

Appendix 8.2

24 April 2020

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

Dear Tony

Catalina Financial Report for March 2020

Please find attached the Catalina Financial Report for March 2020. This report has been prepared on a cash basis and compares actual income and expenditure to the June 2019 approved budget for the period 1 March 2020 to 31 March 2020.

Residential settlement revenue for the financial year to 31 March 2020 is \$6.0m which is \$0.4m behind the approved 'June 2019' budget due to 1 less settlement to date.

Sales for FYE2020 are \$399k favourable to budget due to 2 more sales than budget partially offset by lower average selling prices per lot due to lot mix.

Overall FYE2020 expenditure is \$9.4m under budget per the approved 'June 2019' budget, with \$2.0m spent against a budget of \$11.5m. The main areas of variances are summarised below:

- Land Acquisitions is \$5.1m under budget due to the WAPC not yet requiring payment for the land acquisition.
- Lot Production is \$924k under budget, noting the following variances:
 - Stage 26 \$786k under budget due to timing of invoice payments and savings on construction;
 - Stage 18C \$127k under budget as construction yet to commence;
 - \$10k combined minor variances.
- Landscaping is \$1.7m under budget, noting the following variances:
 - Stage 10 BCA \$122k under budget due to re-classification of works to Landscape maintenance in the latest approved budget;
 - Stage 25 Greenlink \$164k under budget due to savings and timing of retention release;
 - Preliminary Landscape Consultancy \$132k under budget due to timing of payments;
 - Northern BCA \$100k under budget due to timing of works and invoice payments;
 - Stage 11 phase 2 \$420k under budget due to delayed commencement date;
 - Stage 12/13 Greenlink Bore \$111k under budget due to iron filtration system recommendation yet to be presented to the TPRC (this is currently being priced). Drilling works have been approved and are about to commence;

- Marmion Ave Shrub Planting \$103k under budget as planting season is about to commence;
- Neerabup Rd Median \$106k under budget due to delayed commencement date;
- \$421k combined minor variances.

- Infrastructure Spend is \$1,214k under budget, noting the following variances:
 - Catalina Beach Dual Use Path \$1,065k under budget as works yet to commence;
 - \$149k combined minor variances.

- Infrastructure Refunds \$1.3m under budget as we are yet to receive the refund for the Waste Water Pump Station. This is now anticipated to be received in May 2020.

- Indirect Consultants \$301k under budget due to timing of invoice payments.

- Special Sites & Fixed Assets \$43k under budget due to timing of invoice payments.

- P&L expenditure is \$1,437k under budget, noting the following variances:
 - Marketing \$195k under budget due to timing of invoice payments and commencement of new initiatives;
 - Community Development \$93k under budget due to some events being cancelled or modified;
 - Central Cell Sales Office Carpark Makegood \$57k under budget due to timing of invoice payments;
 - Rates & Taxes \$208k under budget as full allowance not yet required;
 - Maintenance \$182k under budget due to timing of invoice payments;
 - Contingency \$536k not required;
 - \$166k 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 FY2020		Actual MTD Vs Budget Mar 2020			Year to date Vs Budget to Mar 2020			Full Year		Project to date Vs Budget to Mar 2020			Bud Comparison: Jun 19 Approved
Job Description	Account Description	Actual 1 month to Mar 2020	Budget 1 month to Mar 2020	Variance	YTD to Mar 2020	YTD budget	Variance	Budget 2020	YTD Act vs Full Year Budget Variance	PTD to Mar 2020	PTD budget	Variance	Comments regarding variance
REVENUE													
Settlements	Settlement revenue	1,129,000	371,684	757,316	6,001,000	6,357,130	(356,130)	8,593,874	(2,592,874)	243,099,500	243,045,987	53,513	18 settlements YTD ex GST Margin scheme. GST Margin as detailed in Burgess Rawson valuations
Margin GST	Margin GST	(16,494)	(4,545)	(11,949)	(61,823)	(86,364)	24,541	(118,182)	56,359	(3,573,387)	(3,607,526)	34,138	
Direct Selling Costs		(52,522)	(16,968)	(35,554)	(306,524)	(313,415)	6,891	(416,314)	109,790	(11,094,951)	(11,074,379)	(20,572)	Includes Commission and Management Fees
Interest Income		0	0	0	0	0	0	0	0	85,114	85,001	113	
Forfeited Deposits		0	0	0	0	0	0	0	0	22,727	22,727	0	Penalty interest income on settlements
Other Income	Special sites revenue	0	0	0	437,873	436,364	1,509	436,364	1,509	3,728,594	3,727,085	1,509	
Rebate Allowance		(13,747)	(66,140)	52,393	(173,073)	(1,106,727)	933,654	(1,216,887)	1,043,814	(5,901,365)	(7,466,017)	1,564,652	Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates
		1,046,237	284,030	762,207	5,897,453	5,286,988	610,465	7,278,856	(1,381,403)	226,366,232	224,732,878	1,633,354	
LOT PRODUCTION													
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	
Total Earthworks Stages 1-4, 6		0	0	0	0	0	0	0	0	2,280,234	2,280,234	(0)	
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	
Total Earthworks Stages 5 & 7		0	0	0	0	0	0	0	0	2,490,625	2,490,625	0	
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	
Total Earthworks Stage 8		0	0	0	0	0	0	0	0	1,328,784	1,328,784	0	
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	
Total Earthworks Stages 9-11		0	0	0	0	0	0	0	0	4,165,419	4,165,419	0	
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	
Total Earthworks Stage 12-13		0	0	0	0	0	0	0	0	1,247,962	1,247,962	0	
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	
Total Earthworks Stage 14-18		0	0	0	0	0	0	0	0	1,989,404	1,989,404	0	
Earthworks Stage 20-24	Direct Consultants	0	0	0	0	0	0	0	0	27,113	27,113	0	
Total Earthworks Stage 20-24		0	0	0	0	0	0	0	0	27,113	27,113	0	
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	0	0	0	0	186,216	192,859	6,643	
Total Earthworks Stage 25-27		0	0	0	0	0	0	0	0	3,789,303	3,795,945	6,643	
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	
Total Stage 1		0	0	0	0	0	0	0	0	3,581,649	3,581,649	(0)	
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	0	0	0	0	164,171	166,571	2,400	
Total Stage 2		0	0	0	0	0	0	0	0	3,065,749	3,068,150	2,400	
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	
Total Stage 3		0	0	0	0	0	0	0	0	2,482,736	2,482,736	(0)	
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	
Total Stage 4		0	0	0	0	0	0	0	0	2,803,195	2,803,195	0	
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	
Total Stage 5		0	0	0	0	0	0	0	0	3,576,555	3,576,555	(0)	
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	
Total Stage 6A		0	0	0	0	0	0	0	0	386,705	386,705	0	
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	0	0	0	0	121,160	121,650	490	
Total Stage 6B		0	0	0	0	0	0	0	0	1,031,681	1,032,171	490	
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	

Catalina Actual vs Budget Analysis

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Job Description	Account Description	Actual 1 month to Mar 2020	Budget 1 month to Mar 2020	Variance	YTD to Mar 2020	YTD budget	Variance	Budget 2020	YTD Act vs Full Year Budget Variance	PTD to Mar 2020	PTD budget	Variance	Comments regarding variance
	Direct Consultants	0	0	0	0	0	0	0	0	52,015	52,015	0	
Total Stage 6C		0	0	0	0	0	0	0	0	627,012	627,012	0	
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)	
Total Stage 7		0	0	0	0	0	0	0	0	2,974,468	2,974,469	1	
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	
Total Stage 8		0	0	0	0	0	0	0	0	3,060,284	3,060,284	0	
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	
Total Stage 9		0	0	0	0	0	0	0	0	3,061,850	3,061,850	0	
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	
Total Stage 10		0	0	0	0	0	0	0	0	1,531,175	1,531,175	0	
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	
Total Stage 11		0	0	0	0	0	0	0	0	3,578,848	3,578,848	(0)	
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	0	0	0	0	247,233	247,768	535	
Total Stage 12		0	0	0	0	0	0	0	0	2,582,440	2,582,975	535	
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	0	0	0	0	172,787	174,267	1,480	
Total Stage 13A		0	0	0	0	0	0	0	0	2,369,855	2,371,336	1,480	
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	0	0	0	0	241,636	242,101	465	
Total Stage 13B		0	0	0	0	0	0	0	0	2,552,862	2,553,327	465	
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	0	0	0	0	301,549	344,079	42,530	
Total Stage 14A		0	0	0	0	0	0	0	0	2,990,908	3,033,438	42,530	
Stage 14B	Siteworks / Earthworks	0	0	0	0	0	0	0	0	482,855	500,850	17,995	
	Authorities Fees	0	0	0	0	0	0	0	0	110,991	110,991	0	
	Direct Consultants	0	0	0	0	0	0	0	0	17,639	17,739	100	
Total Stage 14B		0	0	0	0	0	0	0	0	611,485	629,580	18,095	
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	0	0	0	0	263,241	267,061	3,820	
Total Stage 15		0	0	0	0	0	0	0	0	2,620,763	2,624,583	3,820	
Stage 16A	Authorities Fees	0	0	0	0	0	0	0	0	9,844	9,844	0	
	Direct Consultants	0	0	0	0	0	0	0	0	17,605	17,605	0	
Total Stage 16A		0	0	0	0	0	0	0	0	27,449	27,449	0	
Stage 16B	Direct Consultants	0	0	0	0	0	0	0	0	26,000	26,000	0	
Total Stage 16B		0	0	0	0	0	0	0	0	26,000	26,000	0	
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	0	0	0	0	110,250	115,250	5,000	
Total Stage 17A		0	0	0	0	0	0	0	0	1,003,563	1,008,563	5,000	
Stage 17B	Siteworks / Earthworks	0	0	0	0	0	0	0	0	1,273,015	1,642,087	369,072	
	Authorities Fees	0	0	0	0	0	0	0	0	194,411	195,384	973	
	Direct Consultants	0	0	0	0	5,969	5,969	5,969	5,969	180,869	192,600	11,731	
Total Stage 17B		0	0	0	0	5,969	5,969	5,969	5,969	1,648,295	2,030,071	381,776	
Stage 18A	Siteworks / Earthworks	0	0	0	0	0	0	0	0	871,358	871,358	0	
	Authorities Fees	0	0	0	0	0	0	0	0	216,537	216,537	0	
	Direct Consultants	0	0	0	0	0	0	0	0	125,664	131,200	5,536	
Total Stage 18A		0	0	0	0	0	0	0	0	1,213,559	1,219,095	5,536	
Stage 18B	Siteworks / Earthworks	0	0	0	0	0	0	0	0	1,486,381	2,411,579	925,198	Stage 18C costs doubled up in budget
	Authorities Fees	0	0	0	0	0	0	0	0	267,438	270,948	3,510	
	Direct Consultants	0	0	0	0	0	0	0	0	191,390	364,990	173,600	

