YTD Overheads are \$1.4m below budget due to:
  - Marketing costs \$0.5m favourable (timing of invoice payments and pending approvals for new initiatives);
  - Admin \$0.3m favourable (central cell carpark remediation costs \$118k under budget; full legal fees, security, training and valuation provisions not required);
  - Finance/Other costs- \$0.2m over budget due to write-off of the central cell sales-office carpark construction costs no longer on hand;
  - Unused Contingency \$0.6m.

**YEAR TO DATE VERSUS FULL YEAR BUDGET**

|                            | <u>YTD Act</u>   | <u>FY19 Full Year Bgt</u> | <u>Var</u>         |
|----------------------------|------------------|---------------------------|--------------------|
| - Revenue \$ (Stlmnts)     | 8,551,000        | 14,405,834                | (5,854,834)        |
| - Revenue \$/lot           | 305,393          | 327,405                   |                    |
| - Selling & GST \$         | 356,445          | 1,577,937                 | 1,221,493          |
| - Selling & GST \$/lot     | 12,730           | 35,862                    |                    |
| - Cost of sales \$         | 2,859,082        | 4,583,187                 | 1,724,105          |
| - Cost of sales \$/lot     | 102,110          | 104,163                   |                    |
| - Gross profit \$          | 5,335,474        | 8,244,710                 | (2,909,236)        |
| - Gross profit \$/lot      | 190,553          | 187,380                   |                    |
| - Gross profit Mgn %       | 62.40%           | 57.23%                    |                    |
| - Special Sites \$         | 799,660          | 406,256                   | 393,404            |
| - Other income \$          | 12,876           | -                         | 12,876             |
| - Sales & Marketing \$     | 300,428          | 763,200                   | 462,772            |
| - Administration \$        | 747,605          | 1,041,295                 | 293,689            |
| - Finance \$               | 198,181          | -                         | (198,181)          |
| - Contingency \$           | -                | 572,937                   | 572,937            |
| <b>- Net profit \$</b>     | <b>4,901,796</b> | <b>6,273,534</b>          | <b>(1,371,739)</b> |
| <b>- Net profit \$/lot</b> | <b>175,064</b>   | <b>142,580</b>            |                    |

\* Administration budget includes \$172k Carpark remediation works budgeted as capital costs in the cashflow.

**2.1 GROSS PROFIT ANALYSIS**

Actual

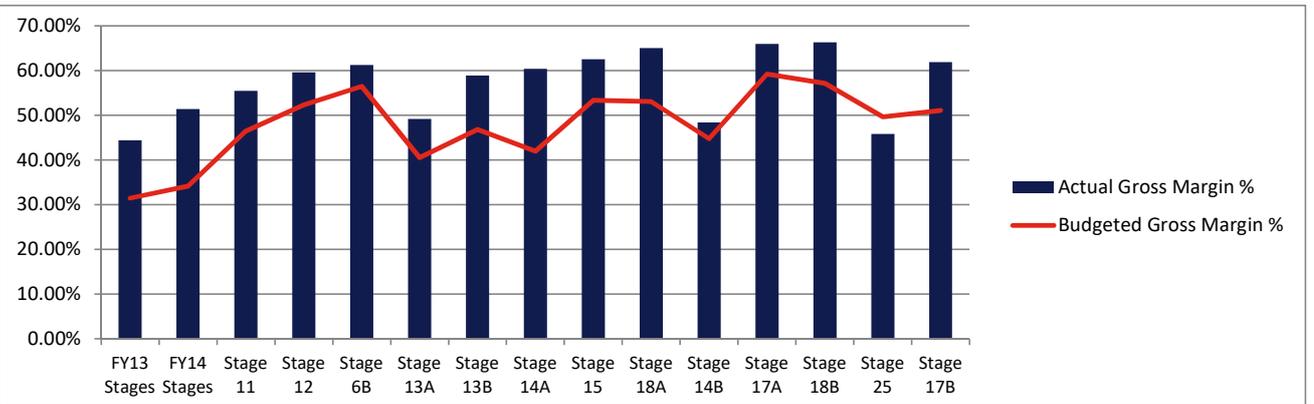
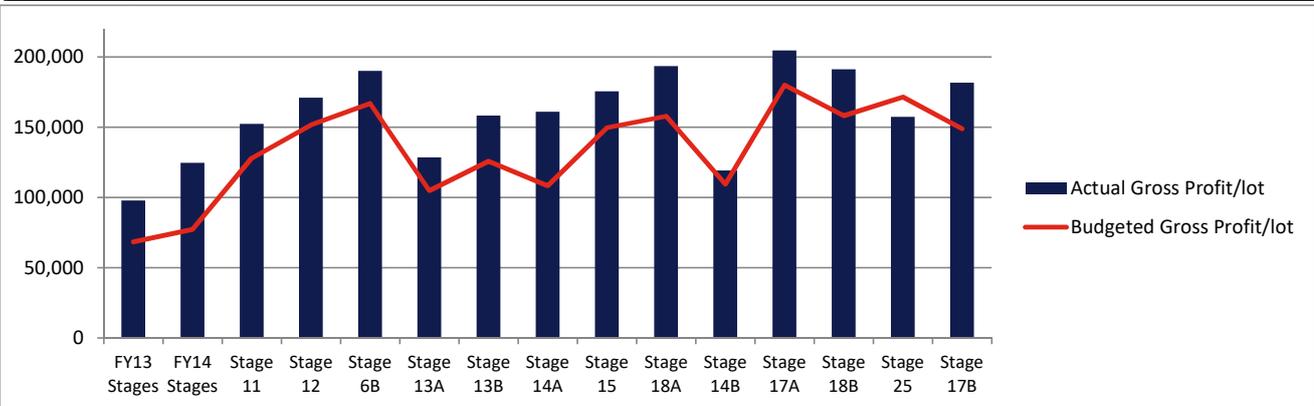
| Stages               | Title Issue Date | Revenue            | Revenue/lot | Direct Selling & COGS (incl. GST) |            | Direct Costs/lot | Actual Gross       |           | Actual Gross Profit/lot | Actual Gross Margin % |
|----------------------|------------------|--------------------|-------------|-----------------------------------|------------|------------------|--------------------|-----------|-------------------------|-----------------------|
|                      |                  |                    |             |                                   |            |                  | Profit             |           |                         |                       |
| Incentives Writeback |                  |                    |             |                                   | -3,542,647 |                  |                    | 3,542,647 |                         |                       |
| 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     | 4,978,879                         |            | 110,642          | 7,124,121          | 158,314   |                         | 58.86%                |
| 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        | 8,626,000          | 297,448     | 3,015,429                         |            | 103,980          | 5,610,571          | 193,468   |                         | 65.04%                |
| 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        | 7,135,000          | 310,217     | 2,429,862                         |            | 105,646          | 4,705,138          | 204,571   |                         | 65.94%                |
| Stage 18B            | 13-Jun-17        | 6,925,000          | 288,542     | 2,334,342                         |            | 97,264           | 4,590,658          | 191,277   |                         | 66.29%                |
| Stage 25             | 8-Aug-17         | 14,427,000         | 343,500     | 7,814,595                         |            | 186,062          | 6,612,405          | 157,438   |                         | 45.83%                |
| Stage 17B            | 22-May-18        | 2,934,000          | 293,400     | 1,117,139                         |            | 111,714          | 1,816,861          | 181,686   |                         | 61.92%                |
|                      |                  | <u>237,098,500</u> |             | <u>106,115,688</u>                |            |                  | <u>130,982,812</u> |           |                         |                       |

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

Budget

| Stages       | Budget Version | Revenue            | Revenue/lot | Direct Selling & COGS (incl. GST) |  | Direct Costs/lot | Budgeted Gross     |         | Budgeted Gross Profit/lot | Budgeted Gross Margin % |
|--------------|----------------|--------------------|-------------|-----------------------------------|--|------------------|--------------------|---------|---------------------------|-------------------------|
|              |                |                    |             |                                   |  |                  | Profit             |         |                           |                         |
| 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%                  |
|              |                | <u>249,170,452</u> |             | <u>141,761,744</u>                |  |                  | <u>107,408,709</u> |         |                           |                         |

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



# Catalina

## Finished Lots & Cost of Lots Sold calculations to 30 Jun 2019

| Title date:                  | Completed      | Completed         | 7-Nov-12         | 28-Oct-16        | 20-Feb-17        | 13-Jun-17        | 8-Aug-17         | 8-Aug-17              | 8-Aug-17              | 22-May-18        | TOTAL             |
|------------------------------|----------------|-------------------|------------------|------------------|------------------|------------------|------------------|-----------------------|-----------------------|------------------|-------------------|
|                              | Spec Sites     | Resi Stages       | Stage 2          | Stage 14B        | Stage 17A        | Stage 18B        | Stage 25         | Stage 25 Sales Office | Stage 25 GHS Lot 2179 | Stage 17B        |                   |
| <b>Direct costs</b>          |                |                   |                  |                  |                  |                  |                  |                       |                       |                  |                   |
| Civil Construction           |                |                   | 3,402,538        | 633,835          | 795,104          | 794,550          | 4,918,686        | 83,260                | 253,163               | 968,747          |                   |
| Sewer headwks                |                |                   | 215,092          | 51,015           | 116,369          | 136,672          | 261,837          | 4,514                 | 4,514                 | 174,117          |                   |
| Local authority fees         |                |                   | 165,796          | 1,911            | 6,839            | 10,835           | 35,653           | 615                   | 615                   | 12,684           |                   |
| Local authority scheme costs |                |                   | 102,782          | 27,000           | 67,500           | 83,700           | 156,600          | -                     | -                     | 97,200           |                   |
| Survey & legal fees          |                |                   | 38,096           | 13,139           | 25,550           | 29,762           | 54,801           | 945                   | 945                   | 35,586           |                   |
| Engineering fees             |                |                   | 211,164          | 18,200           | 85,250           | 97,962           | 159,500          | 2,750                 | 12,341                | 100,839          |                   |
| Finished Goods Adjustments   | - 31,206       | - 1,282,787       | - 1,073,048      | - 11,250         | - 25,549         | - 39,478         | - 220,060        |                       |                       |                  |                   |
|                              | 420,826        | 43,233,645        | 3,062,420        | 733,850          | 1,071,063        | 1,114,003        | 5,367,017        | 92,084                | 271,578               | 1,389,173        |                   |
| Earthworks Allocation        | 260,179        | 11,806,198        | 459,466          | 50,570           | 123,078          | 152,616          | 1,077,304        | 18,574                | 66,681                | 166,059          |                   |
| <b>Indirect Costs</b>        |                |                   |                  |                  |                  |                  |                  |                       |                       |                  |                   |
| Land                         | -              | -                 | -                | -                | -                | -                | -                | -                     | -                     | -                |                   |
| Infrastructure               | 84,898         | 6,012,456         | 272,271          | 70,224           | 235,295          | 282,496          | 620,746          | 7,879                 | 31,674                | 351,671          |                   |
| Landscape                    | 118,628        | 8,518,643         | 342,232          | 154,123          | 495,646          | 594,017          | 1,308,860        | 16,613                | 66,785                | 871,324          |                   |
| <b>TOTAL COST</b>            | <b>884,530</b> | <b>69,570,942</b> | <b>4,136,389</b> | <b>1,008,767</b> | <b>1,925,082</b> | <b>2,143,132</b> | <b>8,373,927</b> | <b>135,150</b>        | <b>436,718</b>        | <b>2,778,227</b> |                   |
| Lots                         | 3              | 769               | 38               | 10               | 25               | 31               | 58               | 1                     | 1                     | 36               |                   |
| <b>COST PER LOT</b>          | <b>294,843</b> | <b>90,469</b>     | <b>108,852</b>   | <b>100,877</b>   | <b>77,003</b>    | <b>69,133</b>    | <b>144,378</b>   | <b>135,150</b>        | <b>436,718</b>        | <b>77,173</b>    |                   |
| Lots settled                 | 3              | 769               | 37               | 9                | 23               | 24               | 42               | -                     | -                     | 10               | 917               |
| <b>COST OF LOTS SETTLED</b>  | <b>884,530</b> | <b>69,570,942</b> | <b>4,027,536</b> | <b>907,890</b>   | <b>1,771,075</b> | <b>1,659,199</b> | <b>6,063,878</b> | <b>-</b>              | <b>-</b>              | <b>771,730</b>   | <b>85,656,781</b> |
| Stage Area (m2)              | 10,900         | 261,394           | 13,481           | 2,926            | 10,128           | 11,236           | 11,236           | 255                   | 1,795                 | 13,154           |                   |
| <b>Cost per m2</b>           | <b>81</b>      | <b>266</b>        | <b>307</b>       | <b>345</b>       | <b>190</b>       | <b>191</b>       | <b>745</b>       | <b>530</b>            | <b>243</b>            | <b>211</b>       |                   |
| Avg lot size                 | 3,633          | 340               | 355              | 293              | 405              | 362              | 194              | 255                   | 1,795                 | 365              |                   |

### Other cash expenditure

|                                 |
|---------------------------------|
| Direct Selling & Proj Mgt Costs |
| Marketing costs                 |
| Administration                  |
| Finance                         |
| Contingency                     |

|            |
|------------|
| 21,638,969 |
| 2,015,940  |
| 3,730,574  |
| 198,181    |
| 0          |

### TOTAL COSTS

**113,240,445**

### PERIODIC ANALYSIS

|                      | Month            | YTD              | PTD                | PY Jun-18          |
|----------------------|------------------|------------------|--------------------|--------------------|
| Lots settled         | 2                | 29               | 917                | 888                |
| Cost of lots settled | 106,427          | 3,371,731        | 85,656,780         | 82,285,049         |
| Direct selling costs | (589,667)        | 444,136          | 21,638,969         | 21,194,834         |
| Marketing costs      | 21,781           | 300,428          | 2,015,940          | 1,715,512          |
| Administration       | 103,831          | 747,605          | 3,730,574          | 2,982,968          |
| Finance              | 198,181          | 198,181          | 198,181            | -                  |
| Contingency          | -                | -                | -                  | -                  |
| <b>TOTAL COSTS</b>   | <b>(159,448)</b> | <b>5,062,081</b> | <b>113,240,444</b> | <b>108,178,364</b> |