Catalina Actual vs Budget Analysis

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Job Description	Account Description	Actual 1 month to Mar 2020	Budget 1 month to Mar 2020	Variance	YTD to Mar 2020	YTD budget	Variance	Budget 2020	YTD Act vs Full Year Budget Variance	PTD to Mar 2020	PTD budget	Variance	Comments regarding variance
Total Stage 18B		0	0	0	0	0	0	0	0	1,945,209	3,047,517	1,102,308	
Stage 18C	Siteworks / Earthworks	0	0	0	0	0	0	305,300	305,300	0	0	0	
	Direct Consultants	0	15,933	15,933	0	127,467	127,467	143,400	143,400	0	127,467	127,467	
Total Stage 18C		0	15,933	15,933	0	127,467	127,467	448,700	448,700	0	127,467	127,467	
Stage 25	Siteworks / Earthworks	0	0	0	0	0	0	0	0	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	0	0	0	0	280,279	297,991	17,713	
Total Stage 25		0	0	0	0	0	0	0	0	6,017,188	6,090,151	72,963	
Stage 26	Siteworks / Earthworks	22,478	0	(22,478)	652,181	1,401,273	749,092	1,401,273	749,092	1,198,177	1,199,122	945	
	Authorities Fees	0	0	0	3,235	38,454	35,219	38,454	35,219	239,777	490,560	250,783	
	Direct Consultants	0	0	0	34,227	36,054	1,826	36,054	1,826	138,596	162,500	23,904	
Total Stage 26		22,478	0	(22,478)	689,644	1,475,780	786,137	1,475,780	786,137	1,576,550	1,852,182	275,632	
Various Stages	Clearance Bonds	(4,377)	0	4,377	(4,377)	0	4,377	50,000	54,377	242,868	442,625	199,757	
TOTAL LOT PRODUCTION		18,101	15,933	(2,168)	685,266	1,609,215	923,949	1,980,449	1,295,182	76,509,744	78,756,640	2,246,897	Within budget
LANDSCAPING													
Stage 7 Landscaping	Landscape Construction	0	0	0	0	0	0	0	0	169,816	169,816	0	Within total FY20 Landscaping 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	759	0	(759)	0	(759)	1,332,634	1,331,874	(760)	
Stage 11 Landscape Consultancy	Landscape Consulting	2,280	0	(2,280)	11,970	0	(11,970)	0	(11,970)	159,509	163,675	4,166	
Stage 12 Landscaping	Landscape Construction	0	0	0	0	0	0	0	0	236,650	242,601	5,950	
Stage 12 Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	27,377	27,377	0	
Stage 13 Landscaping	Landscape Construction	0	0	0	0	5,607	5,607	5,607	5,607	789,993	800,085	10,092	
Stage 13 Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	61,433	61,433	0	
Stage 14A Landscaping	Landscape Construction	0	0	0	9,014	0	(9,014)	0	(9,014)	551,718	663,360	111,642	
Stage 14A Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	12,013	8,430	(3,583)	
Stage 14B Landscaping	Landscape Construction	0	0	0	0	0	0	0	0	213,926	216,701	2,775	
Stage 14B Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	15,457	15,457	0	
Stage 15 Landscaping	Landscape Construction	0	0	0	0	0	0	0	0	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	0	0	0	0	0	0	0	11,303	11,303	0	
Stage 17 Landscaping	Landscape Construction	0	0	0	199,956	252,885	52,929	252,885	52,929	199,956	505,769	305,813	
Stage 17 Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	2,720	2,932	212	
Stage 18 Landscaping	Landscape Construction	0	0	0	0	0	0	0	0	265,611	267,780	2,169	
Stage 18 Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	46,251	46,001	(250)	
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	2,829	125,311	122,482	125,311	122,482	228,092	375,636	147,544	
Stage 10 Biodiversity Conservation Area	Landscape Consulting	0	0	0	0	0	0	0	0	28,012	28,012	0	
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	27,750	27,750	27,750	27,750	7,250	35,000	27,750	
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	0	0	0	0	5,500	5,500	0	
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	0	0	0	0	0	269,451	292,707	23,256	
Marmion Ave Eastern Verge Upgrade	Landscape Consulting	0	0	0	0	0	0	0	0	19,688	19,688	(0)	
Western Cell Long Beach Prom Entry Statement	Landscape Consulting	0	0	0	0	0	0	0	0	19,164	19,164	0	
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	0	0	0	0	19,196	19,196	0	
Western Cell POS	Landscape Consulting	0	0	0	0	0	0	0	0	83,145	83,145	0	
Western Cell POS2	Landscape Consulting	0	0	0	0	0	0	0	0	64,091	87,253	23,162	
West Cell Bore, Pump, Electrics & Iron Filtration	Landscape Construction	0	0	0	5,916	0	(5,916)	0	(5,916)	118,324	150,000	31,676	
West Cell Bore, Pump, Electrics & Iron Filtration	Landscape Consulting	0	0	0	0	0	0	0	0	9,466	9,466	0	
Western Cell Long Beach Prom Medians	Landscape Consulting	0	0	0	0	0	0	0	0	19,357	19,357	(0)	
Catalina Beach Foreshore Reserve Interface	Landscape Construction	0	75,000	75,000	0	75,000	75,000	300,000	300,000	0	75,000	75,000	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2020		Actual MTD Vs Budget Mar 2020			Year to date Vs Budget to Mar 2020			Full Year		Project to date Vs Budget to Mar 2020			Bud Comparison: Jun 19 Approved
Job Description	Account Description	Actual 1 month to Mar 2020	Budget 1 month to Mar 2020	Variance	YTD to Mar 2020	YTD budget	Variance	Budget 2020	YTD Act vs Full Year Budget Variance	PTD to Mar 2020	PTD budget	Variance	Comments regarding variance
Catalina Beach Greenlink Stage 25	Landscape Construction	0	0	0	112,124	276,419	164,295	276,419	164,295	3,924,780	4,295,473	370,693	
Catalina Beach Greenlink Stage 25	Landscape Consulting	0	0	0	0	0	0	0	0	118,249	163,658	45,409	
Preliminary Landscaping Consultancy	Landscape Consulting	0	18,008	18,008	74,515	206,481	131,966	254,156	179,641	240,323	394,911	154,588	
Northern Biodiversity Conservation Area	Landscape Construction	930	0	(930)	17,898	118,080	100,182	118,080	100,182	348,377	448,559	100,182	
Northern Biodiversity Conservation Area	Landscape Consulting	0	0	0	0	0	0	0	0	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	0	0	0	0	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	0	0	0	0	0	251,365	275,067	23,702	
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	8,333	8,333	963	75,000	74,037	100,000	99,037	156,764	262,513	105,749	
Public Art	Landscape Consulting	0	0	0	0	0	0	0	0	13,105	18,350	5,245	
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	0	0	0	0	0	145,252	157,412	12,160	
Public Open Space Stage 6	Landscape Consulting	0	0	0	0	0	0	0	0	6,768	6,768	0	
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	0	0	0	0	0	511,858	512,449	591	
Aviator Blvd Entry Stmt	Landscape Consulting	0	0	0	0	0	0	0	0	27,897	38,637	10,740	
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	5,556	5,556	5,556	5,556	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	179,859	600,000	420,141	800,000	620,141	179,859	600,000	420,141	
Catalina Grove Initial Scoping Works	Landscape Consulting	0	0	0	0	1,066	1,066	1,066	1,066	16,803	20,000	3,197	
Catalina Central Landscape Upgrade	Landscape Construction	0	0	0	263	80,558	80,294	80,558	80,294	821,012	954,764	133,752	
Catalina Central Landscape Upgrade	Landscape Consulting	0	0	0	0	0	0	0	0	63,128	61,465	(1,663)	
Stage 12/13 Greenlink New Bore	Landscape Construction	0	0	0	0	111,111	111,111	111,111	111,111	70,354	200,000	129,646	
Marmion Ave Shrub Planting	Landscape Construction	1,149	13,333	12,185	17,282	120,000	102,718	120,000	102,718	17,282	120,000	102,718	
Catalina Beach Display Village Verge Landscaping	Landscape Construction	0	0	0	4,158	10,372	6,214	10,372	6,214	53,415	70,000	16,585	
Bore 6	Landscape Construction	0	0	0	0	0	0	0	0	30,906	0	(30,906)	
Catalina Beach Stage 26 Landscaping	Landscape Construction	2,000	0	(2,000)	40,000	40,000	0	40,000	0	40,000	40,000	0	
Aviator Blvd Roundabouts Upgrade	Landscape Construction	0	5,000	5,000	0	45,000	45,000	60,000	60,000	0	45,000	45,000	
Neerabup Rd Median - Roulettes to Marmion	Landscape Construction	0	11,750	11,750	0	105,750	105,750	117,500	117,500	0	129,250	129,250	
Early Stock Procurement	Landscape Consulting	0	8,333	8,333	0	75,000	75,000	100,000	100,000	0	75,000	75,000	
TOTAL LANDSCAPING		6,358	206,425	200,067	677,506	2,356,943	1,679,437	2,906,368	2,228,862	17,231,657	19,875,955	2,644,297	Within budget
INDIRECT CONSULTANTS													
Planning - indirect	Planning	13,200	18,729	5,529	106,013	168,563	62,550	224,750	118,737	2,366,085	2,438,429	72,345	Within total FY20 Consultants budget
	Architect	0	1,240	1,240	0	11,158	11,158	14,878	14,878	15,100	32,218	17,118	
	Environmental	294	4,040	3,747	13,604	36,364	22,760	48,486	34,882	335,278	370,515	35,237	
	Geotechnical	0	185	1,333	0	1,607	1,607	14,578	14,578	12,300	14,578	2,278	
	Title - Survey & Legal fees	0	2,500	2,500	0	22,500	22,500	30,000	30,000	153,160	185,660	32,500	
	Engineering fees	394	8,574	8,180	10,114	77,167	67,052	102,889	92,775	204,489	289,803	85,315	
	Traffic planning	0	93	93	0	666	666	804	804	84,181	85,320	1,139	
	Landscaping consultancy	0	0	0	0	0	0	0	0	1,000	0	(1,000)	
	Miscellaneous Consultants	0	4,167	4,167	1,430	37,500	36,070	50,000	48,570	5,512	58,087	52,575	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2020		Actual MTD Vs Budget Mar 2020			Year to date Vs Budget to Mar 2020			Full Year		Project to date Vs Budget to Mar 2020			Bud Comparison: Jun 19 Approved
Job Description	Account Description	Actual 1 month to Mar 2020	Budget 1 month to Mar 2020	Variance	YTD to Mar 2020	YTD budget	Variance	Budget 2020	YTD Act vs Full Year Budget Variance	PTD to Mar 2020	PTD budget	Variance	Comments regarding variance
	Planning - fire & safety	0	0	0	0	5,000	5,000	5,000	5,000	150	25,150	25,000	Within budget
	Planning - Hydrology	476	3,750	3,274	4,328	33,750	29,422	45,000	40,672	119,075	162,597	43,522	
	Planning - Sustainability	0	3,000	3,000	0	27,000	27,000	36,000	36,000	26,805	59,805	33,000	
	Acoustic & Noise Consult	0	833	833	0	7,500	7,500	8,333	8,333	0	19,167	19,167	
	Tree Mapping	0	0	0	0	7,500	7,500	7,500	7,500	1,616	27,806	26,190	
	TOTAL INDIRECT CONSULTANTS	14,364	47,111	32,748	135,489	436,001	300,512	575,247	439,758	3,324,751	3,769,135	444,385	Within budget
	INFRASTRUCTURE												Within total FY20 Infrastructure budget
	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	0	0	0	350,000	350,000	9,400	780	(8,620)	
	Connolly Drive Green Link Intersection	0	0	0	0	0	0	22,750	22,750	99,619	99,619	0	
	Neerabup Road Green Link Underpass	0	0	0	0	51,533	51,533	51,533	51,533	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	0	2,917	2,917	1,188	26,250	25,063	35,001	33,813	25,801	72,304	46,502	
	West Beach Access	0	0	0	5,960	0	(5,960)	644,000	638,040	5,960	0	(5,960)	
	West Beach Access	0	6,977	6,977	0	62,790	62,790	83,720	83,720	0	62,790	62,790	
	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	0	0	0	0	0	389,250	389,250	1,500	1,500	0	
	Aviator Blvd Extension St 25 to Long Beach Prom incl services extensions (exc Beach Access Tr	0	1,751	1,751	0	15,756	15,756	21,008	21,008	29,692	45,448	15,756	
	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	0	0	0	0	2,004	2,004	2,004	
	Catalina Beach North/South Dual Use Path	0	0	0	0	1,000,000	1,000,000	1,000,000	1,000,000	0	1,000,000	1,000,000	
	Catalina Beach North/South Dual Use Path	0	0	0	0	65,000	65,000	65,000	65,000	0	65,000	65,000	
	Waste Water Pump Station (West)	0	0	0	6,470	6,470	0	6,470	0	1,804,215	1,859,590	55,374	
	Rubbish removal - General Allowance	0	0	0	0	0	0	0	0	17,314	14,717	(2,597)	
	INFRASTRUCTURE	0	11,644	11,644	13,617	1,227,799	1,214,182	2,668,731	2,655,114	12,895,734	14,211,054	1,315,320	Within budget
	INFRASTRUCTURE REFUNDS												
	Neerabup Road Reimbursement	0	0	0	0	0	0	0	0	(432,548)	(432,548)	0	
	Waste Water Pump Station (West)	0	0	0	0	(1,253,120)	(1,253,120)	(1,253,120)	(1,253,120)	0	(1,253,120)	(1,253,120)	
	INFRASTRUCTURE REFUNDS	0	0	0	0	(1,253,120)	(1,253,120)	(1,253,120)	(1,253,120)	(432,548)	(1,685,668)	(1,253,120)	
	TOTAL INFRASTRUCTURE	0	11,644	11,644	13,617	(25,321)	(38,939)	1,415,611	1,401,994	12,463,186	12,525,386	62,200	Within budget
	SPECIAL SITES & FIXED ASSETS												
	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	10,886	10,000	(886)	10,000	(886)	11,186	30,000	18,814	
	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	0	0	0	38,492	38,492	38,492	38,492	624,762	750,000	125,238	
	Sales office carparks Western	0	0	0	5,522	0	(5,522)	0	(5,522)	240,000	234,478	(5,522)	
	Security Cameras	0	1,250	1,250	0	11,250	11,250	12,500	12,500	19,560	33,310	13,750	
	TOTAL SPECIAL SITES & FIXED ASSETS	0	1,250	1,250	16,408	59,742	43,335	60,992	44,585	1,751,875	1,905,087	153,212	Within budget
	TOTAL CONSTRUCTION	38,823	282,364	243,541	1,528,286	4,436,580	2,908,294	6,938,667	5,410,381	111,281,213	116,832,203	5,550,991	Within budget
	LAND	0	0	0	0	5,103,000	5,103,000	5,103,000	5,103,000	0	5,103,000	5,103,000	
	PROFIT & LOSS EXPENDITURE												
	Sales & Marketing												
	Brand Development	840	4,303	3,463	13,464	38,724	25,260	51,633	38,169	219,299	304,618	85,318	
	Sales Office & Builder Rel.	0	4,016	4,016	0	36,143	36,143	48,190	48,190	110,761	158,847	48,086	
	Brochures	0	1,801	1,801	58	16,213	16,155	21,617	21,559	139,893	187,048	47,155	
	Advertising	5,800	6,770	969	45,617	60,926	15,309	81,235	35,618	813,423	888,384	74,961	
	Signage	930	8,491	7,561	7,812	76,416	68,604	101,888	94,076	408,293	497,497	89,204	
	Website	0	1,377	1,377	0	12,392	12,392	16,522	16,522	9,891	52,908	43,017	
	Promotions	0	2,180	2,180	0	19,620	19,620	26,160	26,160	19,550	108,523	88,973	
	Public Relations	0	229	229	560	2,066	1,506	2,755	2,195	7,124	18,905	11,781	
	Total Sales and Marketing	7,570	29,167	21,596	67,511	262,501	194,990	350,001	282,490	1,728,234	2,216,730	488,495	Within budget
	Total Community Development	12,260	16,042	3,782	50,932	144,375	93,443	192,500	141,568	421,548	628,434	206,886	Within budget
	Administration	680	0	(680)	24,214	20,000	(4,214)	20,000	(4,214)	249,180	240,177	(9,003)	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2020		Actual MTD Vs Budget Mar 2020			Year to date Vs Budget to Mar 2020			Full Year		Project to date Vs Budget to Mar 2020			Bud Comparison: Jun 19 Approved
Job Description	Account Description	Actual 1 month to Mar 2020	Budget 1 month to Mar 2020	Variance	YTD to Mar 2020	YTD budget	Variance	Budget 2020	YTD Act vs Full Year Budget Variance	PTD to Mar 2020	PTD budget	Variance	Comments regarding variance
	Cleaning	282	1,000	718	5,208	9,000	3,792	12,000	6,792	36,593	42,007	5,413	
	Computer Costs	0	500	500	0	4,501	4,501	6,001	6,001	0	6,960	6,960	
	Couriers	0	300	300	0	2,701	2,701	3,601	3,601	1,338	13,036	11,698	
	Electricity & Gas	0	1,000	1,000	11,019	9,000	(2,019)	12,000	981	106,457	100,848	(5,609)	
	Insurance	0	500	500	3,184	4,501	1,317	6,001	2,817	3,184	6,501	3,317	
	Legal fees	0	4,167	4,167	16,163	37,500	21,337	50,000	33,837	198,778	236,790	38,012	
	Licenses & Fees	0	500	500	0	4,501	4,501	6,001	6,001	470	7,783	7,313	
	Postage, Print & Stationery	0	500	500	0	4,501	4,501	6,001	6,001	2,244	35,492	33,249	
	Rent - Sales Office & Cprk	0	6,667	6,667	0	60,000	60,000	66,667	66,667	467,350	551,129	83,779	
	Sundry Office Expenses	0	1,500	1,500	0	13,500	13,500	18,000	18,000	1,076	26,700	25,623	
	Training	0	2,083	2,083	0	18,750	18,750	25,000	25,000	0	27,083	27,083	
	Valuations	100	3,333	3,233	19,100	30,000	10,900	40,000	20,900	166,163	189,846	23,683	
	Rates & Taxes	(1,790)	0	1,790	82,290	290,160	207,870	290,160	207,870	557,308	1,034,057	476,750	
	Maintenance	30,916	44,167	13,251	218,820	401,245	182,426	533,745	314,926	1,735,627	1,924,041	188,414	
	Maint- Carpark Makegood	0	0	0	0	57,304	57,304	57,304	57,304	53,798	171,913	118,115	
	Security	0	3,000	3,000	2,110	27,000	24,890	36,000	33,890	28,637	63,107	34,471	
Total Administration		30,187	69,217	39,029	382,107	994,163	612,056	1,188,480	806,373	3,608,201	4,677,471	1,069,270	Within budget
Finance	Contingency	0	19,839	19,839	10,215	546,520	536,305	685,621	675,407	2,118,309	746,591	(1,371,718)	Actual Contingency spend applied to cost types above.
	Contingency Offset Transfer	0	0	0	(10,215)	(10,215)	0	(10,215)	0	(2,118,309)	0	2,118,309	
Total Finance		0	19,839	19,839	0	536,305	536,305	675,407	675,407	0	746,591	746,591	
Total P&L Expenditure		50,018	134,264	84,247	500,550	1,937,345	1,436,795	2,406,388	1,905,838	5,757,984	8,269,225	2,511,242	
Grand Expense Total		88,840	416,628	327,788	2,028,836	11,476,925	9,448,089	14,448,054	12,419,219	117,039,196	130,204,428	13,165,232	Within budget

Contingency Summary

YTD Budget	546,520
Contingency Transferred (Actual & Budget)	<u>(10,215)</u>
Contingency not yet used	<u>536,305</u>

List of Contingency items transferred year to date

Period	Job Description	Amount
Aug-19	Landscape Maintenance	2,523
Sep-19	Landscape Maintenance	1,223
Jan-20	Waste Water Pump Station	6,470
		<u>10,215</u>

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

CATALINA
FINANCE REPORT
MARCH 2020

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	928	925	914	913	75,000,000	75,000,000
Jul-2019	-	-	3	2	1	2	-	-
Aug-2019	-	-	2	2	1	4	-	-
Sep-2019	38	38	3	2	-	1	-	-
Sep Qtr	38	38	8	6	2	7	-	-
Oct-2019	-	-	3	2	3	2	-	-
Nov-2019	-	-	2	2	5	2	-	-
Dec-2019	-	-	1	2	1	3	-	-
Dec Qtr	-	-	6	6	9	7	-	-
Jan-2020	-	-	-	2	2	2	-	-
Feb-2020	-	-	4	3	2	2	-	-
Mar-2020	-	-	3	2	3	1	-	-
Mar Qtr	-	-	7	7	7	5	-	-
Apr-2020	-	-	-	3	-	3	-	-
May-2020	-	-	-	5	-	1	-	-
Jun-2020	-	-	-	4	-	3	-	3,000,000
Jun Qtr	-	-	-	12	-	7	-	3,000,000
PTD	1,004	1,004	949	944	932	932	75,000,000	75,000,000
Full 2019/20 Year	38	38	21	31	18	26	-	3,000,000
2020/21		35		47		37		3,000,000
2021/22		97		64		65		8,000,000

- There were 3 sales and 3 residential settlements for March.

1.2 Sales & Settlements

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
Residential						
- Sales #	3	2	21	19	949	944
- Sales \$	970,000	651,649	6,618,000	6,219,261	248,173,500	246,846,987
- Sales \$/lot	323,333	325,825	315,143	327,330	261,511	261,490
- Settlements #	3	1	18	19	932	932
- Settlements \$	1,129,000	371,684	6,001,000	6,357,129	243,099,500	243,045,986
- Settlements \$/lot	376,333	371,684	333,389	334,586	260,836	260,779
Special Sites						
- Sales #	-	-	1	1	4	4
- Sales \$	-	-	477,000	480,000	3,772,000	3,775,000
- Sales \$/lot	-	-	477,000	480,000	943,000	943,750
- Settlements #	-	-	1	1	4	4
- Settlements \$	-	-	477,000	480,000	3,772,000	3,775,000
- Settlements \$/lot	-	-	477,000	480,000	943,000	943,750
Lots Under Contract						
- Unsettled sales #	17			3	Titled	
- Unsettled sales \$	5,074,000			14	1,010 incl. Spec sites	
- Unsettled sales \$/lot	298,471					

CATALINA
FINANCE REPORT
MARCH 2020

1.3 Cashflow - MTD Actuals to budget

	<u>MTD Act</u>	<u>MTD Bgt</u>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	1,129,000	371,684	757,316
Margin GST	(16,494)	(4,545)	(11,949)
Direct selling costs	(52,522)	(16,968)	(35,554)
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(13,747)	(66,140)	52,393
	<u>1,046,237</u>	<u>284,030</u>	<u>762,207</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	18,101	15,933	(2,168)
Landscaping	6,358	206,425	200,067
Consultants	14,364	47,111	32,748
Infrastructure	-	11,644	11,644
Sales office building	-	1,250	1,250
	<u>38,823</u>	<u>282,364</u>	<u>243,541</u>
<u>Overheads</u>			
Sales & marketing	7,570	29,167	21,596
Community Develop.	12,260	16,042	3,782
Administration	30,187	69,217	39,029
Finance/Contingency	-	19,839	19,839
	<u>50,018</u>	<u>134,264</u>	<u>84,247</u>
Net Cashflow	<u>957,397</u>	<u>(132,598)</u>	<u>1,089,995</u>

1.4 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	6,001,000	6,357,130	(356,130)
Margin GST	(61,823)	(86,364)	24,541
Direct selling costs	(306,524)	(313,415)	6,891
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	437,873	436,364	1,509
Rebate Allowance	(173,073)	(1,106,727)	933,654
	<u>5,897,453</u>	<u>5,286,988</u>	<u>610,465</u>
<u>Development costs</u>			
WAPC Land Acq.	-	5,103,000	5,103,000
Lot production	685,266	1,609,215	923,949
Landscaping	677,506	2,356,943	1,679,437
Consultants	135,489	436,001	300,512
Infrastructure	13,617	(25,321)	(38,939)
Sales office building	16,408	59,742	43,335
	<u>1,528,286</u>	<u>9,539,580</u>	<u>8,011,294</u>
<u>Overheads</u>			
Sales & marketing	67,511	262,501	194,990
Community Develop.	50,932	144,375	93,443
Administration	382,107	994,163	612,056
Finance/Contingency	-	536,305	536,305
	<u>500,550</u>	<u>1,937,345</u>	<u>1,436,795</u>
Net Cashflow	<u>3,868,618</u>	<u>(6,189,937)</u>	<u>10,058,555</u>

1.5 Bonds

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

Bonds relate to stage 25 early clearances.

CATALINA
FINANCE REPORT
MARCH 2020

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 \$ (Stimts)	1,129,000	371,684	757,316	6,001,000	6,357,129	(356,129)	243,099,500	243,045,985
- Revenue \$/lot	376,333	371,684		333,389	334,586		260,836	260,779
- Selling & GST \$	134,016	34,045	(99,971)	719,127	707,150	(11,977)	22,062,564	22,655,014
- Selling & GST \$/lot	44,672	34,045		39,952	37,218		23,672	24,308
- Cost of sales \$	357,619	116,921	(240,698)	2,127,141	2,424,631	297,490	86,899,392	87,394,050
- Cost of sales \$/lot	119,206	116,921		118,175	127,612		93,240	93,770
- Gross profit \$	637,365	220,718	416,647	3,154,732	3,225,348	(70,616)	134,137,544	132,996,921
- Gross profit \$/lot	212,455	220,718		175,263	169,755		143,924	142,701
- Gross profit Mgn %	56.45%	59.38%		52.57%	50.74%		55.18%	54.72%
- Special Sites \$	-	-	-	(22,979)	(295,280)	272,301	2,091,959	1,819,658
- Other income \$	-	-	-	-	-	-	255,411	255,298
- Sales & Marketing \$	23,675	55,658	31,983	115,426	511,651	396,225	2,131,366	2,970,223
- Administration \$	42,591	90,242	47,651	373,774	869,491	495,717	4,104,348	4,644,514
- Finance/Other \$	-	-	-	-	-	-	198,181	-
- Contingency \$	-	19,848	19,848	-	291,573	291,573	-	246,795
- Net profit \$	571,099	54,969	516,130	2,642,552	1,257,352	1,385,200	130,051,019	127,210,344
- Net profit \$/lot	190,366	54,969		146,808	66,176		139,540	136,492

- YTD Gross profit is \$71k unfavourable to budget due to 1 less settlement to date.
- YTD Overheads are \$1,184k below budget due to:
 - Marketing costs \$396k favourable (timing of invoice payments and new initiatives yet to commence);
 - Admin \$496k favourable (full provisional amounts for Rates & Taxes and Repairs & Maintenance, including Central Cell Carpark makegood, not yet required);
 - Unused Contingency \$292k.

YEAR TO DATE VERSUS FULL YEAR BUDGET

	<u>YTD Act</u>	<u>FY20 Full Year Bgt</u>	<u>Var</u>
- Revenue \$ (Stimts)	6,001,000	8,593,874	(2,592,874)
- Revenue \$/lot	333,389	330,534	
- Selling & GST \$	719,127	929,592	210,465
- Selling & GST \$/lot	39,952	35,754	
- Cost of sales \$	2,127,141	3,352,826	1,225,685
- Cost of sales \$/lot	118,175	128,955	
- Gross profit \$	3,154,732	4,311,456	(1,156,724)
- Gross profit \$/lot	175,263	165,825	
- Gross profit Mgn %	52.57%	50.17%	
- Special Sites \$	(22,979)	(295,280)	272,301
- Other income \$	-	-	-
- Sales & Marketing \$	115,426	678,626	563,200
- Administration \$	373,774	1,127,030	753,256
- Finance \$	-	-	-
- Contingency \$	-	430,736	430,736
- Net profit \$	2,642,552	1,779,784	862,768
- Net profit \$/lot	146,808	68,453	

* Administration budget includes \$57k Carpark remediation works budgeted as capital costs in the cashflow.