**Catalina COGS Calc**

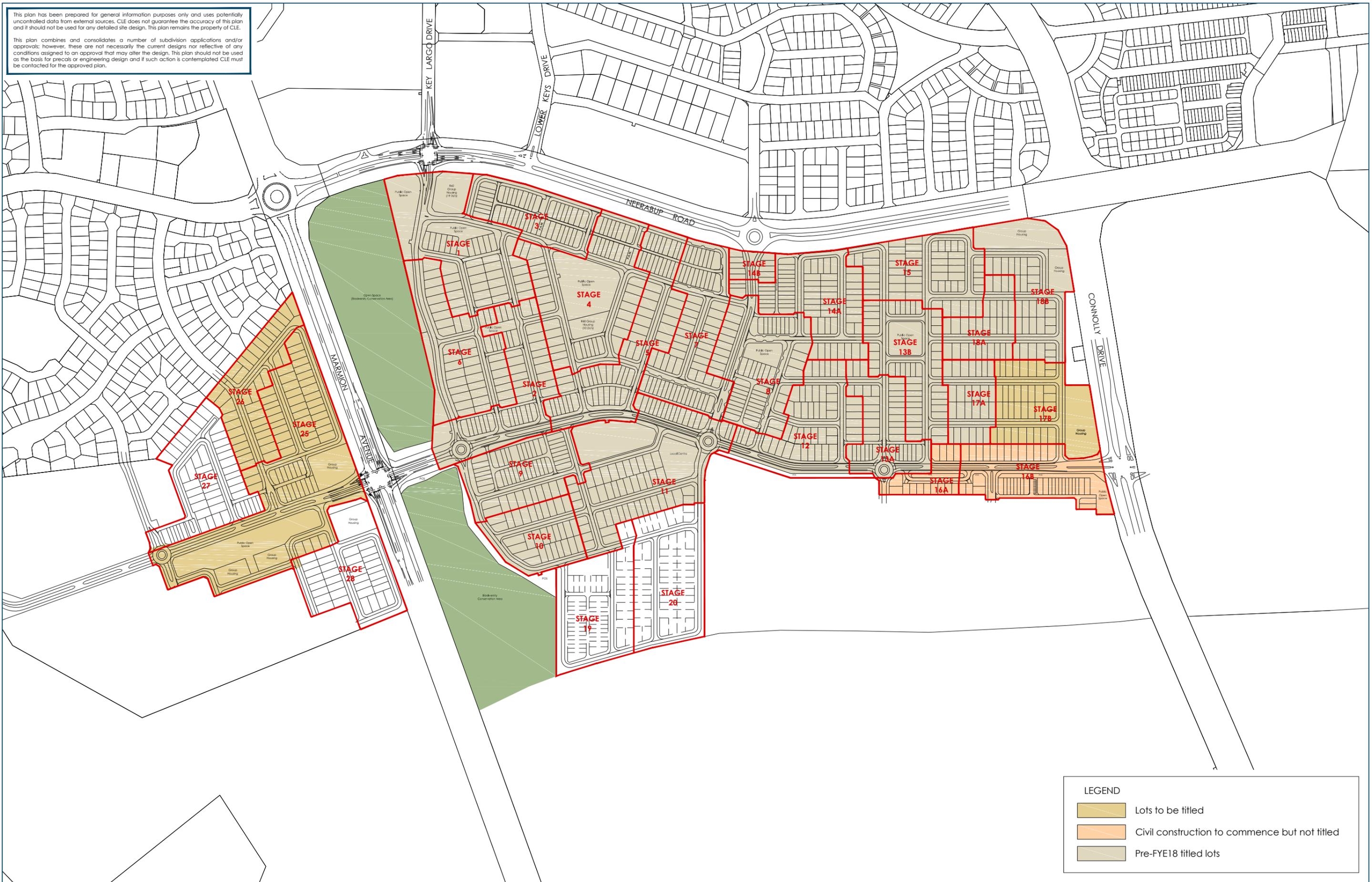
30-Jun-19

| Job               | Titled Date | Direct Cost       | Indirect Cost     | COGS Total | Lot #      | Titled   | Untitled | COGS/Lot | Settled Lots | PTD COGS          | Finished Goods   | FG/Lot  |
|-------------------|-------------|-------------------|-------------------|------------|------------|----------|----------|----------|--------------|-------------------|------------------|---------|
| 140-01-001        | 17-Oct-2012 | 4,004,839         | 637,443           | 4,642,282  | 35         | 35       | -        | 132,637  | 35           | 4,642,282         | -                | -       |
| 140-01-002        | 7-Nov-2012  | 3,521,886         | 614,504           | 4,136,389  | 38         | 38       | -        | 108,852  | 37           | 4,027,537         | 108,852          | 108,852 |
| 140-01-003        | 14-Jan-2013 | 3,002,658         | 554,241           | 3,556,899  | 43         | 43       | -        | 82,719   | 43           | 3,556,899         | -                | -       |
| 140-01-004        | 20-Mar-2013 | 3,371,482         | 800,585           | 4,172,067  | 47         | 47       | -        | 88,767   | 47           | 4,172,067         | -                | -       |
| 140-01-005        | 20-May-2013 | 4,894,899         | 968,068           | 5,862,967  | 63         | 63       | -        | 93,063   | 63           | 5,862,967         | -                | -       |
| 140-01-06A        | 18-Jan-2013 | 483,435           | 179,725           | 663,160    | 8          | 8        | -        | 82,895   | 8            | 663,160           | -                | -       |
| 140-01-06B        | 19-Jan-2015 | 1,100,352         | 510,130           | 1,610,482  | 24         | 24       | -        | 67,103   | 24           | 1,610,482         | -                | -       |
| 140-01-06C        | 3-Apr-2014  | 671,286           | 211,296           | 882,581    | 10         | 10       | -        | 88,258   | 10           | 882,581           | -                | -       |
| 140-01-007        | 31-Oct-2013 | 4,146,749         | 938,488           | 5,085,238  | 63         | 63       | -        | 80,718   | 63           | 5,085,238         | -                | -       |
| 140-01-008        | 16-Jan-2014 | 4,389,068         | 881,805           | 5,270,874  | 53         | 53       | -        | 99,450   | 53           | 5,270,874         | -                | -       |
| 140-01-009        | 8-May-2014  | 4,640,905         | 814,395           | 5,455,300  | 51         | 51       | -        | 106,967  | 51           | 5,455,300         | -                | -       |
| 140-01-010        | 8-May-2014  | 2,460,031         | 595,126           | 3,055,157  | 30         | 30       | -        | 101,839  | 30           | 3,055,157         | -                | -       |
| 140-01-011        | 1-Oct-2014  | 4,797,823         | 1,320,873         | 6,118,696  | 64         | 64       | -        | 95,605   | 64           | 6,118,696         | -                | -       |
| 140-01-012        | 3-Dec-2014  | 3,225,081         | 1,064,585         | 4,289,666  | 49         | 49       | -        | 87,544   | 49           | 4,289,666         | -                | -       |
| 140-01-13A        | 30-Mar-2015 | 2,965,498         | 717,571           | 3,683,069  | 37         | 37       | -        | 99,542   | 37           | 3,683,069         | -                | -       |
| 140-01-13B        | 11-May-2015 | 2,739,324         | 986,155           | 3,725,479  | 45         | 45       | -        | 82,788   | 45           | 3,725,479         | -                | -       |
| 140-01-014        | 4-Jun-2015  | 3,619,629         | 1,347,229         | 4,966,858  | 63         | 63       | -        | 78,839   | 63           | 4,966,858         | -                | -       |
| 140-01-015        | 15-Dec-2015 | 3,073,171         | 1,243,145         | 4,316,316  | 55         | 55       | -        | 78,478   | 55           | 4,316,316         | -                | -       |
| 140-01-18A        | 27-May-2016 | 1,453,614         | 760,239           | 2,213,853  | 29         | 29       | -        | 76,340   | 29           | 2,213,853         | -                | -       |
| 140-01-14B        | 28-Oct-2016 | 784,420           | 224,347           | 1,008,767  | 10         | 10       | -        | 100,877  | 9            | 907,890           | 100,877          | 100,877 |
| 140-01-017        | 20-Feb-2017 | 1,194,140         | 730,941           | 1,925,081  | 25         | 25       | -        | 77,003   | 23           | 1,771,075         | 154,006          | 77,003  |
| 140-01-18B        | 13-Jun-2017 | 1,266,620         | 876,513           | 2,143,133  | 31         | 31       | -        | 69,133   | 24           | 1,659,199         | 483,933          | 69,133  |
| 140-02-025        | 8-Aug-2017  | 6,444,321         | 1,929,606         | 8,373,927  | 58         | 58       | -        | 144,378  | 42           | 6,063,878         | 2,310,049        | 144,378 |
| 140-01-17B        | 22-May-2018 | 1,555,232         | 1,222,995         | 2,778,227  | 36         | 36       | -        | 77,173   | 10           | 771,730           | 2,006,497        | 77,173  |
| 140-70-004        | 12-Dec-2013 | 20,322            | 41,798            | 62,119     | 1          | 1        | -        | 62,119   | 1            | 62,119            | -                | -       |
| 140-70-005        | 8-Aug-2017  | 110,657           | 24,492            | 135,149    | 1          | 1        | -        | 135,149  | -            | -                 | 135,149          | 135,149 |
| 140-70-007        | 17-Oct-2012 | 222,150           | 87,611            | 309,761    | 1          | 1        | -        | 309,761  | 1            | 309,761           | -                | -       |
| 140-70-008        | 1-Oct-2014  | 438,532           | 74,117            | 512,649    | 1          | 1        | -        | 512,649  | 1            | 512,649           | -                | -       |
| 140-70-028        | 8-Aug-2017  | 338,259           | 98,459            | 436,718    | 1          | 1        | -        | 436,718  | -            | -                 | 436,718          | 436,718 |
| <b>70,936,380</b> |             | <b>20,456,482</b> | <b>91,392,862</b> | <b>972</b> | <b>972</b> | <b>-</b> |          |          | <b>917</b>   | <b>85,656,780</b> | <b>5,736,082</b> |         |

# Appendix 9.5

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

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



| LEGEND |   |
|--------|---|
|        | Lots to be filled                             |
|        | Civil construction to commence but not filled |
|        | Pre-FYE18 filled lots                         |

# Appendix 9.6



# **ANNUAL BUDGET**

**2019/2020**

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## **Chairman's Introduction**

It gives me great pleasure to present the 2019/2020 Tamala Park Regional Council Annual Budget.

The TPRC Budget for 2019/2020 reflects a conservative approach to construction and expenditure consistent with prevailing economic conditions in Western Australia and predicted soft conditions for new lot sales.

Highlights of the Works program include:

- Civil construction for 38 lots;
- Portofino Boulevard extension;
- Significant landscape construction;
- Construction of the Catalina Beach access road and facilities;
- Continued Catalina branding and marketing, and promotion of the new Catalina Beach Sales office;
- 31 lot sales and 26 lot settlements.
- A significant financial contribution to the Burns Beach – Mindarie Dual Use Path.
- Significant planning and urban design work for the Grove and Beach Precincts.

It is anticipated that the local government participants will receive a return of capital in 2019/2020 amounting to \$3,000,000.

The 2019/2020 Budget compiled by the Tamala Park Regional Council progresses the development, subdivision and sales of land and will see continued consolidation of the Catalina Project.

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

**Cr Giovanni Italiano JP**  
**Chairman**

## Chief Executive Officer's Summary

The TPRC Budget 2019/2020 sets out the programs, projects and allocation of resources required to perform the Municipal obligations and functions required by the Local Government Act and associated legislation.

The TPRC Budget 2019/2020 continues the civil works, landscaping and marketing undertaken to date in order to consolidate the Catalina Project. The TPRC Budget 2019/2020 reflects a conservative approach to sales/settlement rates and lot production/infrastructure expenditure consistent with the predicted soft conditions for new lot sales in Western Australia, and proposes 50 sales and 44 settlements. The proposed expenditure is detailed in the Budget and accompanying notes.

The major development costs are shown below:

|                                  | \$                          |
|----------------------------------|-----------------------------|
| Land & Special Sites Development | 5,221,297.00                |
| Consultants                      | 575,247.00                  |
| Landscape                        | 2,906,368.00                |
| Infrastructure                   | 1,409,141.00                |
| Bulk Earthworks                  | -                           |
| Lot Production                   | 1,930,449.00                |
| Admin Land Development           | 1,127,427.00                |
| Community Development            | 192,500.00                  |
| Contingency                      | 685,621.00                  |
| Finance                          | 50,000.00                   |
| Debtors /Creditors Movement      | -                           |
|                                  | <u><u>14,098,050.00</u></u> |

The TPRC Budget 2019/2020 predicts that the TPRC can meet all cashflow obligations from investment income and existing cash funds.

The TPRC Budget 2019/2020 has been developed so that it is financially responsible and reflects current economic conditions.

**Tony Arias**  
**Chief Executive Officer**

## Budget Processes

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

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

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

| <b>Budget process</b>  | <b>Timing</b> |
|--|---------------|
| 1. Officers prepare operating and capital estimates for inclusion in the budget. | Jun-19        |
| 2. Audit Committee considers draft budget  | Aug-19        |
| 3. Proposed budget to Council for approval                                       | Aug-19        |
| 4. Copy of adopted budget submitted to the Department                            | Sep-19        |

## **1. Budget Influences**

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

### **1.1 External influences**

In preparing the 2019/20 Annual Budget, a number of external influences have been taken into consideration, because they are likely to impact significantly on the services delivered by Council in the budget period. These include:

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

### **1.2 Internal influences**

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2019/20 Annual Budget. These matters have arisen from events occurring in the 2018/19 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2019/20 year. These matters and their financial impact are set out below:

- Budget surplus for the 2018/19 financial year ended 30 June 2019
- Internal financing of land subdivision and development.

### **1.3 Budget principles**

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

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

### **1.4 Legislative requirements**

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

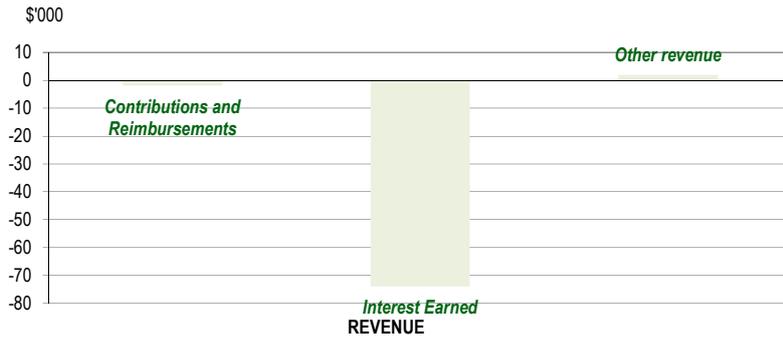
The 2019/20 Annual Budget, which is included in this report, is for the year 1 July 2019 to 30 June 2020 and is prepared in accordance with the Act and Regulations. The budget includes statutory statements being a budget comprehensive income, budget statement of financial activity, budget statement of cash flows, budget rate setting statement and notes forming part of the annual budget. These statements have been prepared for the year ended 30 June 2020 in accordance with Accounting Standards and other mandatory professional reporting requirements and in accordance with the Act and Regulations. It also includes detailed information about the capital works program to be undertaken and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

## 2. Analysis of Operating Budget

This section analyses the expected revenues and expenses of the Council for the 2019/20 year.

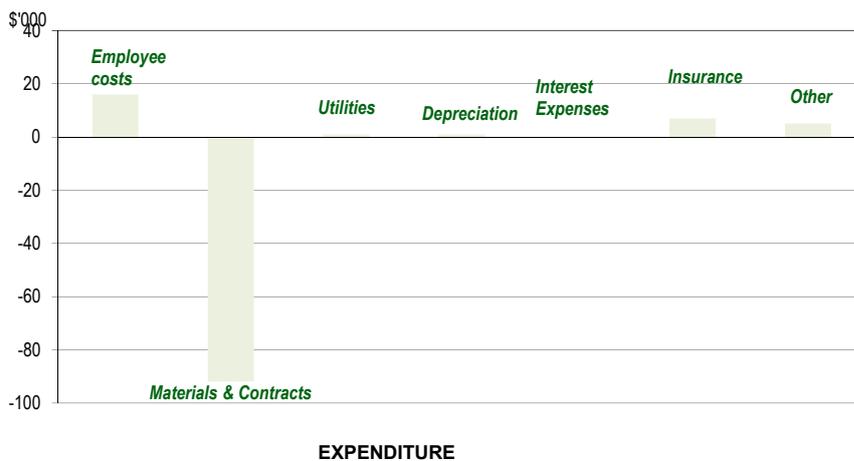
### 2.1 Operating revenue

| Revenue Types                    | Budget            | Budget            | Variance   |
|----------------------------------|-------------------|-------------------|------------|
|                                  | 2018/19<br>\$'000 | 2019/20<br>\$'000 | \$'000     |
| Contributions and Reimbursements | 2                 | 0                 | -2         |
| Interest Earned                  | 1,040             | 966               | -74        |
| Other revenue                    | 0                 | 2                 | 2          |
| <b>Total operating revenue</b>   | <b>1,042</b>      | <b>968</b>        | <b>-74</b> |
| Net gain on sale of assets       | 0                 | 0                 | 0          |



### 2.2 Operating expenditure

| Expenditure Types                  | Budget            | Budget            | Variance   |
|------------------------------------|-------------------|-------------------|------------|
|                                    | 2018/19<br>\$'000 | 2019/20<br>\$'000 | \$'000     |
| Employee Costs                     | 726               | 742               | 16         |
| Materials and Contracts            | 405               | 313               | -92        |
| Utilities                          | 6                 | 7                 | 1          |
| Depreciation                       | 25                | 26                | 1          |
| Interest Expenses                  | 0                 | 0                 | 0          |
| Insurance                          | 14                | 21                | 7          |
| Other expenses                     | 186               | 191               | 5          |
| <b>Total operating expenditure</b> | <b>1,362</b>      | <b>1,300</b>      | <b>-62</b> |
| Net loss on sale of assets         | 2                 | 0                 |            |



### 3. Analysis of Budgeted Cash Position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2019/20 year. Budgeting cash flows for Council is a key factor in providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

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

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

#### 3.1 Budgeted cash flow statement

|   | Budget<br>2018/19<br>\$'000 | Budget<br>2019/20<br>\$'000 | Variance<br>\$'000 |
|---|-----------------------------|-----------------------------|--------------------|
| <b>Cash flows from operating activities</b>           |                             |                             |                    |
| <i>Receipts</i>                                       |                             |                             |                    |
| Contributions and Reimbursements                      | 2                           | 2                           | 0                  |
| Interest Earned                                       | 1,092                       | 1,017                       | -75                |
| Other revenue   | 0                           | 0                           | 0                  |
|   | <b>1,094</b>                | <b>1,019</b>                | <b>-75</b>         |
| <i>Payments</i>                                       |                             |                             |                    |
| Employee Costs  | -726                        | -743                        | -17                |
| Materials and Contracts                               | -434                        | -353                        | 81                 |
| Utilities   | -6                          | -6                          | 0                  |
| Insurance   | -14                         | -21                         | -7                 |
| Other expenses  | -186                        | -191                        | -5                 |
|   | <b>-1,366</b>               | <b>-1,314</b>               | <b>52</b>          |
| <b>Net cash provided by operating activities</b>      | <b>-272</b>                 | <b>-295</b>                 | <b>-23</b>         |
| <b>Cash flows from investing activities</b>           |                             |                             |                    |
| Receipts from disposal of assets                      | 45                          | 0                           | -45                |
| Receipts from sale of land                            | 16,355                      | 9,073                       | -7,282             |
| Payments for development of land, plant and equipment | -21,359                     | -16,358                     | 5,001              |
| <b>Net cash provided by investing activities</b>      | <b>-4,959</b>               | <b>-7,285</b>               | <b>-2,326</b>      |
| <b>Cash flows from financing activities</b>           |                             |                             |                    |
| Contributions to be returned                          | -4,209                      | -3,154                      | 1,055              |
| <b>Net cash used in financing activities</b>          | <b>-4,209</b>               | <b>-3,154</b>               | <b>1,055</b>       |
| <b>Net decrease in cash and cash equivalents</b>      | <b>-9,440</b>               | <b>-10,734</b>              | <b>-1,294</b>      |
| Cash and cash equivalents at the beg of the year      | 43,846                      | 41,210                      | -2,636             |
| <b>Cash and cash equivalents at end of the year</b>   | <b>34,406</b>               | <b>30,476</b>               | <b>-3,930</b>      |

## **Statutory Draft Annual Budget**

The information in regard to the Draft Annual Budget Statements include:

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

**TAMALA PARK REGIONAL COUNCIL  
BUDGET COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020**

| 2018/19<br>ADOPTED<br>BUDGET |  | NOTES         | 2018/19<br>ACTUAL    | 2019/20<br>ADOPTED<br>BUDGET |
|------------------------------|--|---------------|----------------------|------------------------------|
| <b>\$</b>                    | <b>EXPENDITURE</b>                           | 1,2,3,4,12,13 | <b>\$</b>            | <b>\$</b>                    |
| (186,390)                    | Governance                                   |               | (172,046)            | (191,050)                    |
| (1,176,530)                  | Other Property and Services                  |               | (1,002,028)          | (1,108,615)                  |
| <b>(\$1,362,920)</b>         |  |               | <b>(\$1,174,074)</b> | <b>(\$1,299,665)</b>         |
|                              | <b>REVENUE</b>                               | 1,2,3,4,11,13 |                      |                              |
| 1,040,633                    | General Purpose Funding                      |               | 1,186,884            | 966,153                      |
| 2,000                        | Other Property & Services                    |               | 12,790               | 2,050                        |
| <b>\$1,042,633</b>           |  |               | <b>\$1,199,673</b>   | <b>\$968,203</b>             |
| <b>(\$320,287)</b>           | <b><u>Increase(Decrease)</u></b>             |               | 25,599               | <b>(331,462)</b>             |
|                              | <b>DISPOSAL OF ASSETS</b>                    | 2,6           |                      |                              |
| 0                            | Land   |               | 0                    | 0                            |
| (1,760)                      | Plant and Equipment                          |               | (5,851)              | 0                            |
| 0                            | Furniture and Equipment                      |               | 0                    | 0                            |
| <b>(\$1,760)</b>             | <b>Gain (Loss) on Disposal</b>               |               | <b>(\$5,851)</b>     | <b>\$0</b>                   |
| <b>(\$322,047)</b>           | <b>NET RESULT</b>                            |               | <b>\$19,748</b>      | <b>(\$331,462)</b>           |
|                              | <b>OTHER COMPREHENSIVE INCOME</b>            |               |                      |                              |
| 0                            | Changes on revaluation of non current assets |               | 0                    | 0                            |
| <b>\$0</b>                   | <b>TOTAL OTHER COMPREHENSIVE INCOME</b>      |               | <b>\$0</b>           | <b>\$0</b>                   |
| <b>(\$322,047)</b>           | <b>TOTAL COMPREHENSIVE INCOME</b>            |               | <b>\$19,748</b>      | <b>(\$331,462)</b>           |