2.1 GROSS PROFIT ANALYSIS

Actual

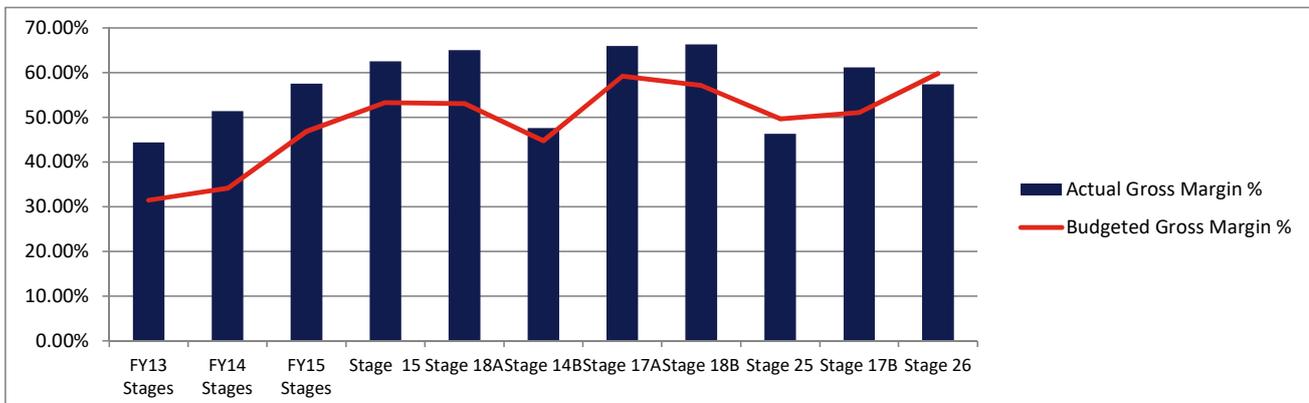
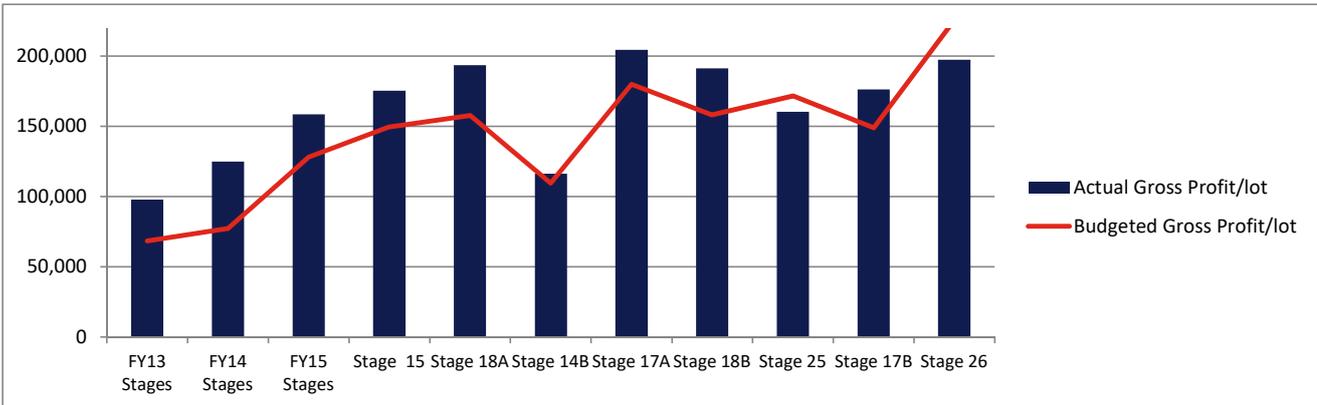
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Actual Gross Profit	Actual Gross Profit/lot	Actual Gross Margin %
Incentives Writeback				-3,542,647		3,542,647		
FY13 Stages	2012 / 2013	51,375,500	220,496	28,570,159	122,619	22,805,341	97,877	44.39%
FY14 Stages	2013 / 2014	50,325,000	243,116	24,477,309	118,248	25,847,691	124,868	51.36%
FY15 Stages	2014 / 2015	77,688,000	275,489	32,963,408	116,892	44,724,592	158,598	57.57%
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	2,444,000	244,400	1,281,011	128,101	1,162,989	116,299	47.59%
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	17,331,000	346,620	9,310,489	186,210	8,020,511	160,410	46.28%
Stage 17B	22-May-18	3,741,000	287,769	1,450,631	111,587	2,290,369	176,182	61.22%
Stage 26	26-Sep-19	2,065,000	344,167	880,396	146,733	1,184,604	197,434	57.37%
		<u>243,099,500</u>		<u>108,961,956</u>		<u>134,137,544</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 Profit	Budgeted Gross Profit/lot	Budgeted Gross Margin %
FY13 Stages	May-12	51,358,953	217,623	35,200,675	149,155	16,158,278	68,467	31.46%
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421	149,360	16,014,514	77,365	34.12%
FY 15 Stages	Aug-14	76,167,089	273,000	40,469,170	145,051	35,697,919	127,950	46.87%
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%
Stage 26	Jun-19	14,347,000	377,553	5,766,060	151,738	8,580,940	225,814	59.81%
		<u>263,517,452</u>		<u>147,527,804</u>		<u>115,989,649</u>		

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



- Stage 26 Gross profit / lot is \$28k below budget due to lot mix of settlements to date.

Catalina

Finished Lots & Cost of Lots Sold calculations to 31 Mar 2020

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	26-Sep-19	7-Nov-12	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	Stage 26	Central Cell Sales Office	
Direct costs													
Civil Construction			3,312,998	633,835	795,104	794,550	4,918,686	83,260	253,163	968,747	1,238,569	89,540	
Sewer headwks			209,432	51,015	116,369	136,672	261,837	4,514	4,514	174,117	183,682	5,660	
Local authority fees			161,433	1,911	6,839	10,835	35,653	615	615	12,684	12,947	4,363	
Local authority scheme costs			100,077	27,000	67,500	83,700	156,600	-	-	97,200	13,620	2,705	
Survey & legal fees			37,093	13,139	25,550	29,762	54,801	945	945	35,586	34,200	1,003	
Engineering fees			205,607	18,200	85,250	97,962	159,500	2,750	12,341	100,839	104,500	5,557	
Sales Office Build Cost												330,780	
Finished Goods Adjustments	- 31,206	- 1,282,787	- 1,044,810	- 11,250	- 25,549	- 39,478	- 220,060					- 28,238	
	420,826	43,233,645	2,981,830	733,850	1,071,063	1,114,003	5,367,017	92,084	271,578	1,389,173	1,587,518	411,370	
Earthworks Allocation	260,179	11,806,198	447,375	50,570	123,078	152,616	1,077,304	18,574	66,681	166,059	672,342	12,091	
Indirect Costs													
Land	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure	84,898	6,012,456	265,106	70,224	235,295	282,496	620,746	7,879	31,674	351,671	521,532	7,165	
Landscape	118,628	8,518,643	333,226	154,123	495,646	594,017	1,308,860	16,613	66,785	871,324	1,270,179	9,006	
TOTAL COST	884,530	69,570,942	4,027,536	1,008,767	1,925,082	2,143,132	8,373,927	135,150	436,718	2,778,227	4,051,571	439,633	
Lots	3	769	37	10	25	31	58	1	1	36	38	1	
COST PER LOT	294,843	90,469	108,852	100,877	77,003	69,133	144,378	135,150	436,718	77,173	106,620	439,633	
Lots settled	3	769	37	10	23	24	50	-	-	13	6	1	936
COST OF LOTS SETTLED	884,530	69,570,942	4,027,536	1,008,767	1,771,075	1,659,199	7,218,903	-	-	1,003,249	639,722	439,633	88,223,555
Stage Area (m2)	10,900	261,394	13,161	2,926	10,128	11,236	11,236	255	1,795	13,154	15,904	320	
Cost per m2	81	266	306	345	190	191	745	530	243	211	255	1,374	
Avg lot size	3,633	340	356	293	405	362	194	255	1,795	365	419	320	
Other cash expenditure													
Direct Selling & Proj Mgt Costs													22,418,443
Marketing costs													2,131,366
Administration													4,104,348
Finance													198,181
Contingency													0
TOTAL COSTS													117,075,893
PERIODIC ANALYSIS		Month			YTD			PTD					PY Jun-19
Lots settled		3			19			936					917
Cost of lots settled		357,619 *			2,566,774			88,223,554					85,656,780
Direct selling costs		134,016			779,474			22,418,443					21,638,969
Marketing costs		23,675			115,426			2,131,366					2,015,940
Administration		42,591			373,774			4,104,348					3,730,574
Finance		-			-			198,181					198,181
Contingency		-			-			-					-
TOTAL COSTS		557,901			3,835,448			117,075,892					113,240,444

*Includes sales office costs sold together with lot form stage 2.

Catalina COGS Calc

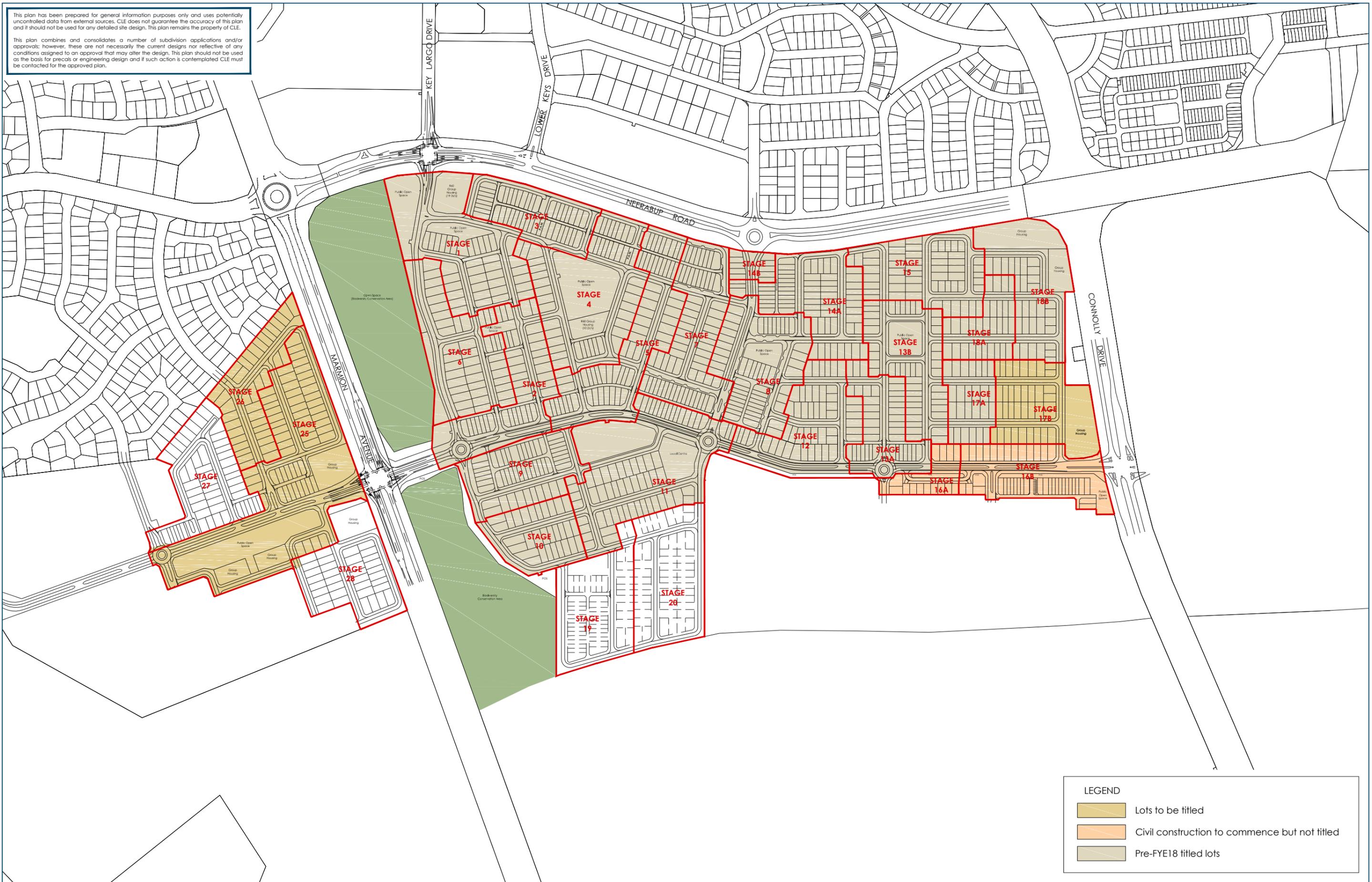
31-Mar-20

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	3,429,204	598,332	4,027,537	37	37	-	108,852	37	4,027,537	-	-
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	10	1,008,767	-	-
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	50	7,218,902	1,155,024	144,378
140-01-17B	22-May-2018	1,555,232	1,222,995	2,778,227	36	36	-	77,173	13	1,003,248	1,774,978	77,173
140-02-026	26-Sep-2019	2,259,859	1,791,711	4,051,570	38	38	-	106,620	6	639,722	3,411,848	106,620
140-70-001	7-Nov-2012	423,461	16,171	439,633	1	1	-	439,633	1	439,633	-	-
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
73,527,019		22,248,193	95,775,212	1,010	1,010	-			936	88,223,554	7,551,658	

Appendix 8.3

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

CATALINA DIGITAL CAMPAIGN REPORT

May 2020



VIVA LA CATALINA (up to \$17,000) PROMOTION

01 | CAMPAIGN SUMMARY

01 | SNAPSHOT

Status: Launched

Campaign: Viva La Catalina (up to \$17,000 cash incentive across selected lots)

Period: 10 April – 30 June 2020

TOTAL budget approved: \$40,000

Creative: \$7,000

Media exposure: \$33,000

Lead count (campaign total): 64 leads

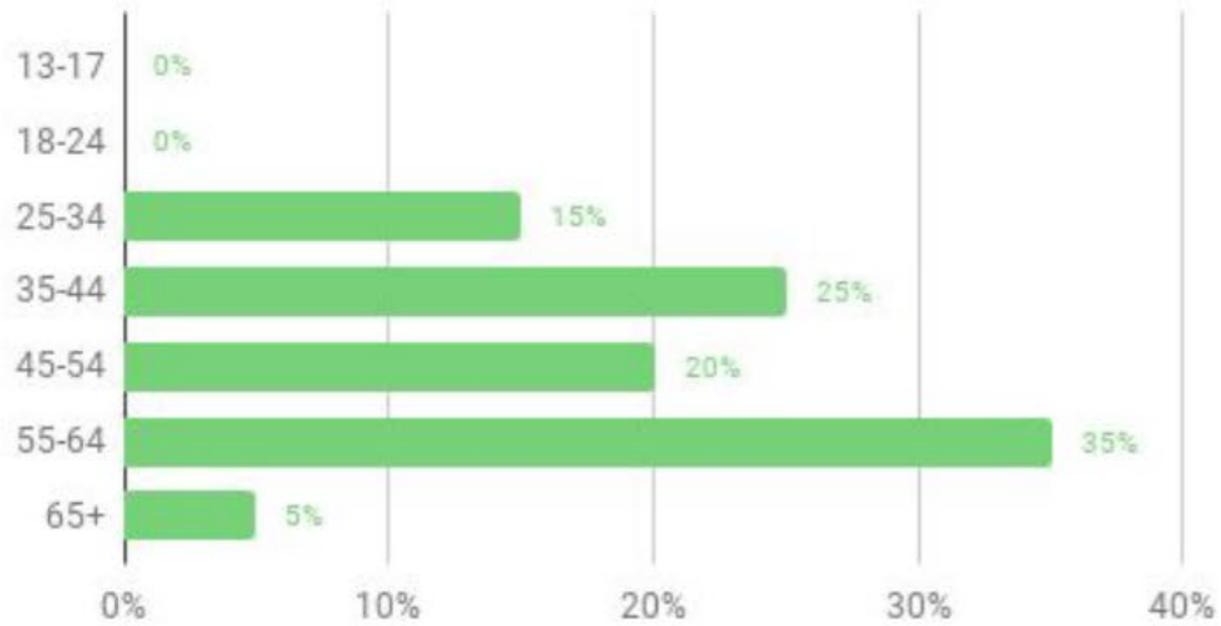
Total FYTD: 539 leads

VIVA LA CATALINA (up to \$17,000) PROMOTION

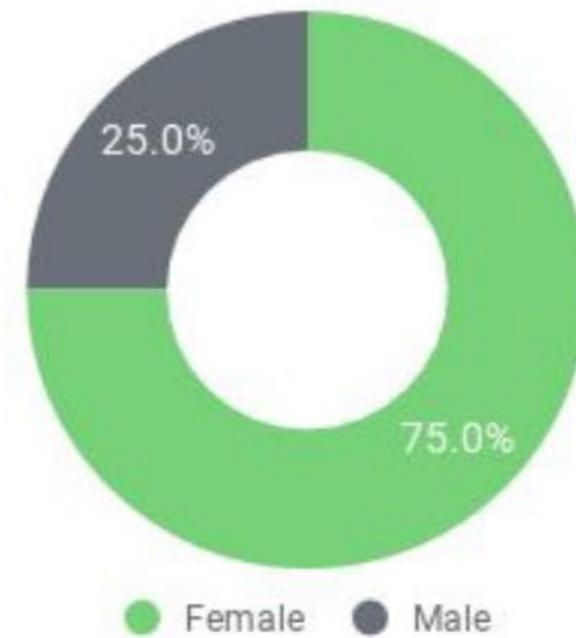
02 | LEAD PROFILE

02 | LEAD PROFILE

Catalina - Facebook Age Lead Distribution



Catalina - Facebook Gender Lead Distribution



02 | LEAD PROFILE

BUYER TYPE	COUNT
FIRST HOME BUYER	11
UPSIZER	9
DOWNSIZER	13
INVESTOR	2
DIDN'T SPECIFY	0
TOTAL	35

BUDGET	COUNT
\$150K - \$249K	0
\$250K - \$349K	7
\$350K - \$449K	4
\$450K - \$549K	16
\$550K - \$649K	6
\$650K - \$749K	1
\$750K +	1
DIDN'T SPECIFY	0
TOTAL	35

FINANCIAL STATUS	COUNT
FINANCED APPROVED	8
HAVE DEPOSIT, NOT YET APPROVED	13
STILL SAVING	14
DIDN'T SPECIFY	0
TOTAL	35

LOT SIZE	COUNT
<250SQM	2
251-375 SQM	12
376-450 SQM	12
451-550 SQM	7
LARGER THAN 551 SQM	2
DIDN'T SPECIFY	0
TOTAL	35

VIVA LA CATALINA (up to \$17,000) PROMOTION

03 | CREATIVE PERFORMANCE

03 | HIGH-PERFORMING CREATIVE

Satterley
Sponsored ·

Build an affordable home in a premium coastal community. Mindarie Beach Park is proving popular with families!

INFO.SATTERLEY.COM.AU
Start a New Life at Catalina
Discover Catalina in Mindarie with our 360° virtual tour.

[Learn More](#)

Satterley
Sponsored ·

"We have a great park down the road where we take the kids and the dog!"
Discover life at Catalina.

INFO.SATTERLEY.COM.AU
Everything You Need at Home
Register to download the Catalina brochure.

[Learn More](#)

Satterley
Sponsored ·

Living here you're minutes from the beach and Mindarie Marina. Affordable land from \$184,000*.

INFO.SATTERLEY.COM.AU
Land Selling - Mins to the Beach!
Register to download the Catalina brochure.

[Learn More](#)

Catalina Estate in Mindarie | Discover Lots and House & Land | Build an Affordable New Home

[Ad info.satterley.com.au/Catalina/Community](https://info.satterley.com.au/Catalina/Community)

Celebrate Catalina living with our biggest rebate up to \$17,000 across land*. T&Cs apply. Explore the Catalina brochure with masterplan and take a virtual tour of our community.

Catalina in Mindarie | Explore our Premium Community | Register for the Brochure

[Ad info.satterley.com.au/Catalina/Land](https://info.satterley.com.au/Catalina/Land)

Explore the Catalina brochure with masterplan and take a virtual tour of our community. Celebrate Catalina living with our biggest rebate up to \$17,000 across land*. T&Cs apply.

03 | HIGH-PERFORMING CREATIVE – H&L

 **Satterley**
Sponsored · 

The Kennedy at Catalina features open plan living with two doors providing direct access to the huge alfresco area.



SATTERLEY.COM.AU
4 Bedroom House & Land Packages
Discover Catalina in Mindarie with our 360° virtual tour. [Learn More](#)

 **Satterley**
Sponsored · 

The perfect home for a growing family, the Kennedy on Lot 951 features a separate games or theater room!



SATTERLEY.COM.AU
Large 4 Bedroom Home from \$489,840*
Discover Catalina in Mindarie with our 360° virtual tour. [Learn More](#)

 **Satterley**
Sponsored · 

Explore the Kennedy package at Catalina with luxury stone benchtops and stainless steel appliances included.

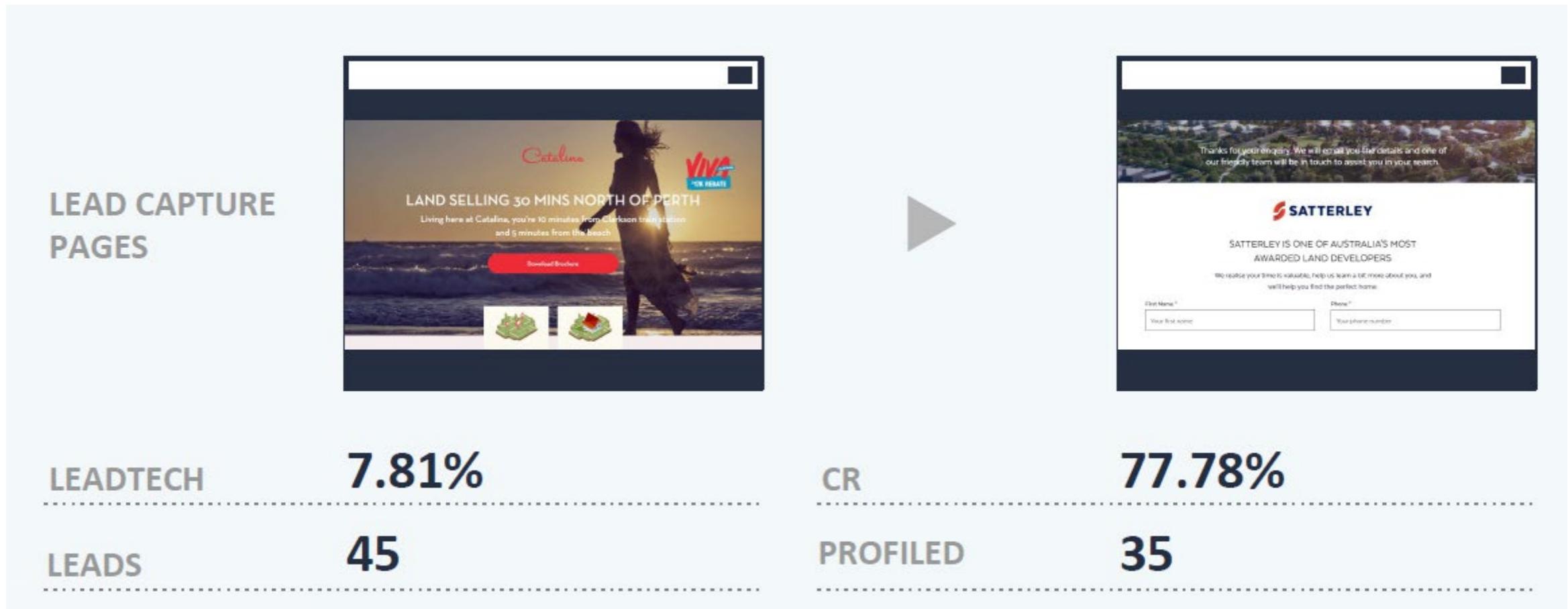


SATTERLEY.COM.AU
Affordable House & Land in Mindarie
Register to download the Catalina brochure. [Learn More](#)

03 | CUSTOMER JOURNEY

Campaign landing page is converting at the rate of nearly 8% (which is greater than 2% benchmark). This means that 8% of all visitors to the campaign landing page submit their details and join Catalina data base

Further, nearly 88% of those who submitted their essential details, progress to submit further information about their purchasing journey (budget, stage, designed, block size, etc)



VIVA LA CATALINA (up to \$17,000) PROMOTION

04 | SUMMARY

04 | SUMMARY

Catalina *Viva La Catalina* campaign generated 64 leads since the beginning of the campaign, bringing the total lead count for FYTD to 539.

KEY TAKEAWAYS

1. April period of *Viva La Catalina* showed growing number of leads due to the digital activities gaining momentum and the appeal of up to \$17,000 incentive
2. Cost per lead in the new campaign is consistent with the previous campaigns, being one of the lowest among all Satterley participating estates.
3. *Lead* profile (campaign period) is dominated by downsizers, followed by the first home buyers and upsizers. This is a slight deviation from the previous trend, led by the first home buyers.
4. *Buyer* profile (FYTD) comprises of first home buyers (48%), Upgraders (31) and downsizers (14%).

Appendix 8.4

7 May 2019

Mr. Tony Arias
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6019

Dear Tony,

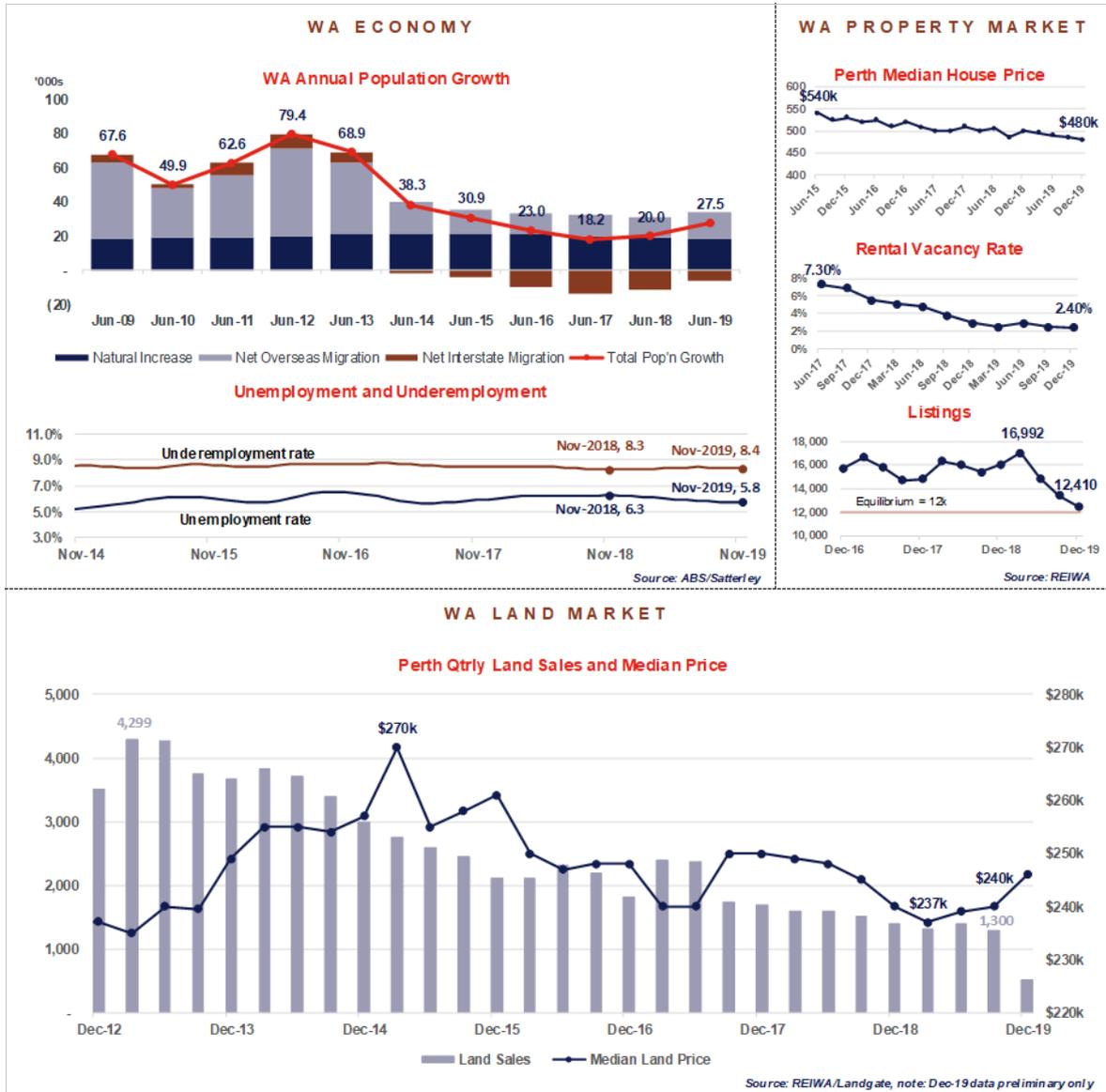
Proposed Catalina FY2021 Budget

Please find attached the FY2021 Catalina Budget. The review is discussed under the following headings:

1. WA Market Overview
2. Major Infrastructure Considerations (FY2021)
3. Budget Comparisons
4. Financial Year Ending 2020 (FY2020)
5. Operations for Financial Year Ending 2021 (FY2021)
6. Review of FY2021
7. Key Risks for Achieving FY2021 Budget
8. FY2020 / FY2021 Snapshot
9. Overview of Financial Year Ending 2022 (FY2022)
10. Project Forecast
11. Assumptions
12. Civil Construction Triggers
13. Cash Requirement, Capital Return and Profit Distributions

1. WA Market Overview

The graphic below provides a snapshot of the state of the WA property market at present and a brief history leading up to this point. It provides some context to the assumptions used in the Proposed Catalina FY2021 Budget.