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

**TAMALA PARK REGIONAL COUNCIL  
BUDGET FINANCIAL ACTIVITY STATEMENT FOR THE YEAR ENDING 30 JUNE 2020**

| 2018/19<br>ADOPTED<br>BUDGET |   | 2018/19<br>ACTUAL  | 2019/20<br>ADOPTED<br>BUDGET | 2019/20<br>JULY    | 2019/20<br>AUGUST  | 2019/20<br>SEPTEMBER | 2019/20<br>OCTOBER   | 2019/20<br>NOVEMBER  | 2019/20<br>DECEMBER  | 2019/20<br>JANUARY   | 2019/20<br>FEBRUARY  | 2019/20<br>MARCH     | 2019/20<br>APRIL     | 2019/20<br>MAY       |
|------------------------------|---|--------------------|------------------------------|--------------------|--------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$                           | <b>OPERATING REVENUE</b>                  | \$                 | \$                           | \$                 | \$                 | \$                   | \$                   | \$                   | \$                   | \$                   | \$                   | \$                   | \$                   | \$                   |
| 1,040,633                    | General Purpose Funding                   | 1,186,884          | 966,153                      | 96,615             | 193,231            | 289,845              | 386,460              | 483,077              | 579,692              | 652,153              | 724,615              | 797,076              | 869,539              | 917,846              |
| 2,000                        | Other Property and Services               | 12,790             | 2,050                        | 1,000              | 1,000              | 1,000                | 2,000                | 2,000                | 2,000                | 2,000                | 2,000                | 2,000                | 2,000                | 2,000                |
| <b>\$1,042,633</b>           |   | <b>\$1,199,673</b> | <b>\$968,203</b>             | <b>\$97,615</b>    | <b>\$194,231</b>   | <b>\$290,845</b>     | <b>\$388,460</b>     | <b>\$485,077</b>     | <b>\$581,692</b>     | <b>\$654,153</b>     | <b>\$726,615</b>     | <b>\$799,076</b>     | <b>\$871,539</b>     | <b>\$919,846</b>     |
| (186,390)                    | <b>LESS OPERATING EXPENDITURE</b>         |                    |                              |                    |                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| (1,176,530)                  | Governance                                | (172,046)          | (191,050)                    | (897)              | (44,175)           | (47,762)             | (48,659)             | (91,937)             | (95,525)             | (96,422)             | (139,700)            | (143,287)            | (144,184)            | (187,462)            |
| (1,362,920)                  | Other Property & Services                 | (1,002,028)        | (1,108,615)                  | (107,245)          | (197,181)          | (287,117)            | (389,099)            | (479,035)            | (568,971)            | (658,907)            | (748,843)            | (838,779)            | (928,716)            | (1,018,652)          |
|                              |   | <b>(1,174,074)</b> | <b>(1,299,665)</b>           | <b>(108,142)</b>   | <b>(241,356)</b>   | <b>(334,880)</b>     | <b>(437,758)</b>     | <b>(570,972)</b>     | <b>(664,496)</b>     | <b>(755,329)</b>     | <b>(888,543)</b>     | <b>(982,067)</b>     | <b>(1,072,899)</b>   | <b>(1,206,113)</b>   |
| <b>(\$320,287)</b>           | <i>Increase/(Decrease)</i>                | <b>\$25,599</b>    | <b>(\$331,462)</b>           | <b>(\$10,527)</b>  | <b>(\$47,125)</b>  | <b>(\$44,035)</b>    | <b>(\$49,298)</b>    | <b>(\$85,896)</b>    | <b>(\$82,804)</b>    | <b>(\$101,176)</b>   | <b>(\$161,928)</b>   | <b>(\$182,990)</b>   | <b>(\$201,361)</b>   | <b>(\$286,267)</b>   |
|                              | <b>ADD</b>                                |                    |                              |                    |                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 0                            | Provision for Employee Entitlements       | 569                | 0                            | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| (1,760)                      | Profit/Loss on the Disposal of Assets     | (5,851)            | 0                            | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| 0                            | Movement in Inventory (non - current)     | 200,000            | 0                            | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| 25,381                       | Depreciation Written Back                 | 10,564             | 25,578                       | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| 46,760                       | Book Value of Assets Sold Written Back    | 46,760             | 0                            | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| <b>\$70,381</b>              |   | <b>\$252,042</b>   | <b>\$25,578</b>              | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           |
| <b>(\$249,905)</b>           | <i>Sub Total</i>                          | <b>\$277,641</b>   | <b>(\$305,883)</b>           | <b>(\$10,527)</b>  | <b>(\$47,125)</b>  | <b>(\$44,035)</b>    | <b>(\$49,298)</b>    | <b>(\$85,896)</b>    | <b>(\$82,804)</b>    | <b>(\$101,176)</b>   | <b>(\$161,928)</b>   | <b>(\$182,990)</b>   | <b>(\$201,361)</b>   | <b>(\$286,267)</b>   |
|                              | <b>LESS CAPITAL PROGRAMME</b>             |                    |                              |                    |                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| (66,000)                     | Purchase Plant and Equipment              | (63,101)           | 0                            | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| (16,000)                     | Purchase Furniture and Equipment          | 0                  | (15,000)                     | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| <b>(\$82,000)</b>            |   | <b>(\$63,101)</b>  | <b>(\$15,000)</b>            | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           |
|                              | <b>LESS MEMBERS EQUITY</b>                |                    |                              |                    |                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|                              | <b>Development of Land for Resale</b>     |                    |                              |                    |                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 14,405,835                   | Income Sale of Lots -Subdivision          | 8,461,563          | 9,073,874                    | 715,943            | 2,494,856          | 2,770,178            | 3,456,396            | 4,142,615            | 5,167,391            | 5,807,093            | 6,465,444            | 6,837,128            | 7,768,119            | 8,142,457            |
| 1,950,000                    | Income Other -Subdivision                 | 1,477,038          | 0                            | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| 0                            | Income Other -Proceeds Telethon Home      | 0                  | 0                            | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| 0                            | Income Other -Proceeds Sale of Apartments | 0                  | 0                            | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| (21,277,191)                 | Development Costs - Subdivision           | (5,323,538)        | (16,343,068)                 | (1,347,165)        | (2,768,803)        | (4,157,713)          | (5,253,476)          | (5,859,634)          | (11,564,927)         | (12,080,909)         | (12,589,448)         | (13,102,063)         | (14,012,863)         | (14,959,260)         |
| 0                            | Development Costs - Apartments            | 0                  | 0                            | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| (209,337)                    | Contribution Refund                       | (642,826)          | (154,491)                    | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| (4,000,000)                  | Profit Distributions                      | (4,000,000)        | (3,000,000)                  | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| <b>(\$9,130,693)</b>         |   | <b>(\$27,762)</b>  | <b>(\$10,423,685)</b>        | <b>(\$631,222)</b> | <b>(\$273,947)</b> | <b>(\$1,387,535)</b> | <b>(\$1,797,080)</b> | <b>(\$1,717,019)</b> | <b>(\$6,397,536)</b> | <b>(\$6,273,816)</b> | <b>(\$6,124,004)</b> | <b>(\$6,264,935)</b> | <b>(\$6,244,744)</b> | <b>(\$6,816,803)</b> |
| 0                            | Plus Rounding                             | 0                  | 0                            | 0                  | 0                  | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| <b>(\$9,212,693)</b>         |   | <b>(\$90,863)</b>  | <b>(\$10,438,685)</b>        | <b>(\$631,222)</b> | <b>(\$273,947)</b> | <b>(\$1,387,535)</b> | <b>(\$1,797,080)</b> | <b>(\$1,717,019)</b> | <b>(\$6,397,536)</b> | <b>(\$6,273,816)</b> | <b>(\$6,124,004)</b> | <b>(\$6,264,935)</b> | <b>(\$6,244,744)</b> | <b>(\$6,816,803)</b> |
| <b>(\$9,462,598)</b>         | <i>Sub Total</i>                          | <b>\$186,778</b>   | <b>(\$10,744,568)</b>        | <b>(\$641,749)</b> | <b>(\$321,072)</b> | <b>(\$1,431,570)</b> | <b>(\$1,846,378)</b> | <b>(\$1,802,915)</b> | <b>(\$6,480,340)</b> | <b>(\$6,374,992)</b> | <b>(\$6,285,932)</b> | <b>(\$6,447,925)</b> | <b>(\$6,446,105)</b> | <b>(\$7,103,070)</b> |
|                              | <b>LESS FUNDING FROM</b>                  |                    |                              |                    |                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 43,807,751                   | Opening Funds                             | 43,807,752         | 43,994,530                   | 43,994,530         | 43,994,530         | 43,994,530           | 43,994,530           | 43,994,530           | 43,994,530           | 43,994,530           | 43,994,530           | 43,994,530           | 43,994,530           | 43,994,530           |
| (34,345,153)                 | Closing Funds                             | (43,994,530)       | (33,249,962)                 | (43,352,781)       | (43,673,458)       | (42,562,960)         | (42,148,152)         | (42,191,615)         | (37,514,190)         | (37,619,538)         | (37,708,598)         | (37,546,605)         | (37,548,425)         | (36,891,460)         |
| <b>\$9,462,598</b>           |   | <b>(\$186,778)</b> | <b>\$10,744,568</b>          | <b>\$641,749</b>   | <b>\$321,072</b>   | <b>\$1,431,570</b>   | <b>\$1,846,378</b>   | <b>\$1,802,915</b>   | <b>\$6,480,340</b>   | <b>\$6,374,992</b>   | <b>\$6,285,932</b>   | <b>\$6,447,925</b>   | <b>\$6,446,105</b>   | <b>\$7,103,070</b>   |
| <b>(\$0)</b>                 | <b>NET (SURPLUS)DEFICIT</b>               | <b>(\$0)</b>       | <b>(\$0)</b>                 | <b>\$0</b>         | <b>(\$0)</b>       | <b>\$0</b>           | <b>(\$0)</b>         | <b>\$0</b>           | <b>(\$0)</b>         | <b>\$0</b>           | <b>(\$0)</b>         | <b>(\$0)</b>         | <b>\$0</b>           | <b>(\$0)</b>         |

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

**TAMALA PARK REGIONAL COUNCIL**  
**BUDGET RATE SETTING STATEMENT FOR THE YEAR ENDING 30 JUNE 2020**

| 2018/19<br>ADOPTED<br>BUDGET |  | NOTES         | 2018/19<br>ACTUAL    | 2019/20<br>ADOPTED<br>BUDGET |
|------------------------------|--|---------------|----------------------|------------------------------|
| <b>\$</b>                    | <b>REVENUE</b>                         | 1,2,3,4,11,13 | <b>\$</b>            | <b>\$</b>                    |
| 1,040,633                    | General Purpose Funding                |               | 1,186,884            | 966,153                      |
| 2,000                        | Other Property and Services            |               | 12,790               | 2,050                        |
| <b>\$1,042,633</b>           |  |               | <b>\$1,199,673</b>   | <b>\$968,203</b>             |
|                              | <b>LESS EXPENDITURE</b>                | 1,2,3,4,12,13 |                      |                              |
| (186,390)                    | Governance                             |               | (172,046)            | (191,050)                    |
| (1,176,530)                  | Other Property & Services              |               | (1,002,028)          | (1,108,615)                  |
| <b>(\$1,362,920)</b>         |  |               | <b>(\$1,174,074)</b> | <b>(\$1,299,665)</b>         |
| <b>(\$320,287)</b>           | <i>Increase(Decrease)</i>              |               | <b>\$25,599</b>      | <b>(\$331,462)</b>           |
|                              | <b>ADD</b>                             |               |                      |                              |
| 46,760                       | Book Value of Assets Sold Written Back |               | 46,760               | 0                            |
| (1,760)                      | Profit/Loss on the Disposal of Assets  |               | (5,851)              | 0                            |
| 0                            | Movement in Inventory (non - current)  |               | 200,000              | 0                            |
| 0                            | Provision for Employee Entitlements    |               | 569                  | 0                            |
| 25,381                       | Depreciation Written Back              |               | 10,564               | 25,578                       |
| 0                            | Provision for Audit Fees               |               | 0                    | 0                            |
| <b>\$70,381</b>              |  |               | <b>\$252,042</b>     | <b>\$25,578</b>              |
| <b>(\$249,905)</b>           | <i>Sub Total</i>                       |               | <b>\$277,641</b>     | <b>(\$305,883)</b>           |
|                              | <b>LESS CAPITAL PROGRAMME</b>          | 1,14          |                      |                              |
| (66,000)                     | Purchase Plant and Equipment           |               | (63,101)             | 0                            |
| (16,000)                     | Purchase Furniture and Equipment       |               | 0                    | (15,000)                     |
| <b>(\$82,000)</b>            |  |               | <b>(\$63,101)</b>    | <b>(\$15,000)</b>            |
|                              | <b>LESS MEMBERS EQUITY</b>             |               |                      |                              |
|                              | <b>Development of Land for Resale</b>  |               |                      |                              |
| 14,405,835                   | Income Sale of Lots -Subdivision       |               | 8,461,563            | 9,073,874                    |
| 1,950,000                    | Income Other -Subdivision              |               | 1,477,038            | 0                            |
| (21,277,191)                 | Development Costs - Subdivision        |               | (5,323,538)          | (16,343,068)                 |
| 0                            | Development Costs - Apartments         |               | 0                    | 0                            |
| (209,337)                    | Contribution Refund                    |               | (642,826)            | (154,491)                    |
| (4,000,000)                  | Profit Distributions                   |               | (4,000,000)          | (3,000,000)                  |
| <b>(\$9,130,693)</b>         |  |               | <b>(\$27,762)</b>    | <b>(\$10,423,685)</b>        |
| 0                            |  |               | 0                    | 0                            |
| <b>\$0</b>                   |  |               | <b>\$0</b>           | <b>\$0</b>                   |
| <b>(\$9,462,598)</b>         | <i>Sub Total</i>                       |               | <b>\$186,778</b>     | <b>(\$10,744,568)</b>        |
|                              | <b>LESS FUNDING FROM</b>               |               |                      |                              |
| 43,807,751                   | Opening Funds                          | 26            | 43,807,752           | 43,994,530                   |
| (34,345,153)                 | Closing Funds                          | 26            | (43,994,530)         | (33,249,962)                 |
| <b>\$9,462,598</b>           |  |               | <b>(\$186,778)</b>   | <b>\$10,744,568</b>          |
| <b>(\$0)</b>                 | <b>TO BE MADE UP FROM RATES</b>        |               | <b>(\$0)</b>         | <b>(\$0)</b>                 |

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

**TAMALA PARK REGIONAL COUNCIL**  
**BUDGET STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE 2020**

| 2018/19<br>ADOPTED<br>BUDGET |  | NOTES    | 2018/19<br>ACTUAL    | 2019/20<br>ADOPTED<br>BUDGET |
|------------------------------|--|----------|----------------------|------------------------------|
| \$                           | <b>Cash Flows from operating activities</b>      |          | \$                   | \$                           |
|                              | <b>PAYMENTS</b>                                  |          |                      |                              |
| (725,924)                    | Employee Costs                                   |          | (580,542)            | (742,371)                    |
|                              | Materials & Contracts                            |          |                      |                              |
| 0                            | - Professional Consulting Fees                   |          | 0                    | 0                            |
| (434,324)                    | - Other  |          | (161,551)            | (352,683)                    |
| (6,450)                      | Utilities  |          | 0                    | (6,611)                      |
| (13,880)                     | Insurance  |          | (12,354)             | (21,089)                     |
| 0                            | Goods and Services Tax                           |          | (2,171)              | 0                            |
| (186,390)                    | Other  |          | (172,311)            | (191,050)                    |
| <b>(\$1,366,967)</b>         |  |          | <b>(\$928,929)</b>   | <b>(\$1,313,803)</b>         |
|                              | <b>RECEIPTS</b>                                  |          |                      |                              |
| 2,000                        | Contributions and Donations Reimbursements       |          | 0                    | 2,050                        |
| 1,092,082                    | Interest Received                                |          | 1,186,884            | 1,016,710                    |
| 0                            | Other  |          | 33,702               | 0                            |
| <b>\$1,094,082</b>           |  |          | <b>\$1,220,586</b>   | <b>\$1,018,760</b>           |
| <b>(\$272,885)</b>           | <b>Net Cash flows from Operating Activities</b>  | <b>9</b> | <b>\$291,657</b>     | <b>(\$295,043)</b>           |
|                              | <b>Cash flows from investing activities</b>      |          |                      |                              |
|                              | <b>Payments</b>                                  |          |                      |                              |
| (66,000)                     | Purchase Plant and Equipment                     |          | (63,101)             | 0                            |
| (16,000)                     | Purchase Furniture and Equipment                 |          | 0                    | (15,000)                     |
| 0                            | Financial Assets at Amortised Cost               |          | 8,144,620            | 0                            |
|                              | <b>Receipts</b>                                  |          |                      |                              |
| 45,000                       | Disposal of Plant and Equipment                  |          | 40,909               | 0                            |
| <b>(\$37,000)</b>            |  |          | <b>\$8,122,428</b>   | <b>(\$15,000)</b>            |
|                              | <b>Members Equity</b>                            |          |                      |                              |
|                              | <b>Payments</b>                                  |          |                      |                              |
| (21,277,191)                 | - Development of Land for Resale                 |          | (5,323,538)          | (16,343,068)                 |
| (209,337)                    | -Contribution to be Returned                     |          | (642,826)            | (154,491)                    |
| (4,000,000)                  | -Change in Contributed Equity                    |          | (4,000,000)          | (3,000,000)                  |
| 0                            | -Capital Returned                                |          | 0                    | 0                            |
| <b>(\$25,486,528)</b>        |  |          | <b>(\$9,966,364)</b> | <b>(\$19,497,559)</b>        |
|                              | <b>Receipts</b>                                  |          |                      |                              |
| 14,405,835                   | -Income Sale of Lots -Subdivision                |          | 8,461,563            | 9,073,874                    |
| 1,950,000                    | -Income Other -Subdivision                       |          | 1,477,038            | 0                            |
| <b>\$16,355,835</b>          |  |          | <b>\$9,938,601</b>   | <b>\$9,073,874</b>           |
| <b>(\$9,167,693)</b>         | <b>Net cash flows from investing activities</b>  |          | <b>\$8,094,665</b>   | <b>(\$10,438,685)</b>        |
|                              | <b>Cash flows from financing activities</b>      |          |                      |                              |
| <b>\$0</b>                   | <b>Net cash flows from financing activities</b>  |          | <b>\$0</b>           | <b>\$0</b>                   |
| <b>(\$9,440,578)</b>         | <b>Net (decrease)/increase in cash held</b>      |          | <b>\$8,386,322</b>   | <b>(\$10,733,728)</b>        |
| 43,846,407                   | <b>Cash at the Beginning of Reporting Period</b> |          | 32,823,679           | 41,210,001                   |
| <b>\$34,405,829</b>          | <b>Cash at the End of Reporting Period</b>       | <b>5</b> | <b>\$41,210,001</b>  | <b>\$30,476,273</b>          |

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**1 SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of Preparation**

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

Except for cashflow and rate setting information, the budget has also been prepared on the accrual basis and is based on historical transactions.

**(b) The Local Government Reporting Entity**

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

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

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

**(c) Goods and Services Tax**

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

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to the Australian Taxation Office 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.

**(d) Cash and Cash Equivalents**

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

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

**(e) Trade and Other Receivables**

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

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

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Inventories**

***General***

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

***Land Held for Resale***

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

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

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

**(g) Depreciation of Non-Current Assets**

***Depreciation***

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

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

|                                    |               |
|------------------------------------|---------------|
| Furniture and Equipment            | 4 to 10 years |
| Plant and Equipment                | 5 to 12 years |
| Improvements to Leasehold Property | 8 years       |

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

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

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

***Capitalisation Threshold***

Expenditure on items of equipment under \$5,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

**(h) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provide 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 recognised as a current liability and are usually paid within 30 days of recognition.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Employee Benefits**

**Short-Term Employee Benefits**

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

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

**Other Long-Term Employee Benefits**

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

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

**(j) Borrowing Costs**

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

**(k) Provisions**

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

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(l) Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Council, are classified as finance leases.