- Population growth was improving with reduced net outflow of interstate migrants. 1.1% growth for the year to Jun-19.
- Improvement in trend unemployment over the prior 12 months, although underemployment remains high.
- Reserve Bank rate cuts have brought the official cash rate to 0.25%. With limited room to move, the RBA left the rate unchanged in May 2020. Further infrastructure spending required to help bolster the economy.
- Stock levels in WA are closing near the equilibrium of circa 12,000 at the end of the Dec-19 quarter, down from 16,992 in the Mar-19 quarter.

- Perth median house prices dropped 0.1% in the December 2019 quarter (Corelogic) with 18% of homes in WA and NT in negative equity (Macquarie, August 2019). This will continue to constrain second and third home buyers.
- Slight improvement in median house rents from \$360 per week to \$370 with a tightening in the vacancy rate down to 2.4%. Unit rents remained unchanged in 2019 at \$330 per week.
- The outlook for the WA land market remains unchanged; low volumes with slow improvement.

COVID-19

The market overview above is prepared on data that has a lag of several months. The outlook indicates that WA is in a stage of slow improvement with small positive signs in population, unemployment and stock levels. However, due to the lag in data this overview does not include the impact of the recent COVID-19 pandemic.

COVID-19 has been described as a 'black swan event' impacting the world economy since the first reports of an outbreak in Wuhan China on 31 December 2019. These impacts escalated when the World Health Organisation declared this virus a 'Global Pandemic' on 11 March 2020. Volatility in financial markets and global economies has been constant since this time and is likely to continue for the time being. Factors such as the time it will take for the virus to peak and taper and a vaccine or treatment being widely disseminated are unknown at the point of preparing the FY2021 Budget.

The WA housing market prior to the outbreak had started to show signs of recovery. However, this trend will not continue as an adjustment will be required to account for COVID-19. Since the outbreak caution and decreased confidence has been noted in the active buyers in the market. Projects that are slow to react to the impacts of this crisis will quickly become stagnant and hard to reignite in depressed market conditions. Buyers will seek safer havens to build and those that offer value for money during this period.

It is proposed that the project takes a swift adjustment to price and leverages its locational benefits and promotes itself as a safer location to invest. To continue the momentum the project will need to invest in infrastructure to increase buyer confidence in Catalina. This approach will enable the project to continue to trade through this pandemic and the recovery period. Taking this bold move will also place the project to be in a strong position with a third precinct and beach access by FY2022.

The proposed FY2021 budget cannot ignore this pandemic - it must look to face it head on and position itself to take momentum into and out of this challenging period.

2. Major Infrastructure Considerations (FY2021)

The following major infrastructure items have been considered as part of the FY2021 Budget.

Items included in the FY2021 Budget

Foreshore Connection, Extension of Portofino Promenade and associated Streetscapes

Overview	This item includes the extension of Portofino Promenade to the western most boundary of the development, the construction of an access road and carpark within the foreshore reserve, and the associated streetscapes. This will provide the project with direct access to the beach.
Budget Value	\$2.06m (Infrastructure) + \$1.50m (Streetscapes)
Comments	<p>Satterley believe that this is a vital connection to strengthen the aspirational position of Catalina Beach. It is included in the FY2021 Budget for the following reasons.</p> <ul style="list-style-type: none"> • Allows the project to move from a coastal to a beach offering. • Projects to the north have completed strong beach connections and whilst this will not be of the same size and sale as some of the competing projects it will remove some of the advantages held by many of the competitors in this corridor. • Has the potential to be a well-used beach connection that drives traffic through the estate. • The expenditure of this item could be deferred for several years as it is not critical to the delivery. However, it is likely to affect sales volumes, prices, and brand perception if it is not completed.

Connolly Drive Roundabout

Overview	This is a high traffic volume roundabout located along Connolly Drive. Upon completion it will provide the most eastern entry into Catalina Central and provide the only free movement into the future precinct of Catalina Grove.
Budget Value	\$1.98m
Comments	<p>This major connector within the project has been included within the FY2021 Budget for the following reasons.</p> <ul style="list-style-type: none"> • The entry from Connolly Drive will open access to the current stages for sale in Catalina Central whilst providing the first entry into the future precinct of Catalina Grove. • Provides a strong connection between Catalina Central and Catalina Grove. • Delaying this infrastructure will inhibit sales in Catalina Central. • This item of infrastructure could be delayed to FY2022 however resistance would be met by the City of Wanneroo when seeking approvals for Stage 16.

Catalina Grove Earthworks Phase 1

Overview	The initial phases of work required prior to stage construction in Catalina Grove. Focused towards the north western corner of the precinct the phase 1 earthworks will prework the initial stages of Catalina Grove.
Budget Value	\$2.95m (\$0.74m FY21)
Comments	<p>Catalina Grove Earthworks Phase 1 have been included in the FY2021 Budget for the following reasons.</p> <ul style="list-style-type: none"> • Catalina Central will run out of stock and Grove is required to maintain sales and momentum. • The area of Phase 1 has been identified as preferred start point of the precinct. The location has been identified by the consultancy team due to easy of servicing, exposure, retention of existing vegetation, adaptability, traffic flow, access and egress, entry statement opportunities and ability to create a diversity of product. • Phase 1 will establish the project vision though retention of existing mature trees and the ability to showcase high quality housing options in a highly exposed and visible display village. • A smaller area of Phase 1 could be identified but efficiencies and the ability to successfully release this new precinct will be impacted.

Catalina Central Green Link Extension

Overview	Upon project completion the Green Link will provide a safe and shaded connection for pedestrians across all three precincts of the project and stretch from Clarkson train station to the beach. FY21 will see the completion of the green link in Catalina Central. Progress towards the foreshore and the train station in the precincts of Beach and Grove will beyond FY21.
Budget Value	\$1.71m (\$0.28m FY21)
Comments	<p>Providing an entry statement and landscape buffer to the future stages will assist sales in Catalina Central. This item has been included in the FY2021 Budget for the following reasons.</p> <ul style="list-style-type: none"> • Development of land south of Aviator Boulevard is to be deferred due to risk audit recommendations on recent groundwater monitoring results. To ensure the site presents well this extension of the green link will provide a aesthetically pleasing edge to the development. • Catalina Grove is recommended to progress in FY2021 along with the extension of Portofino Boulevard to the beach. The opportunity will exist in a few years to complete the projects aspiration of creating a green link from the train station to the beach. • Landscaping of this section of the Green Link will assist sales in Catalina Central and provides a landscaped entry from Conolly Drive. • These works could be deferred to be outside of FY2021 however this is likely to effect the sales rates that can be achieved in Catalina Central.

Items considered but excluded or deferred from the FY2021 Budget

Longreach Promenade Connection

Overview	Providing the extension of Portofino Promenade to the existing Mindarie road of Longreach Promenade.
Budget Value	\$0.81m
FY2021 Budget	This connection will provide a strong connection to the existing suburb of Mindarie and the Marina. This item was not included in the FY2021 Budget and deferred to allow for greater design to be completed within Phase 2 of Catalina Beach. It is proposed that the timing of this items is reviewed again as part of the FY2022 budget.

Foreshore Park

Overview	Budget has been provided to create a significant park and landscaped foreshore interface area to the western boundary of Catalina Beach.
Budget Value	\$4.24m (including all interface works)
FY2021 Budget	This item has not been included in FY2021. The works are proposed to be deferred until a greater understanding of the Catalina Beach Phase 2 design has been achieved. It is also a significant expenditure that is not necessary in the short term. It is proposed that the timing of this item is reviewed as part of the FY2022 Budget.

Clarkson Train Station Bus Connection

Overview	Perth Transit Authority has indicated their desire to start a bus service through Catalina Grove and Central upon completion of the major east west connector road (Aviator Boulevard).
Budget Value	\$3.30m
FY2021 Budget	Whilst this would be a significant service for the residents of Catalina the design and planning of Catalina Grove needs further progression, in particular the levels in north eastern corner. It is proposed that the timing of this item is reviewed as part of the FY2022 Budget, or sooner.

Forward Landscaping of Playing Fields

Overview	Creating the playing fields and open space adjoining the future primary school site in Catalina Central.
Budget Value	\$1.45m
FY2021 Budget	Development of land south of Aviator Boulevard is to be deferred due to risk audit recommendations on recent groundwater monitoring results. It is proposed that the timing for the delivery of this item is reviewed upon the associated environmental issues being appropriately issued.

3. Budget Comparisons

Budget review and analysis in this document for FY2020 compares to the budget approved June 2019.

Budget review and analysis in this document for FY2021 and subsequent years compares to the 2018 Project Forecast (Project Forecast).

4. Financial Year Ending 2020 (FY2020)

The key operations for the 2020 financial year as forecast in this review are as follows:

This review forecasts a cashflow before distributions of \$1.5m, which is \$8.6m higher than the budget approved in June 2019. The high-level areas of variance are summarised below:

- 13 net sales are forecast in FY2020, (18) lots less than the approved budget after a further deterioration in market conditions. 8 cancellations have been budgeted due to COVID-19.
- Gross income is forecast to be (\$1.7m) lower, which is driven by 5 fewer lot settlements (\$1.5m) and a (\$0.2m) increase in direct selling costs due to the timing of budgeted rebates carried over from FY2019.
- Development costs are forecast to be \$10.4m lower than the budget approved in June 2019, driven by:
 - › Deferral of what was to be the first \$5.1m WAPC Land Acquisition payment - this is now forecast as a single \$10.2m payment in FY2021.
 - › Net infrastructure costs are \$2.7m lower driven by a \$0.1m increase in the Beach Pump Station refund and costs deferred to FY2021 of \$1.1m for the North/South Dual Use Path, \$0.4m for the Connolly Drive Roundabout, \$0.4m for the Portofino Promenade Extension and \$0.7m for the Foreshore Access Road.
 - › Landscaping costs are \$1.5m lower due to deferrals to FY2021 which include \$0.4m for Stage 11 Landscaping Phase 2, \$0.3m for the Foreshore Node Interface, \$0.2m for Landscape Consultancy, \$0.2m for Stage 25 Landscaping, \$0.1m for Public Art and \$0.1m for Bore 5.
 - › Lot production is \$0.4m lower driven by costs deferred to FY2021 including \$0.4m for Stage 18C and \$0.6m for stage 26, partially offset by (\$0.5m) of costs for stage 18B and (\$0.1m) of costs for stage 25 carried over from FY19.
 - › The FY2020 forecast sees a \$0.6m reduction in contingency through deferred works.
- Distributions for FY2020 are forecast as \$3m as per the budget approved in June 2019.

FY2020 includes actuals for stock and revenue to the end of March 2020 and actual costs to the end of January 2020 the remainder of the year are forecasts. It should be noted that at the point of preparing the FY2021 Budget the project has averaged under 2 net sales per month over the preceding 6 months. Due to COVID-19 the forecast for the remaining months were downgraded and a fall over of 8 contracts have been forecast. However, since preparation of the budget sales have outperformed this assumption due to the Viva Catalina campaign. The sales position of the project in

FY20 is likely to outperform those detailed above. The final position of FY2020 will be updated and presented as part of the mid-year review.

5. Operations for Financial Year Ending 2021 (FY2021)

The key operations for the 2021 financial year as forecast in this review are as follows:

- Distributions are (\$18m) lower from the Project Forecast at \$3m.
- Forecast sales of 78 lots (-72 from the Project Forecast).
- Forecast settlements of 60 lots (-78 from the Project Forecast).
- Forecast gross income of \$13.7m.
- 52 forecast titles to be issued for stages 18C (35 lots, Feb-21) and 16A (17 lots, Apr-21).
- \$10.2m WAPC land acquisition in May-21.
- Total earthworks and civil construction costs for the year of \$5.6m, comprising mainly stage 16A and 18C works.
- Net infrastructure costs of \$4.9m are forecast for FY2021 with costs including \$0.8m for the North/South Dual Use Path, \$2.0m for the Connolly Drive Roundabout, \$0.8m for the Portofino Promenade Extension and \$1.3m for the Foreshore Access Road.
- Total landscaping of \$3.5m budgeted. Landscaping in Catalina Central will include \$0.4m for Stage 11 Landscaping Phase Two, \$0.1m for Bore 5, \$0.3m for stage 16 Landscaping and \$0.3m for stage 18C landscaping. Catalina Beach landscaping will include \$1.5m for the Foreshore Node / Beach Connection. \$0.3m in landscape consultancy is budgeted.

6. Review of FY2021

This review forecasts a cashflow before distributions of (\$15.0m) for the year to 30 June 2021, compared to \$21.2m cashflow in the Project Forecast. The main areas of variance from the Project Forecast are summarised below:

- Annual sales for FY2021 have reduced by (72) lots to 78 for the year after a continued downturn and the impacts of COVID-19 since the Project Forecast.
- Forecast settlements have reduced by (78) lots to 60 lots in FY2021 following the lower sales forecast in FY2020 and FY2021. Lot income is (\$23.1m) lower than the Project Forecast, with settlements expected from stages 16-18 in Central and 25-26 in Beach, compared to stages 27-28 in Beach and 36-39 in Grove in the Project Forecast. Total lot income is forecast at \$15.4m in FY2021.
- Special site income has decreased by (\$3.9m) with no special sites expected to settle in FY2021 and the two stage 18B group housing sites converted to residential stage 18C. The Project Forecast had budgeted for the first Grove group housing site settlement of \$3.9m in FY2021.
- The \$10.2m WAPC land acquisition is now budgeted for May 2021, compared to an FY2018 acquisition in the 2018 Project Forecast.

- Infrastructure costs of \$4.9m are budgeted for in FY2021, compared to a net refund of (\$2.6m) in the Project Forecast. The proposed FY2021 budget includes \$0.8m for the North/South Dual Use Path, \$2.0m for the Connolly Drive Roundabout, \$0.8m for the Portofino Promenade Extension and \$1.3m for the Foreshore Access Road. By contrast, the Project Forecast had completed all project infrastructure works in FY2020 and was awaiting a (\$2.6m) refund for the Catalina Grove pump station in FY2021.
- Lot production costs in total for FY2021 are \$6.5m lower than the Project Forecast due to the lower sales forecast and in-turn title volumes required. FY2021 budgeted lot production of \$5.6m includes the following:
 - › \$0.8m costs for initial Catalina Grove bulk earthworks
 - › \$3.1m lot production costs for stage 16A (17 titles Apr-21)
 - › \$1.3m lot production costs for stage 18C (35 titles Feb-21)
 - › \$0.2m initial engineering and survey costs for Stage 27 in Catalina Beach
 - › \$0.1m initial engineering and survey costs for stage 36 in Catalina Grove

By contrast the 2018 Project Forecast budgeted a total of \$12.1m in lot production costs across stage 41-44 bulk earthworks in Grove, and stages 25-29 in Beach and 36-41 in Grove.

- Landscaping works are \$0.5m lower than the Project Forecast at \$3.5m, with the proposed FY2021 budget including the following items:
 - › \$0.4m for Stage 11 Landscaping Phase Two
 - › \$0.1m for Bore 5
 - › \$0.3m for stage 16 Landscaping
 - › \$0.3m for stage 18C landscaping
 - › \$1.5m for the Foreshore Node / Beach Connection
 - › \$0.3m in landscape consultancy is budgeted

By contrast the Project Forecast budgeted a total of \$3.9m landscape works including

- As a result of increasing budgeted maintenance costs to \$60,000 per month, administration costs are \$0.3m higher than the Project Forecast (\$35,000 per month). Spending the allocated maintenance budget will be crucial to enhancing estate presentation and improving sales volumes.
- Outgoing bonds of \$0.7m are budgeted for FY2021 (\$0.35m each for stage 16A and 18C), with no allowance in the Project Forecast. Bonds are a net nil item over the life-of-project and reflect a timing difference only.
- Budgeted contingency costs are \$0.5m higher than the Project Forecast at \$1.3m due to the higher development costs, driven by the budgeted WAPC land acquisition of \$10.2m in May 2021.

7. Key Risks for Achieving FY2021 Budget

The following are key risks to achieving the outcomes of the proposed FY2021 budget:

- Prolonged downturn from the effects of COVID-19. This could impact the project in various forms;
 - › Increased fallover rates of contracts on hand through job losses.
 - › Reduced borrowing capacity of purchases from tightened lending criteria and lower incomes.
 - › Reduced interstate and overseas migration, impacting overall market demand.
 - › Higher rates of unemployment, particularly some of the target market sections such as first home buyers.
- Planning risk – Catalina Grove needed soon for stock levels, Catalina Central buffer zone (although mitigated by deferred stage 16B).

8. FY2020 / FY2021 Snapshot

The below table provides a summary of FY2020 and FY2021.

CATALINA Annual Cashflow (June 2020)			
CATEGORY	PROJECT TOTAL	FY20	FY21
STOCK			
Sales Release	2,505	32	116
Sales	2,505	13	78
Titles	2,505	38	52
Settlements	2,505	21	60
Closing Stock	-	51	89
Contracts on Hand	-	6	24
AVERAGE SETTLEMENT PRICE	266,324	335,254	257,003
GROSS INCOME			
Income - Lots	667,140,993	7,040,333	15,420,204
Income - Special Sites	27,423,722	477,000	-
Income - Other	255,411	-	-
Direct Selling Expenses	80,302,482	1,961,609	1,758,366
GROSS INCOME	614,517,644	5,555,724	13,661,838
DEVELOPMENT COSTS			
Land	10,206,000	-	10,206,000
Consultants	10,618,915	625,780	385,271
Infrastructure	14,868,164	(1,325,437)	4,908,156
Special Sites/Other Development	4,928,178	11,631	260,000
Lot Production	211,056,132	1,587,133	5,578,324
Landscape	54,999,531	1,395,686	3,466,930
Marketing	12,261,072	350,000	400,000
Community Development	2,823,384	100,000	117,000
Administration	25,002,998	1,104,550	1,283,200
Finance/Bonds	-	102,355	700,000
Contingency	11,468,950	119,597	1,330,244
DEVELOPMENT COSTS	358,233,325	4,071,295	28,635,124
CASHFLOW	256,284,319	1,484,430	(14,973,286)
Capital Calls	(13,300,000)	-	-
Capital Returns	13,300,000	-	-
PROFIT DISTRIBUTIONS	256,284,319	3,000,000	3,000,000
Cash Balance at Year End	-	42,460,300	24,487,013

FY2020 includes actuals for stock and revenue to the end of March 2020 and actual costs to the end of January 2020 the remainder of the year are forecasts. It should be noted that at the point of preparing the FY2021 Budget the project has averaged under 2 net sales per month over the preceding 6 months. Due to COVID-19 the forecast for the remaining months were downgraded and a fall over of 8 contracts have been forecast. However, since preparation of the budget sales have outperformed this assumption due to the Viva Catalina campaign. The sales position of the project in FY20 is likely to outperform those detailed in this snapshot. The final position of FY2020 will be updated and presented as part of the mid-year review.

9. Overview of Financial Year Ending 2022

This review forecasts cashflow before distributions of \$0.4m for the year to 30 June 2022, which is (\$24.2m) lower than the Project Forecast. The high-level areas of variance are summarised below:

- › Gross income has decreased by (\$30.3m) due to (\$26.6m) lower lot income from (78) fewer settlements and a (\$7.5m) reduction in special sites income through deferred settlements (most notably the retail site in Catalina Grove), partially offset by \$3.8m deferred direct selling costs.
- › Overall development costs are \$6.1m lower in FY2022 than previously forecast, driven by \$3.0m of deferred lot production costs, and \$3.0m deferred landscape works.
- › Forecast distributions for FY2022 are (\$21.0m) lower than the Project Forecast at \$3m, however the forecast cash balance is \$6.0m higher at \$21.9m at 30 June 2022.

10. Project Forecast

This review forecasts an overall net cash profit of \$256.3m for the life of the project which is (\$84.2m) lower than the Project Forecast.

With diminished returns and the project duration increasing nine years through slower sales rates, project IRR has reduced from 18.4% in the Project Forecast to 13.6%.

11. Assumptions

Escalation

The proposed FY2021 budget uses 3% income escalation and 2% cost escalation commencing July 2022, representing a twelve-month deferral of escalation onset from the FY20 Mid-Year Review approved in December 2019. The deferral is a result of anticipated stagnant prices due to COVID-19.

The changes to escalation rates and timing from the 2018 Project Forecast are shown below:

CATALINA Escalation Rates					
INCOME					
From	Jan-11	Jul-19	Jul-20	Jul-21	Jul-22
To	Jun-19	Jun-20	Jun-21	Jun-22	End
Current - Jun-20	0.0%	0.0%	0.0%	0.0%	3.0%
2018 Project Forecast	0.0%	4.0%	4.0%	4.0%	4.0%
COST					
From	Jan-11	Jul-19	Jul-20	Jul-21	Jul-22
To	Jun-19	Jun-20	Jun-21	Jun-22	End
Current - Jun-20	0.0%	0.0%	0.0%	0.0%	2.0%
2018 Project Forecast	0.0%	2.5%	2.5%	2.5%	2.5%

Pricing

Key to achieving the sales rates set out in the proposed FY2021 budget will be the implementation of revised market pricing. Standard prices and changes are as follows:

Current Approved Pricing (per approved Dec-19 Mid-Year Review):

Standard Price	12.5m x 30m 375m ²	15m x 30m 450m ²
Central	275,000	310,000
Beach	355,000	400,000

Revised Market Pricing – (to achieve 8 sales per month over the long-term – in line with Scenario 2 presented as part of the 2020 Project Forecast):

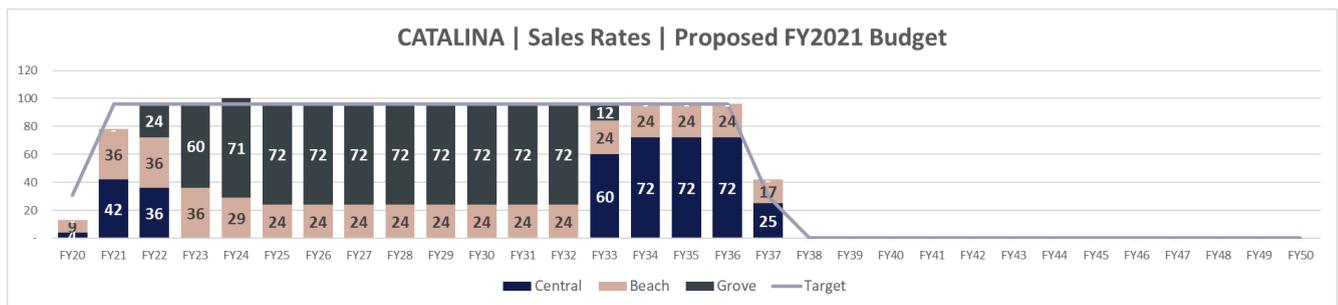
Standard Price	12.5m x 30m 375m ²	15m x 30m 450m ²
Central	235,000	265,000
Beach	325,000	349,000

Equivalent reduction of ~14% Central/Grove, ~9% Beach from previous approved (Dec-19)

Satterley have modelled alternative scenarios to achieve greater sales and believe that any price reductions from the above will have a limited effect on sales and will only reduce project returns.

Sales Rates

The sales rates budgeted under the proposed FY2021 budget are shown below. Note that whilst property markets are often cyclical and will vary over time, for modelling purposes long-term averages have been kept consistent, as is common industry practice.



Other Assumptions

- WAPC land acquisition \$10.2m in May-21
- Beach sales equate to approximately a 25-30% split to finish at same time as the final Central stage 23 to extract maximum value from premium land
- Stage 18C sales in Catalina Central commence Oct-20
- Catalina Grove sales commence Jan-22
- Stage 16B and Primary School GHS deferred until the project returns to Catalina Central once Grove sales complete, assumes buffer restrictions lifted

- Marketing budget set at 2.25% of lot income for project duration, community development at \$1,500 per lot sold
- High quality estate presentation will be key to achieving the sales rates in each scenario. As such, maintenance budgets have been set at \$60,000 per month.
- Short term impact of COVID-19 has been considered:
 - › 8 cancellation of contracts on hand in May-20 (approx. 50%), settlements continue at lower rates, no further sales to Jun-20
 - › Sales recommence Jul-20 building to long term averages (5/8/10 per month) by Jul-21.
- All IRR calculations assume a notional land payment based on historical valuation estimate of \$77.4m at commencement of the project, consistent with IRR methodology for other residential development projects. A Project IRR calculation at the actual \$1.8m land purchase for the proposed FY2021 budget is 205%, and is not comparable to other development projects.

12. Civil Construction Triggers

Civil construction triggers remain in place to ensure the project does not overcommit civil construction to protect against any further downturn in market conditions. The triggers ensure the risk to the project is minimised by only committing to construction if stock reduces to a certain level.

As the Central and Beach precincts appeal to different target markets and will have different sales rates, we continue to recommend separate sales triggers for each.

The recommended trigger closing stock level for this budget review is 32 lots for Catalina Central and 20 lots for Catalina Beach. A lot is no longer considered stock once an offer is received from a purchaser at or above the list price or a lot is withheld from release by the TPRC.

13. Cash Requirement, Capital Return and Profit Distributions

This review forecasts a minimum cash balance for the project of \$24.5m in FY2021 and \$21.3m in FY2022. Approximately \$15m is maintained as a minimum ongoing cash throughout the duration of the project.