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

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

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

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

**(m) Investment in Associates**

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

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

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

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

**(n) Interests in Joint Arrangements**

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

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

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(o) Revenue Recognition**

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.

**(p) Superannuation**

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

**(q) Current and Non-Current Classification**

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

**(r) Rounding Off Figures**

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

**(s) Comparative Figures**

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

**(t) Critical Accounting Estimates**

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

The estimates and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances, the result 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.

**(u) Budget Comparative Figures**

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

**(v) 2018/19 Actual Balances**

Balances shown in the budget as 2018/19 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**2 OPERATING, REVENUES AND EXPENSES**

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

| <b>Adopted<br/>Budget<br/>2018/19</b> |   | <b>Actual<br/>2018/19</b> | <b>Adopted<br/>Budget<br/>2019/20</b> |
|---------------------------------------|---|---------------------------|---------------------------------------|
| \$                                    |   | \$                        | \$                                    |
|                                       | <b>Charging as Expense</b>                  |                           |                                       |
| 25,381                                | Depreciation on Non-Current Assets          | 10,564                    | 25,578                                |
| 10,450                                | Auditors Remuneration                       | 8,789                     | 10,711                                |
| <u>35,831</u>                         | Depreciation on Non-Current Assets          | <u>19,353</u>             | <u>36,289</u>                         |
|                                       | <b>Crediting as Revenue</b>                 |                           |                                       |
| (1,760)                               | Profit/(Loss) on Sale of Non-Current Assets | (5,851)                   | 0                                     |
| 2,000                                 | Other Revenue                               | 12,790                    | 2,050                                 |
| 1,040,633                             | Interest Earnings                           | 1,186,884                 | 966,153                               |
| <u>1,040,873</u>                      |   | <u>1,186,884</u>          | <u>968,203</u>                        |

**3 DESCRIPTION OF FUNCTIONS/ACTIVITIES**

The principal activities of the Council covers the provisions of general purpose funding, governance and other property services as permitted under the Description of Programs

**General Purpose Funding**

Interest Received on Investments.

**Governance**

Member of Council Allowances and Reimbursements, and Administration Expenses.

**Other Property and Services**

Other Unclassified Activities.

**Statement of Objective**

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional council are:

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**4 OPERATING REVENUES AND EXPENSES**

Operating expenses and revenues classified according to nature and type.

| <b>Adopted<br/>Budget<br/>2018/19</b> |  | <b>Actual<br/>2018/19</b> | <b>Adopted<br/>Budget<br/>2019/20</b> |
|---------------------------------------|--|---------------------------|---------------------------------------|
| \$                                    |  | \$                        | \$                                    |
|                                       | <b>Operating Expenses</b>                            |                           |                                       |
| (725,924)                             | Employee Costs                                       | (610,217)                 | (742,371)                             |
|                                       | Materials and Contracts                              |                           |                                       |
| 0                                     | Professional Consulting fees                         | 0                         | 0                                     |
| (404,895)                             | Other  | (168,627)                 | (312,966)                             |
| (6,450)                               | Utility Charges (Gas, Electricity, Water, etc)       | 0                         | (6,611)                               |
| (25,381)                              | Depreciation on Non-Current Assets                   | (10,564)                  | (25,578)                              |
| (1,760)                               | Loss on Asset Disposals                              | (5,851)                   | 0                                     |
| (13,879)                              | Insurance Expenses                                   | (12,354)                  | (21,089)                              |
| (186,391)                             | Other Expenses                                       | (372,312)                 | (191,050)                             |
| <b>(1,364,680)</b>                    | <b>Agrees with Statement of Comprehensive Income</b> | <b>(1,179,925)</b>        | <b>(1,299,665)</b>                    |
|                                       | <b>Operating Revenues</b>                            |                           |                                       |
| 1,040,633                             | Interest Earnings                                    | 1,186,883                 | 966,153                               |
| 2,000                                 | Contributions and Donations Reimbursements           | 0                         | 2,050                                 |
| 0                                     | Profit on Asset Disposals                            | 0                         | 0                                     |
| 0                                     | Other  | 12,790                    | 0                                     |
| <b>1,042,633</b>                      | <b>Agrees with Statement of Comprehensive Income</b> | <b>1,199,673</b>          | <b>968,203</b>                        |
| <b>(322,047)</b>                      | <b>Net Result</b>                                    | <b>19,748</b>             | <b>(331,462)</b>                      |
|                                       | <b>Other Comprehensive Income</b>                    |                           |                                       |
| 0                                     | Changes on Revaluation of Non - Current Assets       | 0                         | 0                                     |
| <b>(322,047)</b>                      | <b>Total Comprehensive Income</b>                    | <b>19,748</b>             | <b>(331,462)</b>                      |

**5 CASH**

| <b>Adopted<br/>Budget<br/>2018/19</b> |                  | <b>Actual<br/>2018/19</b> | <b>Adopted<br/>Budget<br/>2019/20</b> |
|---------------------------------------|------------------|---------------------------|---------------------------------------|
| \$                                    |                  | \$                        | \$                                    |
| 0                                     | Cash on Hand     | 0                         | 0                                     |
| 34,405,829                            | Cash at Bank     | 41,210,001                | 30,476,273                            |
| 0                                     | Investments      | 0                         | 0                                     |
| <b>34,405,829</b>                     | Represented by:- | <b>41,210,001</b>         | <b>30,476,273</b>                     |
| 0                                     | Restricted       | 0                         | 0                                     |
| 34,405,829                            | Unrestricted     | 41,210,001                | 30,476,273                            |
| <b>34,405,829</b>                     |                  | <b>41,210,001</b>         | <b>30,476,273</b>                     |

**6 DISPOSAL OF ASSETS**

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

| <b>Asset by Class</b>           | <b>Proceeds<br/>Sale of<br/>Assets</b> | <b>Written<br/>Down<br/>Value</b> | <b>Gain/(Loss)<br/>on Disposal</b> |
|---------------------------------|--|-----------------------------------|------------------------------------|
|                                 | \$                                     | \$                                | \$                                 |
| Furniture and Equipment         | 0                                      | 0                                 | 0                                  |
| Land and Buildings              | 0                                      | 0                                 | 0                                  |
| Plant and Equipment             | 0                                      | 0                                 | 0                                  |
| <b>TOTAL BY CLASS OF ASSETS</b> | <b>0</b>                               | <b>0</b>                          | <b>0</b>                           |

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**(B) DISPOSAL OF ASSETS BY PROGRAM**

|                             | <b>Proceeds<br/>Sale of<br/>Assets</b> | <b>Written<br/>Down<br/>Value</b> | <b>Gain/(Loss)<br/>on Disposal</b> |
|-----------------------------|--|-----------------------------------|------------------------------------|
|                             | \$                                     | \$                                | \$                                 |
| Other Property and Services | 0                                      | 0                                 | 0                                  |
| <b>TOTAL BY PROGRAM</b>     | <b>0</b>                               | <b>0</b>                          | <b>0</b>                           |

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

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

**7 BORROWINGS INFORMATION**

**(a) Loans Raised in Financial Year**

No Loans are anticipated to be raised during the year:

**(b) Loan Repayments**

No Loans Repayments anticipated to be raised during the year:

**(a) Overdraft**

The Regional Council has no overdraft facility and it is not anticipated such a facility will be required during the year ended 30 June 2020

**8 RESERVES**

The Regional Council has no Reserve Accounts set aside for specific purposes and does not intend to set aside any cash

**9 CASH FLOW INFORMATION**

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

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

|                                       |   | <b>Actual</b>  | <b>Adopted<br/>Budget</b> |
|---------------------------------------|---|----------------|---------------------------|
|                                       |   | 2018/19        | 2019/20                   |
|                                       |   | \$             | \$                        |
| <b>Adopted<br/>Budget<br/>2018/19</b> |   |                |                           |
| <b>\$</b>                             |   |                |                           |
|                                       | <b>Change in net result from operations</b>               |                |                           |
| (322,047)                             | Net Result  | 19,748         | (331,462)                 |
| 25,381                                | Depreciation  | 10,564         | 25,578                    |
| 1,760                                 | (Profit) loss on sale of Fixed Assets                     | 5851           | 0                         |
|                                       | <b>Change in Assets and Liabilities</b>                   |                |                           |
| 0                                     | Increase/(Decrease) in Provisions - Employee Entitlements | 16,464         | 0                         |
| 0                                     | Increase/Decrease in Receivables                          | 200,000        | 0                         |
| 51,449                                | Increase/(Decrease) in Receivables                        | 18,742         | 50,557                    |
| (29,428)                              | Increase/(Decrease) in Payables                           | 20,288         | (39,716)                  |
| <b>(272,885)</b>                      | Cash flows from Operations                                | <b>291,657</b> | <b>(295,043)</b>          |
| 6,000                                 | Credit Card Facility                                      | 6,000          | 6,000                     |
| 0                                     | Amount Utilised   | (612)          | 0                         |
| <b>6,000</b>                          | Unused Facility available                                 | <b>5,388</b>   | <b>6,000</b>              |

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**10 TRUST FUND INFORMATION**

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

**11 INVESTMENTS**

Earnings from Investments is summarised as follows:

| Adopted<br>Budget<br>2018/19<br>\$ |                 | Actual<br>2018/19<br>\$ | Adopted<br>Budget<br>2019/20<br>\$ |
|------------------------------------|-----------------|-------------------------|------------------------------------|
| 1,040,633                          | General Account | 1,186,884               | 966,153                            |
| <b>1,040,633</b>                   | <b>TOTAL</b>    | <b>1,186,884</b>        | <b>966,153</b>                     |

**12 COUNCIL MEMBERS - FEES, EXPENSES AND ALLOWANCES**

The 2019/2020 Budget provides for the following:

| Adopted<br>Budget<br>2018/19<br>\$ |  | Actual<br>2018/19<br>\$ | Adopted<br>Budget<br>2019/20<br>\$ |
|------------------------------------|--|-------------------------|------------------------------------|
|                                    | <b>- Annual Attendance Fee</b>   |                         |                                    |
| 139,303                            | - Elected Members Remuneration   | 132,339                 | 142,786                            |
|                                    | <b>- Telecommunication, Travel, and Information Technology Allowance</b> |                         |                                    |
| 0                                  | - Telecommunication  | 0                       | 0                                  |
| 0                                  | - Information Technology   | 0                       | 0                                  |
| 0                                  | - Travel Expenses  | 0                       | 0                                  |
|                                    | <b>- Annual Local Government Allowance</b>                               |                         |                                    |
| 20,870                             | - Chairman   | 19,864                  | 21,391                             |
| 5,217                              | - Deputy Chairman  | 4,966                   | 5,348                              |

**13 DEPRECIATION ON NON-CURRENT ASSETS**

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

**BY PROGRAM**

| Adopted<br>Budget<br>2018/19<br>\$ |                             | Actual<br>2018/19<br>\$ | Adopted<br>Budget<br>2019/20<br>\$ |
|------------------------------------|-----------------------------|-------------------------|------------------------------------|
| 25,381                             | Other Property and Services | 10,564                  | 25,578                             |
| <b>25,381</b>                      | <b>TOTAL</b>                | <b>10,564</b>           | <b>25,578</b>                      |

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**13 DEPRECIATION ON NON-CURRENT ASSETS**

**BY CLASS**

| <b>Adopted<br/>Budget<br/>2018/19</b> |                                    | <b>Actual<br/>2018/19</b> | <b>Adopted<br/>Budget<br/>2019/20</b> |
|---------------------------------------|------------------------------------|---------------------------|---------------------------------------|
| <u>\$</u>                             |                                    | <u>\$</u>                 | <u>\$</u>                             |
| 6,432                                 | Furniture and Equipment            | 1,642                     | 1,512                                 |
| 5,539                                 | Improvements to Leasehold Property | 1,911                     | 11,446                                |
| 13,410                                | Plant and Equipment                | 7011                      | 12,620                                |
| <b>25,381</b>                         | <b>TOTAL</b>                       | <b>10,564</b>             | <b>25,578</b>                         |

**14 ACQUISITION OF ASSETS**

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

**BY PROGRAM**

| <b>Adopted<br/>Budget<br/>2018/19</b> |                            | <b>Actual<br/>2018/19</b> | <b>Adopted<br/>Budget<br/>2019/20</b> |
|---------------------------------------|----------------------------|---------------------------|---------------------------------------|
| <u>\$</u>                             |                            | <u>\$</u>                 | <u>\$</u>                             |
|                                       | Other Property and Service |                           |                                       |
| 16,000                                | Office Equipment           | 0                         | 15,000                                |
| 66,000                                | Motor Vehicle              | 63,101                    | 0                                     |
| <b>82,000</b>                         |                            | <b>63,101</b>             | <b>15,000</b>                         |

| <b>Adopted<br/>Budget<br/>2018/19</b> |                         | <b>Actual<br/>2018/19</b> | <b>Adopted<br/>Budget<br/>2019/20</b> |
|---------------------------------------|-------------------------|---------------------------|---------------------------------------|
| <u>\$</u>                             |                         | <u>\$</u>                 | <u>\$</u>                             |
| 0                                     | Land and Buildings      | 0                         | 0                                     |
| 66,000                                | Plant and Equipment     | 63,101                    | 0                                     |
| 16,000                                | Furniture and Equipment | 0                         | 15,000                                |
| <b>82,000</b>                         |                         | <b>63,101</b>             | <b>15,000</b>                         |

**15 FEES AND CHARGES INFORMATION**

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

No fees and charges are to be raised during the year ended 30 June 2020

**16 RATING INFORMATION**

A Regional Council does not impose rates

**17 SPECIFIED AREA RATE**

No specified area rates will be levied during the year 2019/20

**18 SERVICE CHARGES**

No specified area rates will be imposed during the year 2019/20

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**19 INFORMATION ABOUT DISCOUNTS, INCENTIVES, CONCESSIONS AND WRITE OFFS**

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

**20 INTEREST CHARGES FOR THE LATE PAYMENT OF RATES CHARGES**

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

**21 MAJOR LAND TRANSACTIONS**

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

(a) The participants are the owners of the land ,in shares as set out below:

|                       |             |
|-----------------------|-------------|
| Town of Cambridge     | One Twelfth |
| City of Joondalup     | One Sixth   |
| City of Perth         | One Twelfth |
| City of Stirling      | One Third   |
| Town of Victoria Park | One Twelfth |
| Town of Vincent       | One Twelfth |
| City of Wanneroo      | One Sixth   |

(b) The land owned from time to time by the participants jointly or by the TPRC:

Land being part of Lot 118 Mindarie  
Land between Lot 118 and the Mitchell Freeway Reserve  
Any land that may be acquired by the TPRC

(c) Revenue and Expenditure associated with the Project:

| <b>Adopted<br/>Budget<br/>2018/19</b> |  | <b>Actual<br/>2018/19</b> | <b>Adopted<br/>Budget<br/>2019/20</b> |
|---------------------------------------|--|---------------------------|---------------------------------------|
| \$                                    |  | \$                        | \$                                    |
|                                       | Rezoning,Subdivision, Development and Sale of land |                           |                                       |
|                                       | Revenue  |                           |                                       |
| 4,921,356                             | Participants Equity                                | 0                         | 7,269,194                             |
| 16,355,835                            | Sale of Lots                                       | 9,938,601                 | 9,073,874                             |
| <b>21,277,191</b>                     |  | <b>9,938,601</b>          | <b>16,343,068</b>                     |
|                                       | Expenditure  |                           |                                       |
| 16,373,346                            | Land Development Costs                             | 3,724,830                 | 13,522,803                            |
| 627,487                               | Consultancy Fees                                   | 290,615                   | 575,247                               |
| 494,000                               | Sales and Marketing                                | 297,468                   | 350,000                               |
| 3,734,358                             | Selling Expenses                                   | 990,941                   | 1,795,018                             |
| 48,000                                | Other  | 19,684                    | 100,000                               |
| 0                                     | Participants Equity                                | 4,615,063                 | 0                                     |
| <b>21,277,191</b>                     |  | <b>9,938,601</b>          | <b>16,343,068</b>                     |

**22 JOINT VENTURE**

The Regional Council does not anticipate any joint venture

**23 TRADING UNDERTAKINGS**

The Regional Council does not anticipate any trading undertakings.

**24 CAPITAL AND LEASING COMMITMENTS**

Council does not have any Capital and Leasing Commitments.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2020**

**25 FINANCIAL INSTRUMENTS**

(a) Interest Rate Risk

The following table details the Regional Council exposure to interest rate risks projected to 30th June 2020.

|                              | Average<br>Interest<br>% | Variable<br>Interest<br>Rate<br>\$ | Fixed Interest Rate<br>Less than<br>1 year<br>\$ | Maturity<br>1 to 5<br>years<br>\$ | Non<br>Interest<br>Bearing<br>\$ | Total<br>\$       |
|------------------------------|--------------------------|------------------------------------|--|-----------------------------------|----------------------------------|-------------------|
| <b>Financial Assets</b>      |                          |                                    |  |                                   |                                  |                   |
| Cash on Hand                 |                          |                                    |  |                                   |                                  | 0                 |
| Cash                         | 2.00                     | 0                                  | 30,476,273                                       |                                   |                                  | 30,476,273        |
| Trade Receivables            |                          |                                    |  |                                   | 50,000                           | 50,000            |
|                              |                          | <u>0</u>                           | <u>30,476,273</u>                                | <u>0</u>                          | <u>50,000</u>                    | <u>30,526,273</u> |
| <b>Financial Liabilities</b> |                          |                                    |  |                                   |                                  |                   |
| Creditors and Provisions     |                          |                                    |  |                                   | 256,569                          | 256,569           |
|                              |                          | <u>0</u>                           | <u>0</u>   | <u>0</u>                          | <u>256,569</u>                   | <u>256,569</u>    |

(b) Regional Council does not have any material credit risk exposure to any single debtor under any financial instruments entered into.

(c) The aggregate net fair values and carry amounts of financial assets and financial liabilities are disclosed in the notes to and forming part of the Annual Budget.

**26 POSITION AT COMMENCEMENT OF FINANCIAL YEAR**

Determination of opening funds:

| Adopted<br>Budget<br>2018/19<br>\$ |   | Actual<br>2018/19<br>\$ | Adopted<br>Budget<br>2019/20<br>\$ |
|------------------------------------|---|-------------------------|------------------------------------|
|                                    | <b>Current Assets</b>                                     |                         |                                    |
| 0                                  | Cash On Hand  | 0                       | 0                                  |
| 34,405,829                         | Cash at Bank  | 41,210,001              | 30,476,273                         |
| 200,000                            | Receivables   | 100,557                 | 50,000                             |
| <u>0</u>                           | Other Financial Assets                                    | <u>3,010,258</u>        | <u>3,010,258</u>                   |
| 34,605,829                         |   | 44,320,816              | 33,536,531                         |
|                                    | <b>LESS CURRENT LIABILITIES</b>                           |                         |                                    |
| 20,000                             | Payables  | 69,717                  | 30,000                             |
| 240,676                            | Provisions - Employees Entitlements                       | 256,569                 | 256,569                            |
| <u>260,676</u>                     |   | <u>326,286</u>          | <u>286,569</u>                     |
| <u>34,345,153</u>                  | <b>SURPLUS OF CURRENT ASSETS OVER CURRENT LIABILITIES</b> | <u>43,994,530</u>       | <u>33,249,962</u>                  |

**27 MEMBER COUNCILS' EQUITY IN THE TAMALA PARK REGIONAL COUNCIL**

| Adopted<br>Budget<br>2018/19<br>\$ |                              | Actual<br>2018/19<br>\$ | Adopted<br>Budget<br>2019/20<br>\$ |
|------------------------------------|------------------------------|-------------------------|------------------------------------|
|                                    | <b>Members Equity</b>        |                         |                                    |
| 45,732,329                         | Accumulated surplus          | 45,720,109              | 45,712,094                         |
| (322,047)                          | Total Comprehensive Income   | 19,748                  | (331,462)                          |
| (4,921,356)                        | Change in Contributed Equity | 4,615,063               | (7,269,194)                        |
| (4,209,337)                        | Contribution Returned        | (4,642,826)             | (3,154,491)                        |
| <u>36,279,589</u>                  | <b>Total Equity</b>          | <u>45,712,094</u>       | <u>34,956,947</u>                  |
|                                    | <b>Share</b>                 |                         |                                    |
| 3,023,299                          | Town of Cambridge            | 3,809,341               | 2,913,079                          |
| 6,046,598                          | City of Joondalup            | 7,618,682               | 5,826,158                          |
| 3,023,299                          | City of Perth                | 3,809,341               | 2,913,079                          |
| 12,093,196                         | City of Stirling             | 15,237,365              | 11,652,316                         |
| 3,023,299                          | Town of Victoria Park        | 3,809,341               | 2,913,079                          |
| 3,023,299                          | Town of Vincent              | 3,809,341               | 2,913,079                          |
| 6,046,598                          | City of Wanneroo             | 7,618,682               | 5,826,158                          |
| <u>36,279,589</u>                  |                              | <u>45,712,094</u>       | <u>34,956,947</u>                  |

**Tamala Park Regional Council  
Annual Budget 2019-2020**

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

|   | ACTUAL<br>2018-19    |                  | Adopted Budget<br>2018-2019 |                  | Adopted Budget<br>2019-2020 |                  |
|---|----------------------|------------------|-----------------------------|------------------|-----------------------------|------------------|
|   | Income               | Expenditure      | Income                      | Expenditure      | Income                      | Expenditure      |
| <b>Proceeds Sale of Assets</b>                          |                      |                  |                             |                  |                             |                  |
| 00000 Proceeds Sale of Assets - Motor Vehicle CEO       | (\$40,909)           | \$0              | (\$45,000)                  | \$0              | \$0                         | \$0              |
| <b>Written Down Value</b>                               |                      |                  |                             |                  |                             |                  |
| 00000 Written Down Value - Motor Vehicle CEO            | \$0                  | \$46,760         | \$0                         | \$46,760         | \$0                         | \$0              |
| <b>Sub Total - GAIN/LOSS ON DISPOSAL OF ASSET</b>       | <b>(\$40,909)</b>    | <b>\$46,760</b>  | <b>(\$45,000)</b>           | <b>\$46,760</b>  | <b>\$0</b>                  | <b>\$0</b>       |
| <b>Total - GAIN/LOSS ON DISPOSAL OF ASSET</b>           | <b>(\$40,909)</b>    | <b>\$46,760</b>  | <b>(\$45,000)</b>           | <b>\$46,760</b>  | <b>\$0</b>                  | <b>\$0</b>       |
| <b>ABNORMAL ITEMS</b>                                   |                      |                  |                             |                  |                             |                  |
| <b>Sub Total - ABNORMAL ITEMS</b>                       | <b>\$0</b>           | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       |
| <b>Total - ABNORMAL ITEMS</b>                           | <b>\$0</b>           | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       |
| <b>Total - OPERATING STATEMENT</b>                      | <b>(\$40,909)</b>    | <b>\$46,760</b>  | <b>(\$45,000)</b>           | <b>\$46,760</b>  | <b>\$0</b>                  | <b>\$0</b>       |
| <b>OTHER GENERAL PURPOSE FUNDING</b>                    |                      |                  |                             |                  |                             |                  |
| <b>OPERATING EXPENDITURE</b>                            |                      |                  |                             |                  |                             |                  |
| <b>Sub Total - OTHER GENERAL PURPOSE FUNDING OP/EXP</b> | <b>\$0</b>           | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       |
| <b>OPERATING INCOME</b>                                 |                      |                  |                             |                  |                             |                  |
| I032030 · Interest on Investment                        | (\$1,186,884)        | \$0              | (\$1,040,633)               | \$0              | (\$966,153)                 | \$0              |
| <b>Sub Total - OTHER GENERAL PURPOSE FUNDING OP/INC</b> | <b>(\$1,186,884)</b> | <b>\$0</b>       | <b>(\$1,040,633)</b>        | <b>\$0</b>       | <b>(\$966,153)</b>          | <b>\$0</b>       |
| <b>Total - OTHER GENERAL PURPOSE FUNDING</b>            | <b>(\$1,186,884)</b> | <b>\$0</b>       | <b>(\$1,040,633)</b>        | <b>\$0</b>       | <b>(\$966,153)</b>          | <b>\$0</b>       |
| <b>Total - GENERAL PURPOSE FUNDING</b>                  | <b>(\$1,186,884)</b> | <b>\$0</b>       | <b>(\$1,040,633)</b>        | <b>\$0</b>       | <b>(\$966,153)</b>          | <b>\$0</b>       |
| <b>GOVERNANCE</b>                                       |                      |                  |                             |                  |                             |                  |
| <b>MEMBERS OF COUNCIL</b>                               |                      |                  |                             |                  |                             |                  |
| <b>OPERATING EXPENDITURE</b>                            |                      |                  |                             |                  |                             |                  |
| E041005 · Chairman Allowance                            | \$0                  | \$19,864         | \$0                         | \$20,870         | \$0                         | \$21,391         |
| E041010 · Deputy Chair Allowance                        | \$0                  | \$4,966          | \$0                         | \$5,217          | \$0                         | \$5,348          |
| E041018 · Composite Allowance                           | \$0                  | \$130,687        | \$0                         | \$137,303        | \$0                         | \$140,736        |
| E041019 · Alternative Member Meeting Fee                | \$0                  | \$1,652          | \$0                         | \$2,000          | \$0                         | \$2,050          |
| E041020 · Conference Expenses                           | \$0                  | \$7,835          | \$0                         | \$10,500         | \$0                         | \$10,763         |
| E041030 · Other Costs                                   | \$0                  | \$7,042          | \$0                         | \$10,500         | \$0                         | \$10,763         |
| <b>Sub Total - MEMBERS OF COUNCIL OP/EXP</b>            | <b>\$0</b>           | <b>\$172,046</b> | <b>\$0</b>                  | <b>\$186,390</b> | <b>\$0</b>                  | <b>\$191,050</b> |
| <b>OPERATING INCOME</b>                                 |                      |                  |                             |                  |                             |                  |
| <b>Sub Total - MEMBERS OF COUNCIL OP/INC</b>            | <b>\$0</b>           | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       |
| <b>Total - GOVERNANCE</b>                               | <b>\$0</b>           | <b>\$172,046</b> | <b>\$0</b>                  | <b>\$186,390</b> | <b>\$0</b>                  | <b>\$191,050</b> |
| <b>Total - GOVERNANCE</b>                               | <b>\$0</b>           | <b>\$172,046</b> | <b>\$0</b>                  | <b>\$186,390</b> | <b>\$0</b>                  | <b>\$191,050</b> |
| <b>OTHER PROPERTY AND SERVICES</b>                      |                      |                  |                             |                  |                             |                  |
| <b>SALARIES AND WAGES</b>                               |                      |                  |                             |                  |                             |                  |
| <b>OPERATING EXPENDITURE</b>                            |                      |                  |                             |                  |                             |                  |
| New · Gross Total Salaries and Wages                    | \$0                  | \$533,533        | \$0                         | \$610,598        | \$0                         | \$631,969        |
| New · Gross Total Salaries and Wages Allocated          | \$0                  | (\$533,533)      | \$0                         | (\$610,598)      | \$0                         | (\$631,969)      |
| <b>Sub Total - SALARIES AND WAGES OP/EXP</b>            | <b>\$0</b>           | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       |
| <b>Total - SALARIES AND WAGES</b>                       | <b>\$0</b>           | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>       |
| <b>UNCLASSIFIED</b>                                     |                      |                  |                             |                  |                             |                  |
| <b>OPERATING EXPENDITURE</b>                            |                      |                  |                             |                  |                             |                  |
| <b>Administration</b>                                   |                      |                  |                             |                  |                             |                  |
| E145005 · Salaries - Basic Costs                        | \$0                  | \$533,533        | \$0                         | \$610,598        | \$0                         | \$631,969        |
| E145007 · Salaries Occ. Superannuation                  | \$0                  | \$43,374         | \$0                         | \$58,007         | \$0                         | \$60,037         |
| E145011 · Advertising Staff Vacancies                   | \$0                  | \$704            | \$0                         | \$5,519          | \$0                         | \$5,657          |
| E145015 · Insurance W/comp.                             | \$0                  | \$8,819          | \$0                         | \$9,000          | \$0                         | \$8,250          |
| E145017 · Medical Exam. Costs                           | \$0                  | \$20             | \$0                         | \$300            | \$0                         | \$308            |
| E145019 · Staff Training & Dev.                         | \$0                  | \$1,749          | \$0                         | \$5,000          | \$0                         | \$5,000          |
| E145020 · Conference Expenses                           | \$0                  | \$4,477          | \$0                         | \$10,000         | \$0                         | \$10,000         |
| E145024 · Travel Expenses CEO                           | \$0                  | \$991            | \$0                         | \$5,000          | \$0                         | \$5,000          |

**Tamala Park Regional Council  
Annual Budget 2019-2020**

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

|  | ACTUAL<br>2018-19    |                    | Adopted Budget<br>2018-2019 |                    | Adopted Budget<br>2019-2020 |                    |
|--|----------------------|--------------------|-----------------------------|--------------------|-----------------------------|--------------------|
|  | Income               | Expenditure        | Income                      | Expenditure        | Income                      | Expenditure        |
| E145025 · Other Accom & Property Costs           | \$0                  | \$33,662           | \$0                         | \$43,000           | \$0                         | \$44,075           |
| E145027 · Advertising General                    | \$0                  | \$632              | \$0                         | \$16,557           | \$0                         | \$5,000            |
| E145029 · Advertising Public/Statutory           | \$0                  | \$0                | \$0                         | \$5,000            | \$0                         | \$0                |
| E145031 · Graphics Consumables                   | \$0                  | \$0                | \$0                         | \$5,000            | \$0                         | \$2,000            |
| E145033 · Photocopying                           | \$0                  | \$780              | \$0                         | \$2,000            | \$0                         | \$2,050            |
| E145037 · Postage, Courier & Freight             | \$0                  | \$473              | \$0                         | \$1,200            | \$0                         | \$1,200            |
| E145039 · Printing                               | \$0                  | \$0                | \$0                         | \$5,000            | \$0                         | \$2,000            |
| E145043 · Stationery                             | \$0                  | \$1,024            | \$0                         | \$2,000            | \$0                         | \$2,000            |
| E145045 · Other Admin Expenses                   | \$0                  | \$1,881            | \$0                         | \$5,000            | \$0                         | \$5,000            |
| E145047 · Office Telephones & Faxes              | \$0                  | \$161              | \$0                         | \$2,000            | \$0                         | \$2,000            |
| E145049 · Mobil Phones, Pages, Radios            | \$0                  | \$0                | \$0                         | \$2,000            | \$0                         | \$2,000            |
| E145053 · Bank Charges                           | \$0                  | \$216              | \$0                         | \$2,208            | \$0                         | \$2,263            |
| E145055 · Credit Charges                         | \$0                  | \$90               | \$0                         | \$200              | \$0                         | \$205              |
| E145057 · Audit Fees                             | \$0                  | \$8,789            | \$0                         | \$10,450           | \$0                         | \$10,711           |
| E145059 · Membership Fees                        | \$0                  | \$6,383            | \$0                         | \$7,880            | \$0                         | \$8,077            |
| E145061 · Legal Expenses (General)               | \$0                  | \$20,930           | \$0                         | \$20,000           | \$0                         | \$20,000           |
| E145069 · Valuation Fees                         | \$0                  | \$0                | \$0                         | \$30,000           | \$0                         | \$20,000           |
| E145075 · Promotions                             | \$0                  | \$140              | \$0                         | \$10,000           | \$0                         | \$8,000            |
| E145077 · Business Hospitality Expenses          | \$0                  | \$629              | \$0                         | \$20,000           | \$0                         | \$10,000           |
| E145079 · Consultancy                            | \$0                  | \$16,020           | \$0                         | \$20,000           | \$0                         | \$20,000           |
| E145082 · Lawyers                                | \$0                  | \$0                | \$0                         | \$30,000           | \$0                         | \$0                |
| E145083 · Research                               | \$0                  | \$0                | \$0                         | \$25,000           | \$0                         | \$20,000           |
| E145100 · Safety Clothes and Equipment           | \$0                  | \$294              | \$0                         | \$1,000            | \$0                         | \$1,000            |
| E145086 · Probity Auditor                        | \$0                  | \$0                | \$0                         | \$15,000           | \$0                         | \$0                |
| E145087 · Computer Software Mtce                 | \$0                  | \$690              | \$0                         | \$5,125            | \$0                         | \$5,000            |
| E145088 · Accounting Management                  | \$0                  | \$39,928           | \$0                         | \$50,000           | \$0                         | \$51,250           |
| E145089 · Computer Software Purchase             | \$0                  | \$12,371           | \$0                         | \$20,000           | \$0                         | \$20,500           |
| E145091 · Computer Sundries                      | \$0                  | \$0                | \$0                         | \$5,125            | \$0                         | \$5,000            |
| E145092 · Data Communication Links               | \$0                  | \$0                | \$0                         | \$5,000            | \$0                         | \$5,000            |
| E145093 · Internet Provider Costs                | \$0                  | \$9,791            | \$0                         | \$7,500            | \$0                         | \$7,688            |
| E145094 · Plant & Equipment Purchase Non-Capital | \$0                  | \$1,986            | \$0                         | \$2,000            | \$0                         | \$2,000            |
| E145095 · Furniture & Equipment Purchase         | \$0                  | \$0                | \$0                         | \$5,000            | \$0                         | \$5,000            |
| E145097 · Hire of Equipment                      | \$0                  | \$239              | \$0                         | \$2,000            | \$0                         | \$1,500            |
| E145099 · Vehicle Operating Expense              | \$0                  | \$4,438            | \$0                         | \$6,000            | \$0                         | \$6,150            |
| E145013 · Fringe Benefit Tax -Motor Vehicle      | \$0                  | \$4,718            | \$0                         | \$16,500           | \$0                         | \$10,000           |
| E145101 · Consumable Stores                      | \$0                  | \$803              | \$0                         | \$1,000            | \$0                         | \$1,025            |
| E145103 · Newspapers & Periodicals               | \$0                  | \$0                | \$0                         | \$200              | \$0                         | \$205              |
| E145105 · Publications & Brochures               | \$0                  | \$86               | \$0                         | \$500              | \$0                         | \$500              |
| E145107 · Subscriptions                          | \$0                  | \$0                | \$0                         | \$500              | \$0                         | \$513              |
| E145109 · Parking Expenses                       | \$0                  | \$110              | \$0                         | \$200              | \$0                         | \$205              |
| E145113 · Emergency Services                     | \$0                  | \$0                | \$0                         | \$10,250           | \$0                         | \$10,000           |
| E145117 · Electricity                            | \$0                  | \$0                | \$0                         | \$6,450            | \$0                         | \$6,611            |
| E145121 · Insurance - Public Liability           | \$0                  | \$2,781            | \$0                         | \$2,781            | \$0                         | \$2,894            |
| E145123 · Insurance - Property (ISR)             | \$0                  | \$5,986            | \$0                         | \$7,331            | \$0                         | \$12,948           |
| E145126 · Insurance - Personal Accident          | \$0                  | \$1,275            | \$0                         | \$1,275            | \$0                         | \$1,403            |
| E145127 · Insurance - Other                      | \$0                  | \$2,492            | \$0                         | \$2,492            | \$0                         | \$3,844            |
| E145222 · Depreciation                           | \$0                  | \$10,564           | \$0                         | \$25,381           | \$0                         | \$25,578           |
| E145452 · Recruitment_Human Resources            | \$0                  | \$18,000           | \$0                         | \$0                | \$0                         | \$0                |
| 0000000- Record Management Consultancy           | \$0                  | \$0                | \$0                         | \$10,000           | \$0                         | \$10,000           |
| 0000000- Revaluation Adjustment -Land            | \$0                  | \$200,000          | \$0                         | \$0                | \$0                         | \$0                |
| <b>Sub Total - UNCLASSIFIED OP/EXP</b>           | <b>\$0</b>           | <b>\$1,002,028</b> | <b>\$0</b>                  | <b>\$1,176,530</b> | <b>\$0</b>                  | <b>\$1,108,615</b> |
| <b>OPERATING INCOME</b>                          |                      |                    |                             |                    |                             |                    |
| I145012 · Reimbursements                         | (\$12,790)           | \$0                | (\$2,000)                   | \$0                | (\$2,050)                   | \$0                |
| I145012 · Income Other                           | \$0                  | \$0                | \$0                         | \$0                | \$0                         | \$0                |
| <b>Sub Total - UNCLASSIFIED OP/INC</b>           | <b>(\$12,790)</b>    | <b>\$0</b>         | <b>(\$2,000)</b>            | <b>\$0</b>         | <b>(\$2,050)</b>            | <b>\$0</b>         |
| <b>Total - UNCLASSIFIED</b>                      | <b>(\$12,790)</b>    | <b>\$1,002,028</b> | <b>(\$2,000)</b>            | <b>\$1,176,530</b> | <b>(\$2,050)</b>            | <b>\$1,108,615</b> |
| <b>Total - OTHER PROPERTY AND SERVICES</b>       | <b>(\$12,790)</b>    | <b>\$1,002,028</b> | <b>(\$2,000)</b>            | <b>\$1,176,530</b> | <b>(\$2,050)</b>            | <b>\$1,108,615</b> |
|  |                      |                    | <b>(\$1,087,633)</b>        | <b>\$1,409,680</b> | <b>(\$968,203)</b>          | <b>\$1,299,665</b> |
| <b>MEMBERS EQUITY</b>                            |                      |                    |                             |                    |                             |                    |
| <b>EXPENDITURE</b>                               |                      |                    |                             |                    |                             |                    |
| Contribution Refund                              | \$0                  | \$642,826          | \$0                         | \$209,337          | \$0                         | \$154,491          |
| Profit Distributions                             | \$0                  | \$4,000,000        | \$0                         | \$4,000,000        | \$0                         | \$3,000,000        |
| <b>Sub Total - MEMBERS EQUITY</b>                | <b>\$0</b>           | <b>\$4,642,826</b> | <b>\$0</b>                  | <b>\$4,209,337</b> | <b>\$0</b>                  | <b>\$3,154,491</b> |
| <b>INCOME</b>                                    |                      |                    |                             |                    |                             |                    |
| I145011 · Income Sale on Lots                    | (\$8,461,563)        | \$0                | (\$14,405,835)              | \$0                | (\$9,073,874)               | \$0                |
| I145012 · Income Other                           | (\$1,477,038)        | \$0                | (\$1,950,000)               | \$0                | \$0                         | \$0                |
| <b>Sub Total - MEMBERS EQUITY</b>                | <b>(\$9,938,601)</b> | <b>\$0</b>         | <b>(\$16,355,835)</b>       | <b>\$0</b>         | <b>(\$9,073,874)</b>        | <b>\$0</b>         |
| <b>Total - MEMBERS EQUITY</b>                    | <b>(\$9,938,601)</b> | <b>\$0</b>         | <b>(\$16,355,835)</b>       | <b>\$4,209,337</b> | <b>(\$9,073,874)</b>        | <b>\$3,154,491</b> |

**Tamala Park Regional Council  
Annual Budget 2019-2020**

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

|  | ACTUAL<br>2018-19     |                     | Adopted Budget<br>2018-2019 |                     | Adopted Budget<br>2019-2020 |                     |
|--|-----------------------|---------------------|-----------------------------|---------------------|-----------------------------|---------------------|
|  | Income                | Expenditure         | Income                      | Expenditure         | Income                      | Expenditure         |
| <b>Total - MEMBERS EQUITY</b>                | <b>(\$9,938,601)</b>  | <b>\$4,642,826</b>  | <b>(\$16,355,835)</b>       | <b>\$4,209,337</b>  | <b>(\$9,073,874)</b>        | <b>\$3,154,491</b>  |
| <b>SURPLUS</b>                               |                       |                     |                             |                     |                             |                     |
| New (Surplus) / Deficit - Brought Forward    | (\$43,807,752)        | \$0                 | (\$43,807,751)              | \$0                 | (\$43,994,530)              | \$0                 |
| New (Surplus) / Deficit - Carried Forward    | \$0                   | \$43,994,530        | \$0                         | \$34,345,153        | \$0                         | \$33,249,962        |
| <b>Sub Total - SURPLUS C/FWD</b>             | <b>(\$43,807,752)</b> | <b>\$43,994,530</b> | <b>(\$43,807,751)</b>       | <b>\$34,345,153</b> | <b>(\$43,994,530)</b>       | <b>\$33,249,962</b> |
| <b>Total - SURPLUS</b>                       | <b>(\$43,807,752)</b> | <b>\$43,994,530</b> | <b>(\$43,807,751)</b>       | <b>\$34,345,153</b> | <b>(\$43,994,530)</b>       | <b>\$33,249,962</b> |
| <b>DEPRECIATION</b>                          |                       |                     |                             |                     |                             |                     |
| New - Depreciation Written Back              | \$0                   | (\$10,564)          | \$0                         | (\$25,381)          | \$0                         | (\$25,578)          |
| New - Employee Provisions                    | \$0                   | (\$569)             | \$0                         | \$0                 | \$0                         | \$0                 |
| Movement in Inventory (non - current)        | \$0                   | (\$200,000)         | \$0                         | \$0                 | \$0                         | \$0                 |
| New - Book Value of Assets Written Back      | \$0                   | (\$46,760)          | \$0                         | (\$46,760)          | \$0                         | \$0                 |
| <b>Sub Total - DEPRECIATION WRITTEN BACK</b> | <b>\$0</b>            | <b>(\$257,893)</b>  | <b>\$0</b>                  | <b>(\$72,141)</b>   | <b>\$0</b>                  | <b>(\$25,578)</b>   |
| <b>Total - DEPRECIATION</b>                  | <b>\$0</b>            | <b>(\$257,893)</b>  | <b>\$0</b>                  | <b>(\$72,141)</b>   | <b>\$0</b>                  | <b>(\$25,578)</b>   |
| <b>FURNITURE AND EQUIPMENT</b>               |                       |                     |                             |                     |                             |                     |
| <b>OTHER PROPERTY AND SERVICES</b>           |                       |                     |                             |                     |                             |                     |
| <b>EXPENDITURE</b>                           |                       |                     |                             |                     |                             |                     |
| E168513 - General Office Equipment           | \$0                   | \$0                 | \$0                         | \$10,000            | \$0                         | \$5,000             |
| E168565 - Office Furniture CEO               | \$0                   | \$0                 | \$0                         | \$5,000             | \$0                         | \$0                 |
| E168566 - Computer Equipment - Server        | \$0                   | \$0                 | \$0                         | \$0                 | \$0                         | \$10,000            |
| E168524 - Sony Bravia Conference Room TV     | \$0                   | \$0                 | \$0                         | \$1,000             | \$0                         | \$0                 |
| <b>Sub Total - CAPITAL WORKS</b>             | <b>\$0</b>            | <b>\$0</b>          | <b>\$0</b>                  | <b>\$16,000</b>     | <b>\$0</b>                  | <b>\$15,000</b>     |
| <b>Total - OTHER PROPERTY AND SERVICES</b>   | <b>\$0</b>            | <b>\$0</b>          | <b>\$0</b>                  | <b>\$16,000</b>     | <b>\$0</b>                  | <b>\$15,000</b>     |
| <b>Total - FURNITURE AND EQUIPMENT</b>       | <b>\$0</b>            | <b>\$0</b>          | <b>\$0</b>                  | <b>\$16,000</b>     | <b>\$0</b>                  | <b>\$15,000</b>     |
| <b>LAND AND BUILDINGS</b>                    |                       |                     |                             |                     |                             |                     |
| <b>OTHER PROPERTY AND SERVICES</b>           |                       |                     |                             |                     |                             |                     |
| <b>EXPENDITURE</b>                           |                       |                     |                             |                     |                             |                     |
| <b>Sub Total - CAPITAL WORKS</b>             | <b>\$0</b>            | <b>\$0</b>          | <b>\$0</b>                  | <b>\$0</b>          | <b>\$0</b>                  | <b>\$0</b>          |
| <b>Total - OTHER PROPERTY AND SERVICES</b>   | <b>\$0</b>            | <b>\$0</b>          | <b>\$0</b>                  | <b>\$0</b>          | <b>\$0</b>                  | <b>\$0</b>          |
| <b>Total - LAND AND BUILDINGS</b>            | <b>\$0</b>            | <b>\$0</b>          | <b>\$0</b>                  | <b>\$0</b>          | <b>\$0</b>                  | <b>\$0</b>          |
| <b>PLANT AND EQUIPMENT</b>                   |                       |                     |                             |                     |                             |                     |
| <b>OTHER PROPERTY AND SERVICES</b>           |                       |                     |                             |                     |                             |                     |
| <b>EXPENDITURE</b>                           |                       |                     |                             |                     |                             |                     |
| 0000000 Motor Vehicle - CEO                  | \$0                   | \$63,101            | \$0                         | \$66,000            | \$0                         | \$0                 |
| <b>Sub Total - CAPITAL WORKS</b>             | <b>\$0</b>            | <b>\$63,101</b>     | <b>\$0</b>                  | <b>\$66,000</b>     | <b>\$0</b>                  | <b>\$0</b>          |
| <b>Total - OTHER PROPERTY AND SERVICES</b>   | <b>\$0</b>            | <b>\$63,101</b>     | <b>\$0</b>                  | <b>\$66,000</b>     | <b>\$0</b>                  | <b>\$0</b>          |
| <b>Total - PLANT AND EQUIPMENT</b>           | <b>\$0</b>            | <b>\$63,101</b>     | <b>\$0</b>                  | <b>\$66,000</b>     | <b>\$0</b>                  | <b>\$0</b>          |
| <b>INFRASTRUCTURE ASSETS - OTHER</b>         |                       |                     |                             |                     |                             |                     |
| <b>Land Development Costs</b>                |                       |                     |                             |                     |                             |                     |
| New-Land & Special Sites Development         | \$0                   | \$347,755           | \$0                         | \$6,022,300         | \$0                         | \$5,221,297         |
| 99.4 - Land Develop - Consultants            | \$0                   | \$290,615           | \$0                         | \$627,487           | \$0                         | \$575,247           |
| 99.5 - Land Develop - Landscape              | \$0                   | \$1,905,822         | \$0                         | \$4,528,779         | \$0                         | \$2,906,368         |
| 99.1 - Land Develop - Infrastructure         | \$0                   | \$177,762           | \$0                         | \$141,182           | \$0                         | \$1,409,141         |
| 99.9 - Land Develop - Bulk Earthworks        | \$0                   | \$0                 | \$0                         | \$78,905            | \$0                         | \$0                 |
| 99.2 - Land Develop - Lot Production         | \$0                   | \$596,819           | \$0                         | \$3,600,062         | \$0                         | \$1,930,449         |
| 99.6 - Land Develop - Admin Land Dev         | \$0                   | \$618,268           | \$0                         | \$869,990           | \$0                         | \$1,127,427         |
| New-Community Development                    | \$0                   | \$78,404            | \$0                         | \$192,500           | \$0                         | \$192,500           |
| New-Contingency                              | \$0                   | \$0                 | \$0                         | \$827,760           | \$0                         | \$685,621           |
| New-finance                                  | \$0                   | \$0                 | \$0                         | \$86,868            | \$0                         | \$50,000            |
| Debtors /Creditors Movement                  | \$0                   | \$0                 | \$0                         | \$0                 | \$0                         | \$0                 |
| <b>Consultancy</b>                           |                       |                     |                             |                     |                             |                     |
| <b>-Env Innovation Consultancies</b>         |                       |                     |                             |                     |                             |                     |
| <b>-Admin-Operational Consultancies</b>      |                       |                     |                             |                     |                             |                     |
| E145451 - GST management                     | \$0                   | \$5,760             | \$0                         | \$20,000            | \$0                         | \$15,000            |
| E145452 - Recruitment_Human Resources        | \$0                   | \$0                 | \$0                         | \$5,000             | \$0                         | \$5,000             |
| <b>Property Development Services</b>         |                       |                     |                             |                     |                             |                     |

**Tamala Park Regional Council  
Annual Budget 2019-2020**

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

|  | ACTUAL<br>2018-19 |             | Adopted Budget<br>2018-2019 |              | Adopted Budget<br>2019-2020 |              |
|--|-------------------|-------------|-----------------------------|--------------|-----------------------------|--------------|
|  | Income            | Expenditure | Income                      | Expenditure  | Income                      | Expenditure  |
| <b>-Property Admin and Approvals</b>         |                   |             |                             |              |                             |              |
| E145041 · Signage/Decals                     | \$0               | \$0         | \$0                         | \$5,000      | \$0                         | \$5,000      |
| E145042 · Branding/Marketing                 | \$0               | \$0         | \$0                         | \$10,000     | \$0                         | \$10,000     |
| <b>-Mtce Services-Land</b>                   |                   |             |                             |              |                             |              |
| E145204 · Fences/Walls                       | \$0               | \$0         | \$0                         | \$3,000      | \$0                         | \$3,000      |
| E145206 · MtceServices-Land                  | \$0               | \$0         | \$0                         | \$5,000      | \$0                         | \$5,000      |
| <b>-Sales Expenditure</b>                    |                   |             |                             |              |                             |              |
| E145216 · Direct Selling Expenses            | \$0               | \$990,941   | \$0                         | \$3,734,358  | \$0                         | \$1,795,018  |
| E145218 · Sales and Marketing                | \$0               | \$297,468   | \$0                         | \$494,000    | \$0                         | \$350,000    |
| <b>-Other Expenditure</b>                    |                   |             |                             |              |                             |              |
| E145029 · Advertising Public/Statutory       | \$0               | \$6,329     | \$0                         | \$10,000     | \$0                         | \$17,000     |
| E145061 · Legal Expenses (General)           | \$0               | \$4,092     | \$0                         | \$10,000     | \$0                         | \$30,000     |
| E145086 · Probity Auditor                    | \$0               | \$3,503     | \$0                         | \$5,000      | \$0                         | \$10,000     |
| <b>Sub Total - CAPITAL WORKS</b>             | \$0               | \$5,323,538 | \$0                         | \$21,277,191 | \$0                         | \$16,343,068 |
| <b>Total - OTHER</b>                         | \$0               | \$5,323,538 | \$0                         | \$21,277,191 | \$0                         | \$16,343,068 |
| <b>Total - INFRASTRUCTURE ASSETS - OTHER</b> | \$0               | \$5,323,538 | \$0                         | \$21,277,191 | \$0                         | \$16,343,068 |

# Appendix 9.7

CONFIDENTIAL

# Appendix 9.8



# **Tamala Park Regional Council Risk Management Framework**

V2 19 February 2019

## Revision History

| Date       | Author   | Version  | Description   |
|------------|----------|----------|---------------|
| 19/12/2018 | Riskwest | Draft V1 | Final Draft   |
| 19/02/2019 | TPRC     | Draft V2 | Amended Draft |

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## 1. Organisational Context

**Organisations of all types and sizes face internal and external factors and influences that make it uncertain whether and when they will achieve their objectives. The effect this uncertainty has on an organisation's objectives is RISK”.<sup>1</sup>**

Tamala Park Regional Council (TPRC) operates in a challenging risk environment. Economic uncertainties coupled with varied member Council expectations and an uncertain future demand for residential and non-residential developments drive the need for the Council to both understand and manage the risks associated with the successful delivery of the Catalina Development Project. A systematic and structured enterprise-wide approach to risk management enables us to effectively deal with both known and emerging uncertainty arising from potential threats and opportunities.

“Risk Management” is concerned with the processes and structures to understand and optimise the impact of uncertainty on objectives, whilst at the same time minimising any downside risk. The risk management process is defined as “the systematic application of management policies, procedures and practices to the activities of communicating and consulting, establishing the context, identifying, analysing, evaluating, treating, monitoring and reviewing risk”.<sup>1</sup>

This framework describes the policy, responsibilities, approach, and processes for managing risk within TPRC. It also defines the resources and mechanisms by which the framework is monitored, reviewed and continually improved.

## 2. Risk Management Policy

### 2.1 Policy Statement

The management of risk is an integral part of effective management and an essential element of good corporate governance. Risk management processes are embedded in all aspects of our operations, planning, reporting, management and decision-making practices. Risk-based decision-making is underpinned by an understanding of the environment in which we operate and the appetite for risk as defined by the TPRC Council.

### 2.2 Objectives

The objectives of risk management are:

- To provide greater visibility of TPRC’s risk exposure across all its activities and functions.
- To ensure that all risks are assessed against the Risk Appetite as set by the Council and outlined in the Risk Appetite Statement. (to be developed end 2019)
- To ensure that all employees are aware of the need to identify and manage risk.
- To promote a culture of risk-based decision-making.
- To ensure that strategies, plans and controls are focused on maximising opportunities and minimising the negative impact of uncertainties.
- To deliver greater transparency, objectivity and accountability in decision-making.

<sup>1</sup> AS/NZS ISO 31000:2009 Risk Management - Principles and Guidelines.

- To facilitate the identification of critical and vulnerable areas of operations to provide focus for implementing measures to improve operational resilience and continuity.
- To provide greater visibility of Catalina project risk exposure and accountability and reporting from the Development Manager.

### 2.3 Commitment

Our ongoing commitment to continually improving the way in which we manage will be achieved by:

- Ensuring our management systems embed risk management practices and ensure they are properly and consistently implemented with this Framework,
- Ensuring everybody understands their risk management responsibilities,
- Providing transparency of processes and to ensure the best available information is used to assess, control and treat risks and,
- Continuing to provide appropriate resources, equipment, skills and training to implement the Risk Management Framework.

### 2.4 Review

The Risk Management Framework, including the Policy and Risk Appetite Statements, have been endorsed by Council and will be reviewed on an annual basis to reflect changes in our internal and external environment, objectives and strategies.

*Note: The Risk Appetite statements are to be developed end 2019.*

### 2.5 Responsibilities

Council Members, employees and the Development Manager (Satterley Property Group) all have an important role to play in the effective implementation of this Risk Management Framework. Accountability, responsibility and oversight is fully aligned with our management structure such that the management of risk is fully embedded.

#### TPRC Council

- Is accountable for the overall performance of TPRC, including the appropriate management of risk.
- Is responsible for identifying any emerging/strategic risks associated with the strategic direction of the Council.
- Is responsible for the management of risks associated with governance of the Council.
- Is responsible for the oversight of the **material**<sup>2</sup> risks.
- Sets the risk appetite and tolerance levels for TPRC.

#### Audit Committee

- Oversees TPRC's risk management practices.
- Delegates the management of corporate risks to the CEO.

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<sup>2</sup> A **MATERIAL** risk is defined as any risk which has the potential for a Major or Catastrophic impact on the people, operations, financials or reputations of Catholic Homes.

## CEO

- Delegates the controls and actions relating to those risk to the relevant personnel.
- Monitors and reviews material risks to the organisation (i.e. those rated SIGNIFICANT or HIGH or those which have the potential for a MAJOR or CATESTROPHIC impact on TPRC) across operations and the development project.
- Is accountable for the implementation of risk management framework.
- Maintains Corporate Risk Register.
- Co-ordinates project risk reports to the Management Committee (every six months) of all project risks.
- Is responsible for the management of strategic and organisational risks as noted in the Corporate Risk Register.
- Coordinating the risk dashboard reports (TPRC corporate and SPG Catalina Development) to the Audit Committee and the Council.

## Development Manager supported by the Management Committee

- Is responsible for the management of the development project risks as noted in the SPG Catalina Development Project Risk Register.
- Maintains the Catalina Development Project Risk Register.
- Provides updates of the Catalina Development Project Risk Register to the CEO and Management Committee on a six-monthly basis.

## 2.6 Risk acceptance criteria

TPRC has risk assessment criteria in place for the purpose of providing guidance as to how risks are to be assessed and evaluated. The criteria are based on a set of semi-quantitative measures of potential consequence and likelihood which are combined to provide an assessment of the overall level of risk. The assessment criteria also provide guidance as to the evaluation of the current control environment.

Risks arising from TPRC's functions and activities are measured across four fundamental consequence areas:

- Injuries to staff, contractors or general public
- Financial Loss
- Reputation
- Organisational Performance

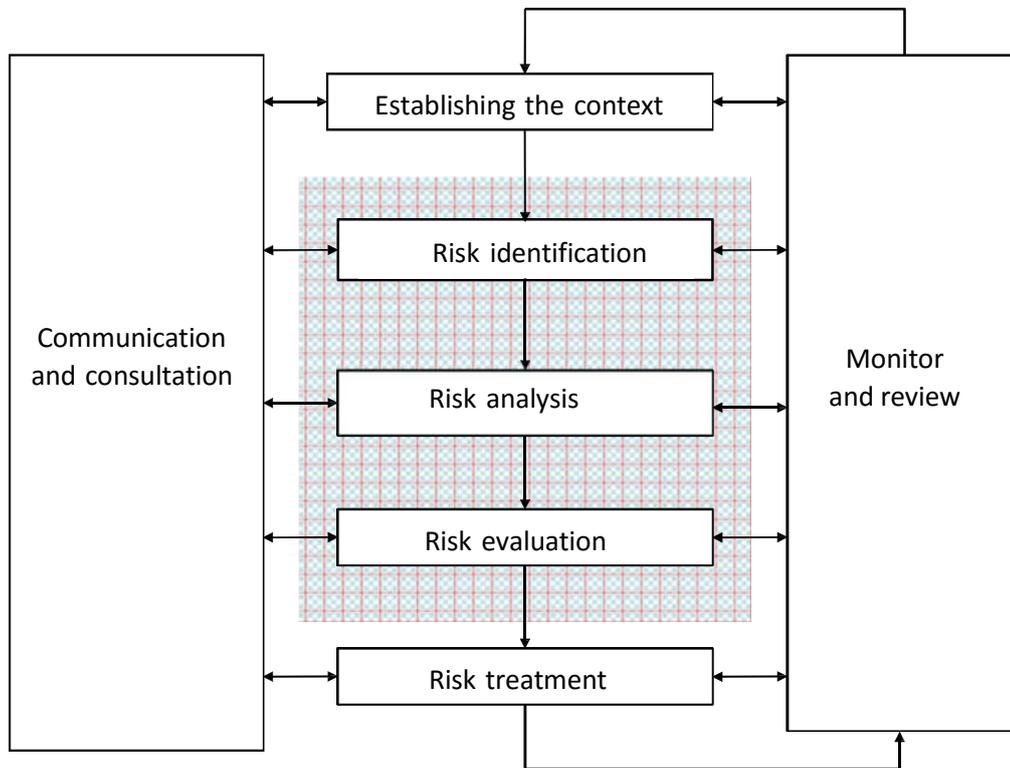
The risk assessment criteria comprise of 4 tables which are shown in Attachment 2:

- Measures of Consequence or Impact
- Measures of Likelihood
- Existing Controls Rating
- Risk Matrix and Criteria for Managing Risks

Risk assessment criteria is used in conjunction with TPRC's defined risk appetite to determine the acceptability of any risk.

### 3. Risk Management Process

The diagram below summarises the Risk Management Process as defined in AS/NZ ISO 31000:2009.



The key elements of a risk management process are as follows:

- **Establish the context** means understanding TPRC’s objectives, defining internal and external factors that could be a source of uncertainty and setting the risk criteria for the evaluation and acceptance of risks. At a specific risk assessment level, it involves defining the scope, boundaries and approach for the review, as well as the key stakeholders who need to be involved.
- **Risk identification** determines what, why and how risks could arise, and the consequences these would have on an activity, project and/or TPRC.
- **Risk analysis** considers the level of risk, as defined by the risk assessment criteria, by understanding the consequences and likelihood of those risks. Analysis takes into account the effectiveness of existing controls.
- **Risk evaluation** compares the level of risk against the risk criteria and considers the acceptability of the risk and the need for treatment.
- **Risk acceptance** is the conscious decision to accept a risk. The decision is made based on the evaluation of the risk, the opportunity that is associated with the risk and the principles defined in the TPRC Risk Appetite statements. Any risk that is not within the desired risk appetite should be “treated”.

- **Risk treatment** involves assessing and selecting one or more options for reducing the level of risk which may include changing the activity, transferring the risk, reducing the consequences or likelihood, or improving the control environment.
- **Communication and consultation** take place throughout the risk management process with all identified stakeholders to ensure those accountable for managing the risks understand the basis upon which decisions are made.
- **Monitoring and review** ensures that the risk and control environment is monitored and reported on to ensure that the organisations changing context and priorities are managed and emerging risks identified.

For details of the process, refer to Attachment 3.

## 4. Integrating Risk Management

The following principles underpin our approach to integrating risk management within TPRC.

### 4.1 Management of Corporate Risks

**Corporate risks** are those relating to the successful delivery of TPRC's strategic outcomes, as well as those relating to the operations of the Council and its Executive.

The identification and management of **corporate risks** is an integral part of strategic and operational planning and review activities and is the responsibility of the CEO in conjunction with the Council Members. All **corporate risks** are monitored and reviewed on a six monthly basis by the Council. Options papers presented to the Council for discussion or decision should be supported by a risk summary which illustrates the nature and magnitude of both the "upside" and "downside" risks.

### 4.2 Management of the Catalina Development Project Risks (Development Manager)

The **Catalina Development project risks** are identified, assessed, managed and reported by the Development Manager in accordance with the process documented in this framework. The development project has its own risk register which is aligned with the format of the Corporate risk register and captures the key risks associated with the delivery of project objectives and outcomes.

### 4.3 Emerging Risks

Whilst risks are identified as part of the planning and regular management activities of the organisation, as noted above, it is critical that any **emerging** corporate or project risks which may have the potential for a Major or Catastrophic consequence, as defined by the approved risk assessment criteria, should be reported to the CEO and the Council immediately.

### 4.4 Risk Monitoring and Oversight

Scheduled risk reporting is on a six-monthly basis via consolidated dashboards containing key oversight information, using excel spreadsheets.

The CEO is responsible for reporting the following information to the Audit Committee and Council:

- Dashboard report of all material **corporate** and **project** risks, i.e. those risk rated SIGNIFICANT or HIGH and any risk with a potential consequence of Major or Catastrophic.

- Detail reports as required.
- All dashboard reports are to contain information relating to the nature of the risk, the current risk rating, the trend/direction of the risk, an assessment of the control environment and a status flag to indicate whether the risk has been managed to an acceptable level.

The Development Manager is required to report the Catalina Development Project Risks to the Management Committee for oversight every second meeting (i.e. every 4 months)

In addition to the required risk reporting, risk is a standing agenda item at all Audit Committee meetings, Council meetings and Management Committee meetings. This is to ensure that there is the opportunity to discuss any changes, opportunities or issues which may relate to existing areas of risk or which may give rise to new risks, as they become apparent.

## **5. Capability and Support**

### **5.1 Resources**

TPRC acknowledges the need to allocate appropriate resources for risk management. This includes consideration and planning for the following:

- Recruitment, JDF and performance management to include assessment of risk management skills, experience and competence relevant to their role;
- Training of people in risk management relevant to their role;
- Tools to be used for managing risk, including the use of electronic information management systems, templates and checklists.

### **5.2 Support**

The CEO will ensure that staff have the necessary support to identify, manage and report on key risks.

## **6. Review and Continuous Improvement**

This framework document is to be endorsed by the TPRC Council and is reviewed on an annual basis to reflect changes in the internal and external environment, strategic objectives and risk appetite of the organisation.

Ongoing commitment to continually improve the way in which TPRC manage risks will be achieved by:

- Ensuring risk management processes are properly implemented;
- Ensuring everybody understands their risk management responsibilities;
- Ensuring transparency of processes and full reporting of incidents to ensure best available information is used to assess and treat risks and;
- Continuing to provide appropriate resources, equipment, skills and training to implement this framework.

## Attachment 1: Glossary

| Term                   | Definition  |
|------------------------|---|
| <b>Cause</b>           | The factors, either root or contributory, that may give rise to a risk event. A risk can have multiple causes.  |
| <b>Consequence</b>     | The impact or outcome of a risk eventuating. A risk can have multiple consequences and can be expressed qualitatively or quantitatively.  |
| <b>Control</b>         | A procedure, system, activity or process that is <b>existing</b> and reduces the likelihood and/or consequences of a risk. A risk may have more than one control, and a control may address more than one risk.                 |
| <b>Level of Risk</b>   | Magnitude of a risk expressed in terms of the combination of consequences and their likelihood.   |
| <b>Likelihood</b>      | Chance of something happening.  |
| <b>Material Risk</b>   | Any risk that could substantively impact TPRC's ability to create or preserve value for stakeholders over the short, medium or long term.   |
| <b>Risk</b>            | Effect of uncertainty on objectives.  |
| <b>Risk Appetite</b>   | The degree that an organisation is willing to accept risk in order to achieve its objectives.   |
| <b>Risk Assessment</b> | A systematic use of available information to determine how often specified risks may occur and the magnitude of their consequences.   |
| <b>Risk Management</b> | The systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, assessing, treating and monitoring risk.   |
| <b>Risk Register</b>   | A document developed in accordance with this framework which records the risks that have been identified, the current control environment, the Level of Risk and the decision as to whether further risk treatment is required. |
| <b>Risk Tolerance</b>  | The amount of risk that an organisation is able to withstand.   |
| <b>Risk Transfer</b>   | Shifting the responsibility or burden for loss to another party through legislation, contract, insurance or other means. Risk transfer can also refer to shifting a physical risk or part thereof elsewhere.                    |
| <b>Risk Treatment</b>  | Selection and implementation of appropriate options for mitigating a risk.  |

## Attachment 2: RISK ASSESSMENT CRITERIA

NOTE: These tables have been specifically developed to reflect the nature of the operations of the TPRC and the risk perspective of the Council Members

### MEASURES OF CONSEQUENCE OR IMPACT

| LEVEL | RANK          | INJURIES TO STAFF, CONTRACTORS AND GENERAL PUBLIC (PHYSICAL AND PSYCHOLOGICAL)              | FINANCIAL LOSS   | REPUTATION  | ORGANISATIONAL PERFORMANCE  |
|-------|---------------|---|------------------|---|---|
| 1     | Insignificant | No injuries.  | < \$150,000      | Isolated individual's issue-based complaint. No media coverage.   | Impact managed through normal business practices.   |
| 2     | Minor         | First aid treatment.  | \$150,000 - \$1M | Local community impacts or issue-based concerns. Low media profile.   | Impact requires additional local management effort or response or redirection of resources to respond.  |
| 3     | Medium        | Medical treatment required.   | \$1M - \$10M     | Community impacts and concerns publicly expressed. Reduced confidence by community and stakeholders. Substantiated public embarrassment, short term negative media profile.   | Delays in critical services or programs. Administration of project or activity subject to significant review or change. One or more critical outcomes only partially achieved. Impact requires short term significant management and organisational resources to respond.                                     |
| 4     | Major         | Serious injury/illness requiring immediate emergency response or prolonged hospitalisation. | \$10M-\$75M      | Considerable and prolonged community impact and dissatisfaction publicly expressed. Criticism and loss of confidence and trust by community and stakeholders in organisations processes and capabilities. Organisation's integrity in question. Significant media attention. Sustained negative media profile. Third party actions. | Long term viability of organisation is threatened. One or more critical services or programs cannot be delivered. Majority of critical outcomes only partially achieved, or a single critical outcome not achieved. Impact requires long term significant management and organisational resources to respond. |
| 5     | Catastrophic  | Single death  | > \$75M          | Significant adverse community impact and condemnation. Consistent ongoing community loss of confidence and trust in organisation's capabilities and intentions. High widespread negative media/ sustained negative campaigns.   | Majority of critical services or programs cannot be delivered. Majority of critical outcomes not achieved. Impact cannot be managed within the organisation's existing resources and threatens survival of the organisation.  |

**MEASURES OF LIKELIHOOD**

| LEVEL | DESCRIPTOR     | DESCRIPTION #1   | FREQUENCY                   | PROBABILITY |
|-------|----------------|--|-----------------------------|-------------|
| 1     | Rare           | The event may occur only in exceptional circumstances. | Less than once in 15 years  | <10%        |
| 2     | Unlikely       | The event could occur at some time.                    | At least once in 15 years   | 10-30%      |
| 3     | Possible       | The event should occur at some time.                   | At least once in 5-15 years | 30-70%      |
| 4     | Likely         | The event will probably occur in most circumstances.   | Once in 1-5 years           | 70-90%      |
| 5     | Almost certain | The event is expected to occur in most circumstances.  | More than once per year     | >90%        |

**Note:** When estimating and rating the future Likelihood of a risk event, use the rating scale that is most appropriate to the context of the risk. For example, the probability scale is generally used for risks relating to activities with a defined timeframe (e.g. projects) and the frequency scale for risk relating to activities that are ongoing. Regardless of which scale is used, it is important that any Likelihood rating can be substantiated by solid reasoning and validated by metrics and evidence where possible.

**EXISTING CONTROLS**

| LEVEL | DESCRIPTOR | DESCRIPTION   |
|-------|------------|---|
| E     | Effective  | All controls are fully effective, and the overall control environment provides strong assurance that the risk is being managed. Control objectives are being met and no improvements to controls have been identified.  |
| A     | Adequate   | A few specific control weaknesses noted however the overall control environment is adequate and appropriate and provides reasonable assurance that the risk is being managed. Certain controls may require improvement to ensure that the overall environment will continue to operate effectively. |
| I     | Inadequate | Numerous specific controls weaknesses or gaps were noted. Overall control environment is not adequate or effective and fails to provide reasonable assurance that risks are being managed and control objectives are being met. The control environment needs improvement.                          |

TPRC Risk Management Framework

RISK MATRIX

|                                 |                  |                        |             |             |             |                   |
|---------------------------------|------------------|------------------------|-------------|-------------|-------------|-------------------|
| Measure of Consequence / Impact | 1. Insignificant | Low                    | Low         | Low         | Low         | Moderate          |
|                                 | 2. Minor         | Low                    | Low         | Moderate    | Moderate    | Moderate          |
|                                 | 3. Medium        | Low                    | Moderate    | Moderate    | Significant | Significant       |
|                                 | 4. Major         | Moderate               | Moderate    | Significant | High        | High              |
|                                 | 5. Catastrophic  | Moderate               | Significant | High        | High        | High              |
|                                 |                  | 1. Rare                | 2. Unlikely | 3. Possible | 4. Likely   | 5. Almost Certain |
|                                 |                  | Measures of Likelihood |             |             |             |                   |

CRITERIA FOR MANAGING RISK

| LEVEL OF RISK | CRITERIA FOR MANAGEMENT OF RISK   | REPORTING TO  | WHO IS RESPONSIBLE |
|---------------|---|---|--------------------|
| Low           | Acceptable with adequate controls (subject to alignment with risk tolerance and appetite) | Annual reporting to Audit Committee   | Risk Owner         |
| Moderate      | Acceptable with adequate controls (subject to alignment with risk tolerance and appetite) | Annual reporting to Audit Committee   | Risk Owner         |
| Significant   | Refer to CEO for acceptance decision  | Monthly reporting to CEO. 4 monthly reporting to Audit Committee and Council. | CEO                |
| High          | Refer to Council/CEO for acceptance decision  | Immediate and ongoing reporting to CEO & Council                              | Council Chair/CEO  |

## Attachment 3: Risk Management Process

### **1. Communication and consultation**

Communication and consultation with external and internal stakeholders is an essential and valuable part of the risk management process. A consultative team approach to identifying, assessing and treating risk is the preferred approach within TPRC as it provides the opportunity for cross-area, multiple stakeholder input and expertise. Effective and appropriate communication and consultation has shown to deliver considerable and often unforeseen benefits by:

- Fostering a common understanding of the challenges facing an organisation, project or team;
- Providing a forum to share individual perspectives on risk taking, and the opportunity to develop a shared, organisational view of what is appropriate management of risk;
- Enhancing accountability through shared agreement around actions and responsibilities.

### **2. Establishing the context**

Prior to commencing a risk management exercise, the context for the activity needs to be clearly specified. This includes defining:

- the purpose of the risk exercise and the expected outcomes;
- the scope, boundaries, assumptions and interrelationships;
- the environment, objective, strategy, activity, process, function, project, product, service or asset under consideration;
- the risk assessment methodologies or approach.

Once this is determined, the essential personnel who need to be involved in the assessment can be identified.

### **3. Risk identification**

The context defined in the previous step is used as the starting point to identifying risks. A practical and effective approach to risk identification is to consider what is critical to the successful achievement of the objectives related to that particular context, and what are the potential opportunities or “road blocks” arising from areas of uncertainty (e.g. assumptions, limitations, external factors, etc.). Included in this consideration are any internal or external events or situations which may give rise to a risk, and also any risks identified through internal or third-party audits, assessments and reviews.

For each risk, you should identify possible causes of the risk event. Each risk may have one or more causal factors which can either directly or indirectly contribute to the risk event occurring. Identifying the range of causes will assist in understanding the risk, identifying the controls, evaluating the adequacy of existing controls and designing effective risk treatments. This step should also consider the potential consequences of the risk event, including knock-on or cascading effects.

Whilst this approach works well for many organisational or project risks, there may be situations where alternative risk identification techniques are better suited. For example, bow tie analysis methodology is a technique commonly used to carry out a more detailed analysis of high consequence low likelihood events, from both a preventative and mitigative controls perspective.

#### **4. Risk analysis and evaluation**

Risk analysis and evaluation involves:

- Identifying and evaluating any existing **controls**;
- Analysing the risk in terms of **consequences** and **likelihood**, taking into account the effectiveness of the controls;
- Comparing the level of risk with the guidelines defined in the risk matrix as to the acceptability of the risk.

Risk analysis can be undertaken with varying degrees of detail, depending on the risk, the purpose of the analysis, and the information, data and resources available. Analysis can be qualitative, semi-quantitative or quantitative, or a combination of these, depending on the circumstances.

#### **Controls**

Controls are the measures that are currently in place (i.e. at the time of the risk assessment), that reduce the consequences and/or likelihood of the risk. Controls need to be tangible, auditable and documented. Examples of controls include specific policies, procedures, training programs etc.

#### **Consequence**

A risk that eventuates may impact TPRC across a number of different areas, to a greater or lesser extent. Consequences of the risk can be assessed across the relevant consequence categories, which are defined in the risk matrix.

#### **Likelihood**

This describes how likely it is that a risk will eventuate with the defined consequences. Likelihood can be assessed in terms of probability or frequency, depending on what is most appropriate for the risk under consideration. When you are rating the likelihood of a risk, ask yourself “How likely is it for this risk to occur, given the existing controls, to the level of consequence identified?”

#### **Level of Risk**

The Level of Risk, or Risk Rating, is calculated by multiplying the consequence and likelihood ratings. For any risk, there may be a number of different consequence/ likelihood scenarios. Within each category there may be multiple scenarios ranging from ‘minor but likely’ to ‘catastrophic but rare’.

It is important to rate what is the realistic worst-case scenario. In some instances, it may be appropriate to rate the same consequence category more than once. Where there are multiple ratings for a risk, the highest combination of consequence/likelihood is taken as the level of risk. The level of risk is then compared against the defined risk matrix to assist the risk owner in determining whether a risk requires further treatment.

#### **5. Risk Acceptance/Treatment Decision**

Once a risk has been analysed and evaluated, the risk owner makes an informed decision to do one of the following:

- Accept the risk – the opportunity outweighs the risk; the existing controls meet the specified Risk Assessment Criteria and the risk is within the defined appetite of TPRC;
- Avoid the risk – do not carry on with the activity that is associated with the risk, or transfer the risk to a third party;

- Treat the risk – reduce the consequence, likelihood or both and/or improve the controls rating by strengthening existing controls or developing new controls so that the risk can be accepted.

### **6. Risk treatment**

Risk treatment involves identifying a range of options to reduce the consequences and/or likelihood of a risk, or improve the control rating, evaluating those options, preparing treatment plans, and implementing them. Other than the option to avoid the risk entirely, treatment options will do one or more of the following:

- Reduce the consequences of the risk if it eventuates (particularly relevant for those risk where the source of the risk is outside the control of TPRC);
- Reduce the likelihood of the risk eventuating;
- Improve the controls rating to ‘adequate’ or ‘comprehensive’;

Selecting the most appropriate risk treatment option involves balancing the costs and efforts of implementation against the benefits derived, with due consideration of any additional risk that the treatment action may generate. Action plans should include:

- Proposed actions – what is the selected treatment?
- Resource requirements – what is required to implement the treatment?
- Responsibility – who has responsibility to implement the treatment – i.e. treatment owner?
- Timing – what are the timeframes for treatment implementation?
- Reporting and monitoring requirements – who needs to be informed during and at completion of the implementation of the treatment? How will the implementation be monitored?

Following the implementation of the treatment options, the level of risk needs to be re-evaluated to determine if the treatment reduces the risk to an acceptable level. If not, further treatment options may need to be selected. In many cases, risk treatments become new controls or improve the effectiveness of existing controls.

### **7. Monitoring and review**

Risk monitoring and review is an integral part of the planning, management and oversight activities of TPRC. These are specified in ‘Integrating Risk Management’, section 4 of this framework document.

### TAMALA PARK REGIONAL COUNCIL RISK REGISTER (May 2019)

| Risk Identification & Analysis |  |  |   |  |   | Risk Assessment     |                      |                    |                   |                    | Further Mitigations - Action Plans  | Notes | Risk Owner       |
|--------------------------------|--|--|---|--|---|---------------------|----------------------|--------------------|-------------------|--------------------|---|-------|------------------|
| Risk Ref No                    | Context  | Risk Description   | Possible Causes   | Consequences   | Controls  | Current Risk Rating |                      |                    |                   |                    |   |       |                  |
|                                |  |  |   |  |   | Control Rating      | Consequence Category | Consequence Rating | Likelihood Rating | Level of Risk      |   |       |                  |
| 1                              | Strategic - Common Vision.                               | Lack of agreed/common Objectives/Vision by Member Councils.                      | Differing priorities and expectations of the Member Councils; Differing expectations on timing/quantum of distributions to Member Councils; Over-reliance on potential distributions from the Development by Member Councils; Council Members not in agreement with or conversant with Objectives/Vision.   | Non-achievement / delays to objectives; Financial Loss; Reputation damage; Difficult decision making and governance. | 1. Establishment Agreement sets regional purpose and TPRC objectives;<br>2. Strategic Community Plan provides Vision, Objectives and Strategies, (approved but under review);<br>3. Corporate Business Plan which aligns financial outcomes with the Vision & Objectives;<br>4. Long Term Financial Plan (approved) sets out long term financial projections/outcomes;<br>5. Information pack provided to Councillors as part of induction.<br>6. Strategic Community Plan Summary (Vision, Objectives and Strategies) approved by Council (April 2019) | Adequate            | OP<br>FL<br>RI       | 3<br>Medium        | 2<br>Unlikely     | <b>MODERATE</b>    | 1. Members to confirm acceptance to Strategic Community Plan (Sept 2019).   |       | Chair of Council |
| 2                              | Strategic - Stable and effective governance environment. | Failure to establish and maintain a stable and effective governance environment. | Members are not sufficiently conversant/experienced /skilled for effective decision-making and to deal with emerging issues; Members are not sufficiently aware or not in agreement with TPRC strategic documents; Lack of Members' understanding of and/or acceptance of TPRC Vision/Objectives; Loss of key personnel/Member council representatives; Withdrawal of a Member Council. | Non-achievement / delays to objectives; Financial Loss; Reputation damage; Difficult decision making and governance. | 1. Information pack provided to Councillors as part of induction;<br>2. One to one briefings with CEO offered;<br>3. Annual Council Project Inspection arranged;<br>4. SPG and TPRC Executive provides reports/information to Council Meetings;<br>5. Establishment Agreement (provides dispute resolution and arrangements for vacating Member);<br>6. Annual review and approval by Council of TPRC strategic documents.  | Adequate            | OP<br>FL<br>RI       | 3<br>Medium        | 3<br>Possible     | <b>SIGNIFICANT</b> | 1. Establish a mechanism to ensure that Members attend inductions, briefing and project inspections (in line with Council elections Oct 2019);<br>2. Formal declarations of familiarity with information provided (in line with Council elections Oct 2019);<br>3. Formal declarations of support for TPRC Vision/Objectives (in line with Council elections Oct 2019). |       | Chair of Council |

|   |  |   |   |  |   |          |                  |   |               |                 |  |  |            |
|---|--|---|---|--|---|----------|------------------|---|---------------|-----------------|--|--|------------|
| 3 | Development Project - Development Manager ability to deliver.    | Failure to ensure the Development Manager delivers on the required objectives/scope of work.                  | Poor oversight of SPG; KPIs not measurable (qualitative not quantitative); Lack of clear instructions/direction provided to SPG; Objectives and scope of work not clearly documented/conveyed to DM; Insufficient TPRC resources; Lack of contractual enforcement; Lack of support from Council to impose condition on DM; Failure or significant change within the DM. | Development program not adhered to; Low sales; impact on revenue; Non-achievement of TPRC objectives; Financial loss; Reputation damage. | 1. Development Manager Agreement and KPIs sets out requirements for DM;<br>2. DM required to provide an Annual Plan, Annual Project Budget for approval;<br>3. DM required to prepare for approval strategies and plans;<br>4. Workforce Plan;<br>5. Dispute Resolution as part of the DA;<br>6. Termination clause in DA provides for a change of DM under "certain circumstances";<br>7. Key SPG personnel "locked in" and change subject to TPRC approval;<br>8. DM to prepare six monthly report on key project milestones. | Adequate | OP<br>FL<br>RI   | 3<br>Medium<br>3<br>Medium<br>3<br>Medium | 3<br>Possible | <b>MODERATE</b> | 1. Review KPIs to ensure they are measurable and align more closely with agreed Vision and Strategic Objectives (2019);<br>2. Require DM to prepare strategies and plans which align with Strategic Community Plan (Dec 2019). |  | <b>CEO</b> |
| 4 | Development Project - Development Manager regulatory compliance. | Failure to ensure the Development Manager complies with relevant legislation and regulations.                 | Poor oversight of SPG's compliance responsibilities; KPIs not relevant or clear; Lack of clarity over compliance responsibilities; Insufficient TPRC resources; Lack of contractual enforcement; Lack of support from Council to impose conditions on DM.   | Development program not adhered to; Low sales; impact on revenue; Non-achievement of TPRC objectives; Financial Loss; Reputation damage. | 1. Development Agreement including KPIs relating to compliance, including reporting on compliance breaches;<br>2. Agreed Budget for resources;<br>3. Workforce Plan;<br>4. Dispute Resolution as part of the DA;<br>5. DM to prepare six monthly report on key project milestones.  | Adequate | OP<br>FL<br>RI   | 3<br>Medium<br>3<br>Medium<br>3<br>Medium | 3<br>Possible | <b>MODERATE</b> | 1. Development Manager's KPIs to include requirement to confirm compliance with regulatory requirements (2019);<br>2. Annual Plan to include schedule of regulatory requirements (2019).                                       |  | <b>CEO</b> |
| 5 | Site Safety  | Development Project - TPRC fails to effectively discharge its safety (WHS/OHS) responsibilities for the site. | Insufficient oversight of SPG in managing the contractors and consultants; Lack of induction of SPG personnel; Lack of specific clarity with regard to safety responsibilities within the SPG contract; SPG personnel not trained or sufficiently experienced.  | Injuries; Delays to development project; Reputation Damage; Financial Impact.  | 1. Development Manager Contract sets out responsibilities;<br>2. Legal advice regarding TPRC responsibilities;<br>3. Two weekly Project Management meetings;<br>4. Annual check of safety plans, inductions and third party audits (TRPC);<br>5. SPG Risk Register and Risk Management;<br>6. LGIS site safety assessments.   | Adequate | INJ<br>REP<br>FL | 4 Major<br>4 Major<br>4 Major             | 1 Rare        | <b>MODERATE</b> | 1. Develop clear guidelines for TPRC and SPG safety responsibilities (end Sept 2019).  |  | <b>CEO</b> |

|   |  |  |  |  |   |           |                |                               |               |                 |   |  |            |
|---|--|--|--|--|---|-----------|----------------|-------------------------------|---------------|-----------------|---|--|------------|
| 6 | TPRC Operations - Resourcing                   | TPRC is not adequately resourced to manage the Local Government operational obligations. | Insufficient budget allocated to TPRC management arising from Council budgets; Differing needs and perspectives of Member Councils; Insufficient capacity and capability of the Executive Team; Loss of key personnel and associated corporate knowledge; Overdependency on key personnel. | Compliance breaches; Loss of confidence by the Council; Enforcement/remedial action (DLGSCI); Financial loss; Reputation damage. | 1. Agreed budget for resources; 2. Workforce Plan; 3. Records Management System and Records Management Policy approved by State Records; 4. Long Term Financial Plan (approved) sets out appropriate budget response.   | Adequate  | OP<br>FL       | 3<br>Medium                   | 3<br>Possible | <b>MODERATE</b> | 1. Succession Plan for key staff (late 2019); 2. Appoint additional resource (late 2019). |  | <b>CEO</b> |
| 7 | TPRC Operations - Internal controls            | Poor internal control environment (potential for Fraud).                                 | Challenge of operating a small administration; Reliance on key staff; Limited oversight due to lack of "Executive Team".   | Financial Loss; Reputation damage.   | 1. Independent oversight by external financial management practices; 2. External consultants for monthly reconciliation and reporting; 3. Annual Internal and External audits; 4. Management Policies and Procedures (Investment, Acc Mgmt., Procurement) reviewed annually and approved by Council; 5. Preparation and reporting on monthly accounts for Council approval; 6. Annual Financial Review and Mid-Year Reviews independently prepared and approved by Council. | Effective | FL<br>RI       | 2 Minor                       | 1 Rare        | <b>LOW</b>      |   |  | <b>CEO</b> |
| 8 | TPRC Operations - Financial Management of TPRC | Poor financial management of TPRC funds.   | Poor investment decisions; Lack of budget oversight; Poor procurement practice; Poor records; Poor performance of contracted resources; Inexperienced internal staff.  | Financial loss; Impact on objectives; Reputation damage; Reduced distribution to Member Councils.                                | 1. Independent oversight by external financial management practices; 2. External consultants for monthly reconciliation and reporting; 3. Annual Internal and External audits; 4. Management Policies and Procedures (Investment, Acc Mgmt., 5. Procurement) reviewed annually and approved by Council; 6. Preparation and reporting on monthly accounts for Council approval; 7. Annual Financial review and Mid-Year Reviews independently                                | Effective | FL<br>RI<br>OP | 2 Minor<br>2 Minor<br>2 Minor | 2<br>Unlikely | <b>LOW</b>      |   |  | <b>CEO</b> |

|   |  |   |  |   |   |          |                |                               |               |            |  |            |
|---|--|---|--|---|---|----------|----------------|-------------------------------|---------------|------------|--|------------|
|   |  |   |  |   | prepared and approved by Council.<br>8. Use of QuickBooks;<br>9. Experienced and qualified staff;<br>10. Records Policy and system approved by State Records.   |          |                |                               |               |            |  |            |
| 9 | TPRC Operations - Compliance with LG Act and Regulations | Non-compliance with LG Act and Regulations. | Lack of understanding / knowledge of requirements; Insufficient "dedicated" resource (use of resources which should be applied elsewhere). | Financial penalties; Reputation damage. | 1. External Audit<br>2. Annual Audit Plan approved by Council;<br>3. Internal compliance procedures for managing legislative requirements;<br>4. Annual Compliance Audit Return (CAR) submitted for Council approval. | Adequate | FL<br>RI<br>OP | 2 Minor<br>2 Minor<br>2 Minor | 2<br>Unlikely | <b>LOW</b> |  | <b>CEO</b> |

# Appendix 9.9

## 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



Department of  
**Local Government, Sport  
and Cultural Industries**

Our ref TP3-4 E1914505  
Enquiries Stuart Fraser  
Phone 65521586  
Email [stuart.fraser@dlgsc.wa.gov.au](mailto:stuart.fraser@dlgsc.wa.gov.au)

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

Dear Mr Arias

The Department of Local Government, Sport and Cultural Industries (the Department) has received the Regional Council's 2017-18 Audit Report from the Butler Settineri (Audit) Pty Ltd dated 23 August 2018.

The Audit Report identifies matters as significant in regard to adverse trends, qualified audits and other matters. The following matter is identified as significant by the auditor:

- Significant adverse trend in the financial position: Asset Sustainability Ratio below the Department standard.

Section 7.12A(4) of the *Local Government Act 1995* states that a local government must:

*prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and*

*(b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.*

*Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.*

To date it appears that a report has not been received and has not been published on the Regional Council's official website in accordance with Section 7.12A.

As a matter of priority the Regional Council must prepare a report for its Audit Committee and seek council's endorsement before forwarding a copy to the Department at [audits@dlgsc.wa.gov.au](mailto:audits@dlgsc.wa.gov.au)

As this report is now overdue, the Department requires the local government to remedy this non-compliance within the next 60 days from the date of this letter.

Gordon Stephenson House, 140 William Street  
PO Box 8349 Perth Business Centre, WA 6849  
Telephone (08) 6552 7300  
Email [info@dlgsc.wa.gov.au](mailto:info@dlgsc.wa.gov.au)  
Web [www.dlgsc.wa.gov.au](http://www.dlgsc.wa.gov.au)

For further information please review the Department's Circulars 05-2019 Local Government Auditing and 02-2018 Guide to Local Government Auditing Reforms (page 8) which are published on the Department's website.

Should you have any queries please contact the Department on the above email address or phone 65527300.

Yours sincerely



Narrell Lethorn  
Director Industry and Sector Regulation

28 June 2019

cc Cr Giovanni Italiano, Chairman, Tamala Park Regional Council

15 July 2019

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

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Dear Mr Arias

We are in receipt of the correspondence from the Department of Local Government, Sport and Cultural Industries dated 28 June 2019 to Tamala Park Regional Council regarding the Significant adverse trend in the financial position: Asset Sustainability Ratio below the Department Standard.

The asset sustainability ratio within the 2017-18 Annual Financial Report was as follows:

- 2018 – 0.00
- 2017 – 1.60
- 2016 – 0.08

The departmental guide states the basic minimum for this ratio is 0.90.

We note under Reporting on Other Legal and Regulatory Requirements within their audit report Butler Settineri (Audit) Pty Ltd have stated "*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.*" No other mention of an adverse trend is made in their report.

The asset sustainability ratio is calculated by dividing capital renewal and replacement expenditure for the year by depreciation expense. The ratio is heavily impacted by the timing of asset renewals and is subject to significant variation due to assets not being required to be renewed or replaced annually. The smaller the asset base of a local government the more pronounced the variations in annual asset renewal expenditure will be. In the case of Tamala Park Regional Council this has resulted in the significant fluctuation between 2017 when a single asset was renewed and 2018 when no assets were renewed.

Tamala Park Regional Council had property, plant and equipment with a total cost of \$131,368 at 30 June 2018, \$84,643 of this amount was classified as improvements to leasehold property which would not be expected to be renewed at any stage. Furniture and Equipment is also unlikely to require renewal during the life of the Regional Council.

At the 30 June 2018 the Regional Council had cash of \$43,846,407 (up from \$39,213,368 in 2017) and net assets of \$45,732,329 (up from \$41,193,461 in 2017) with a current ratio of 152.01 (up from 142.13 in 2017). Given this financial position the Regional Council had the capacity to spend \$20,153 renewing assets which was the total depreciation for the year ended 30 June 2018. In no way can we determine how the sensible management decision not to renew an asset which did not require renewal could constitute an adverse trend in the financial position of the Regional Council given the net asset and cash position of the Regional Council.

We would suggest no action be taken in relation to the asset sustainability ratio and you continue to only renew assets in accordance with their planned asset renewal timings. You should advise the Minister accordingly and publish the report on your website as stated in the letter from the Department.

Should you have any queries please do not hesitate to contact me.

Yours sincerely



Russell Barnes  
Director  
[Moore Stephens](#)

7 August 2019

Mr Alan Carmichael  
Senior Project Officer  
Department of Local Government, Sport and Cultural Industries  
GPO Box R1250  
PERTH WA 6844

Dear Alan

**SIGNIFICANT AUDIT MATTERS FOR THE YEAR ENDED 30 JUNE 2018**

Thank you for your email dated 9 July 2019.

We would like to clarify our position in relation to the wording of our audit report under the paragraph *Reporting on Other Legal and Regulatory Requirement* in relation to the financial ratios and significant adverse trends.

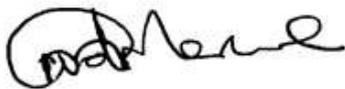
Our reporting responsibility under Section 10(3)(a) of the Local Government (Audit) Regulations 1996, states that our audit report is to include any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the local government.

Where a local government's financial ratios were below the Department of Local Government, Sport and Cultural Industries ("Department") standard, our view is that this is a *material* matter and we have therefore reported this in our audit report and management letter to bring this to the attention of the users of the financial statements.

It is further our view that while the financial ratios are useful indicators in most instances, further assessment would be necessary before concluding on the overall financial position of the local government and therefore ratios that do not meet the Department standard do not *per se* indicate *significant* adverse trends in the financial position of the particular local government.

Please contact me if you require any further information.

Yours sincerely  
BUTLER SETTINERI (AUDIT) PTY LTD



MARIUS VAN DER MERWE CA  
Director

# Appendix 9.10

## **POLICY MANUAL**

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### **Audit Charter (Terms of Reference) (April 2019)**

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#### **Background**

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

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

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

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

#### **Comment**

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

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

#### ***Scope of Activity – Audit Committee***

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

## **POLICY MANUAL**

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### **Audit Charter (Terms of Reference) (April 2019)**

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- Credit Card Policy
- Records Management Policy
- Financial Management – Significant Accounting Policies

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

#### **1. Objectives of Audit Committee**

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

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

The Committee is to facilitate:

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

#### **2. Powers of the Audit Committee**

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

## **POLICY MANUAL**

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### **Audit Charter (Terms of Reference) (April 2019)**

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

#### **3. Membership**

The Committee will consist of a minimum of five members.

The CEO and employees are not members of the Committee.

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

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

#### **4. Meetings**

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

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

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

#### **5. Reporting**

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

#### **6. Duties and Responsibilities**

The duties and responsibilities of the Committee will be to:

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

## **POLICY MANUAL**

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### **Audit Charter (Terms of Reference) (April 2019)**

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

## **POLICY MANUAL**

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### **Audit Charter (Terms of Reference) (April 2019)**

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- n) Review the local government's draft annual financial report, focusing on:
- Accounting policies and practices.
  - Changes to accounting policies and practices.
  - The process used in making significant accounting estimates.
  - Significant adjustments to the financial report (if any) arising from the audit process.
  - Compliance with accounting standards and other reporting requirements.
  - Significant variances from prior years.
- o) Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the annual financial report is signed.
- p) Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference.
- q) Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council.
- r) Review the Statutory Compliance Return and make a recommendation on its adoption to Council.

This Audit Charter (Terms of Reference) is authorised by the Chief Executive Officer on 20 June 2019.

Signature:

Name: JOHN ANTHONY ARIAS

Date: 20 June 2019

## AUDIT PLAN 2019/2020

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

# Appendix 9.11

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