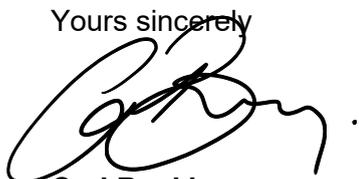
Life of project distributions are now forecast as follows;

CATALINA | Profit Distributions

FINANCIAL YEAR	CURRENT JUN-20	2018 PROJECT FORECAST	VARIANCE	CUMULATIVE VARIANCE
PTD FY19	61,700,000	63,700,000	(2,000,000)	(2,000,000)
FY20	3,000,000	14,000,000	(11,000,000)	(13,000,000)
FY21	3,000,000	21,000,000	(18,000,000)	(31,000,000)
FY22	3,000,000	24,000,000	(21,000,000)	(52,000,000)
FY23	13,000,000	23,000,000	(10,000,000)	(62,000,000)
FY24	4,000,000	28,000,000	(24,000,000)	(86,000,000)
FY25	22,000,000	34,000,000	(12,000,000)	(98,000,000)
FY26	4,000,000	31,000,000	(27,000,000)	(125,000,000)
FY27	12,000,000	46,000,000	(34,000,000)	(159,000,000)
FY28	5,000,000	39,000,000	(34,000,000)	(193,000,000)
FY29	9,000,000	16,000,000	(7,000,000)	(200,000,000)
FY30	9,000,000	794,729	8,205,271	(191,794,729)
FY31	12,000,000	-	12,000,000	(179,794,729)
FY32	2,000,000	-	2,000,000	(177,794,729)
FY33	13,000,000	-	13,000,000	(164,794,729)
FY34	5,000,000	-	5,000,000	(159,794,729)
FY35	17,000,000	-	17,000,000	(142,794,729)
FY36	20,000,000	-	20,000,000	(122,794,729)
FY37	24,000,000	-	24,000,000	(98,794,729)
FY38	-	-	-	(98,794,729)
FY39	14,584,319	-	14,584,319	(84,210,410)
TOTAL	256,284,319	340,494,729	(84,210,410)	(84,210,410)

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

Yours sincerely



Carl Buckley
Project Director

Appendix 8.5

07 May 2020

Mr Tony Arias
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6019

Dear Tony,

Catalina 2020 Project Forecast Scenarios

Please find attached the Catalina 2020 Project Forecast Scenarios. The review is discussed under the following headings:

1. Introduction
2. Scenario Outcomes
3. Outcome Metrics Explained
4. Scenario Assumptions
5. Satterley Recommendation
6. Risks to Achieving Recommended Project Forecast
7. Comparison to 2018 Project Forecast

1. Introduction

The Tamala Park Regional Council (TPRC) has requested Satterley prepare scenario analysis showing several alternatives for the whole-of-life forecast and to recommend a scenario for adoption as the Project Forecast (2020 Project Forecast). At a high-level, the scenarios considered are:

- Scenario 1 – Long-term average of 5 sales per month (pricing 1)
- Scenario 2 – Long-term average of 8 sales per month (pricing 2)
- Scenario 3 – Long-term average of 10 sales per month (pricing 3)

2. Scenario Outcomes

The summary outcome of the scenarios analysis is as follows:

CATALINA Scenario Outcome Matrix				
Metric	2018 Project Forecast 10-16 sales per month	Scenario 1: 5 sales per month Pricing 1	Scenario 2: 8 sales per month Pricing 2	Scenario 3: 10 sales per month Pricing 3
Gross income:	\$681.8m	\$700.1m	\$614.5m	\$565.2m
Development costs:	\$341.3m	\$396.6m	\$358.2m	\$346.6m
Project Cashflow:	\$340.5m	\$303.4m	\$256.3m	\$218.6m
Profit per lot:	\$136,800	\$121,136	\$102,309	\$87,252
Capital IRR:	16.4%	8.3%	9.1%	8.6%
Project IRR:	18.4%	12.4%	13.6%	13.3%
Final settlement:	Aug-28	Oct-47	Aug-37	Mar-34
NPV @ 6%:	n/a	\$67.1m	\$74.3m	\$61.3m
Cashflow after TPRC administration costs:	n/a	\$277.5m	\$240.0m	\$206.1m
NPV @ 6% after TPRC administration costs:	n/a	\$55.9m	\$65.2m	\$53.5m

3. Outcome Metrics Explained

Below is a brief explanation of the metrics used to assess the scenarios and their pros and cons:

Net Present Value (NPV): This is the most appropriate measure to use for comparing the outcomes of different scenarios over a period. It measures the difference between the present value of future cash inflows and outflows. Future cashflows in this scenario analysis have been discounted at 6% as directed by TPRC. Pros: widely used finance measure across all industries, accounts for the time value of money, looks only at future cashflows and can more clearly evaluate strategic decisions going forward. Cons: certain amount of subjectivity in the discount rate used.

Cashflow: Project income less project costs. Pros: Simple measure that is widely understood. Cons: favours longer term projects where the income escalation rate is set higher than cost escalation, resulting in a positive compounding effect on cashflows over time.

Profit per lot: Cashflow divided by the number of residential lots. Pros: easily calculated and widely understood. Cons: doesn't account for the time value of money or differences in design (i.e. density, residential lots vs. special sites).

Internal Rate of Return (IRR): a measure of both the amount of profit and how quickly it is achieved. The higher the percentage IRR, the higher and quicker the returns. By definition the IRR is the

discount rate at which the present value of future cashflows is equal to nil. Pros: widely used measure in residential development, allowing some comparison across projects. Cons: conceptually difficult to understand for non-finance professionals.

Capital IRR: An IRR calculation performed on capital cashflows (call and distributions). Pros: measures IRR when distributions are physically received by Councils. Cons: concept of IRR for non-finance professionals.

Project IRR: An IRR calculation performed on project cashflows. Pros: widely used industry measure. Cons: doesn't account for when Councils receive funds in the form of distributions.

4. Scenario Assumptions

Escalation

All scenarios use 3% income escalation and 2% cost escalation commencing July 2022, representing a twelve-month deferral of escalation onset from the FY20 Mid-Year Review approved in December 2019. The deferral is a result of anticipated stagnant prices due to COVID-19.

The changes to escalation rates and timing from the 2018 Project Forecast are shown below:

CATALINA Escalation Rates					
INCOME					
From	Jan-11	Jul-19	Jul-20	Jul-21	Jul-22
To	Jun-19	Jun-20	Jun-21	Jun-22	End
Current - Jun-20	0.0%	0.0%	0.0%	0.0%	3.0%
2018 Project Forecast	0.0%	4.0%	4.0%	4.0%	4.0%
COST					
From	Jan-11	Jul-19	Jul-20	Jul-21	Jul-22
To	Jun-19	Jun-20	Jun-21	Jun-22	End
Current - Jun-20	0.0%	0.0%	0.0%	0.0%	2.0%
2018 Project Forecast	0.0%	2.5%	2.5%	2.5%	2.5%

Pricing

Key to achieving the sales rates set out in each scenario will be the implementation of revised pricing. The standard pricing under each scenario is set as follows:

Current Approved Pricing (per approved Dec-19 Mid-Year Review):

Standard Price	12.5m x 30m 375m ²	15m x 30m 450m ²
Central	275,000	310,000
Beach	355,000	400,000

Pricing 1 – Scenario 1 (to achieve 5 sales per month):

Standard Price	12.5m x 30m 375m ²	15m x 30m 450m ²
Central	245,000	275,000
Beach	335,000	359,000

Equivalent reduction of ~11% Central/Grove, ~6% Beach from previous approved (Dec-19)

Pricing 2 – Scenario 2 (to achieve 8 sales per month):

Standard Price	12.5m x 30m 375m ²	15m x 30m 450m ²
Central	235,000	265,000
Beach	325,000	349,000

Equivalent reduction of ~14% Central/Grove, ~9% Beach from previous approved (Dec-19)

Pricing 3 – Scenario 3 (to achieve 10 sales per month):

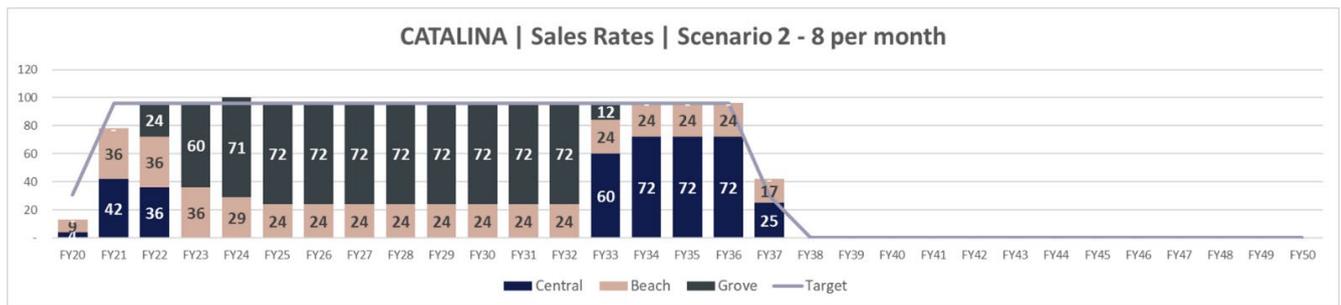
Standard Price	12.5m x 30m 375m ²	15m x 30m 450m ²
Central	220,000	248,000
Beach	284,000	320,000

Equivalent reduction of ~20% for all lot types from previous approved (Dec-19)

Satterley believe that any further price changes beyond Pricing 3 will have a limited effect on sales and will only reduce project returns.

Sales Rates

The sales rates budgeted under each scenario are shown below. Note that whilst property markets are often cyclical and will vary over time, for modelling purposes long-term averages have been kept consistent, as is common industry practice.



Common Assumptions

The following assumptions are the same in each scenario:

- WAPC land acquisition \$10.2m in May-21
- Beach sales equate to approximately a 25-30% split to finish at same time as the final Central stage 23 to extract maximum value from premium land
- Stage 18C sales in Catalina Central commence Oct-20
- Catalina Grove sales commence Jan-22

- Stage 16B and Primary School GHS deferred until the project returns to Catalina Central once Grove sales complete, assumes buffer restrictions lifted
- Marketing budget set at 2.25% of lot income for project duration, community development at \$1,500 per lot sold
- Excellent estate presentation will be key to achieving the sales rates in each scenario. As such, maintenance budgets have been set at \$55,000 per month under Scenario 1, and \$60,000 per month for Scenarios 2 and 3.
- Short term impact of COVID-19 has been considered in all scenarios:
 - › 8 cancellation of contracts on hand in May-20 (approx. 50%), settlements continue at lower rates, no further sales to Jun-20
 - › Sales recommence Jul-20 building to long term averages (5/8/10 per month) by Jul-21.
- All IRR calculations assume a notional land payment based on historical valuation estimate of \$77.4m at commencement of the project, consistent with IRR methodology for other residential development projects. A Project IRR calculation at the actual \$1.8m land purchase under Scenario 2 is 205%, and is not comparable to other development projects.

5. Satterley Recommendation

Evaluating the three scenarios the following conclusions are made;

- Scenario 1 takes too long, evidenced by lower IRR and NPV's, despite higher cashflow which is achieved through forecast income escalation.
- Scenario 2 has the highest IRR and NPV, but lower profit than scenario 1.
- Scenario 3 requires a large price reduction to achieve sales, and this erodes project profit and results in lower IRR and NPV.

Satterley recommends adoption of Scenario 2 - 8 sales per month with pricing 2. This scenario has the highest NPV which is achieved by striking the right balance between cashflow profitability, and speed of returns.

Achieving the outcomes set out in Scenario 2 is reliant on a commitment to the key underlying assumptions:

- Approval and adoption of pricing 2 (equivalent to reduction of 14% Central/Grove, 9% Beach)
- Marketing spend approved in line with budget at \$400,000 for FY21 and 2.25% of lot income for the remainder of the project.
- Maintenance spend in line with budget at \$60,000 per month to enable excellent estate presentation.

6. Risks to Achieving Recommended Project Forecast

The following are key risks to achieving the outcomes of the recommended Project Forecast:

- Prolonged downturn from the effects of COVID-19. This could impact the project in various forms;
 - Increased fallover rates of contracts on hand through job losses.
 - Reduced borrowing capacity of purchases from tightened lending criteria and lower incomes.
 - Reduced interstate and overseas migration, impacting overall market demand.
 - Higher rates of unemployment, particularly some of the target market sections such as first home buyers.
- Planning risk – Catalina Grove needed soon for stock levels, Catalina Central buffer zone (although mitigated by deferred stage 16B)

7. Comparison to 2018 Project Forecast

The variances of the recommended Scenario 2 from the 2018 Project Forecast are shown below:

CATALINA Summary			
CATEGORY	CURRENT JUN-20	2018 PROJECT FORECAST	VARIANCE
Total Lots	2,505	2,489	16
Residential area	818,942m ²	786,761m ²	32,182m ²
Special sites area	74,290m ²	110,748m ²	(36,458m ²)
GROSS INCOME			
Income - Lots	667,140,993	724,700,240	(57,559,246)
Income - Special Sites	27,423,722	40,506,393	(13,082,671)
Income - Other	255,411	230,717	24,694
Direct Selling Expenses	80,302,482	83,661,510	3,359,028
GROSS INCOME	614,517,644	681,775,840	(67,258,196)
DEVELOPMENT COSTS			
Land	10,206,000	10,206,000	-
Consultants	10,618,915	9,106,160	(1,512,755)
Infrastructure	14,868,164	15,821,974	953,810
Special Sites/Other Development	4,928,178	4,853,544	(74,633)
Lot Production	211,056,132	213,183,896	2,127,763
Landscape	54,999,531	52,971,398	(2,028,133)
Marketing	12,261,072	8,664,422	(3,596,651)
Community Development	2,823,384	2,224,981	(598,403)
Administration	25,002,998	12,722,435	(12,280,563)
Finance/Bonds	-	-	-
Contingency	11,468,950	11,526,301	57,351
DEVELOPMENT COSTS	358,233,325	341,281,111	(16,952,214)
PROJECT PROFIT	256,284,319	340,494,729	(84,210,410)
Capital IRR	9.1%	16.4%	(7.3%)
Project IRR	13.6%	18.4%	(4.9%)
Profit on Cost	71.5%	99.8%	(28.2%)
Profit/Lot	102,309	136,800	(34,491)

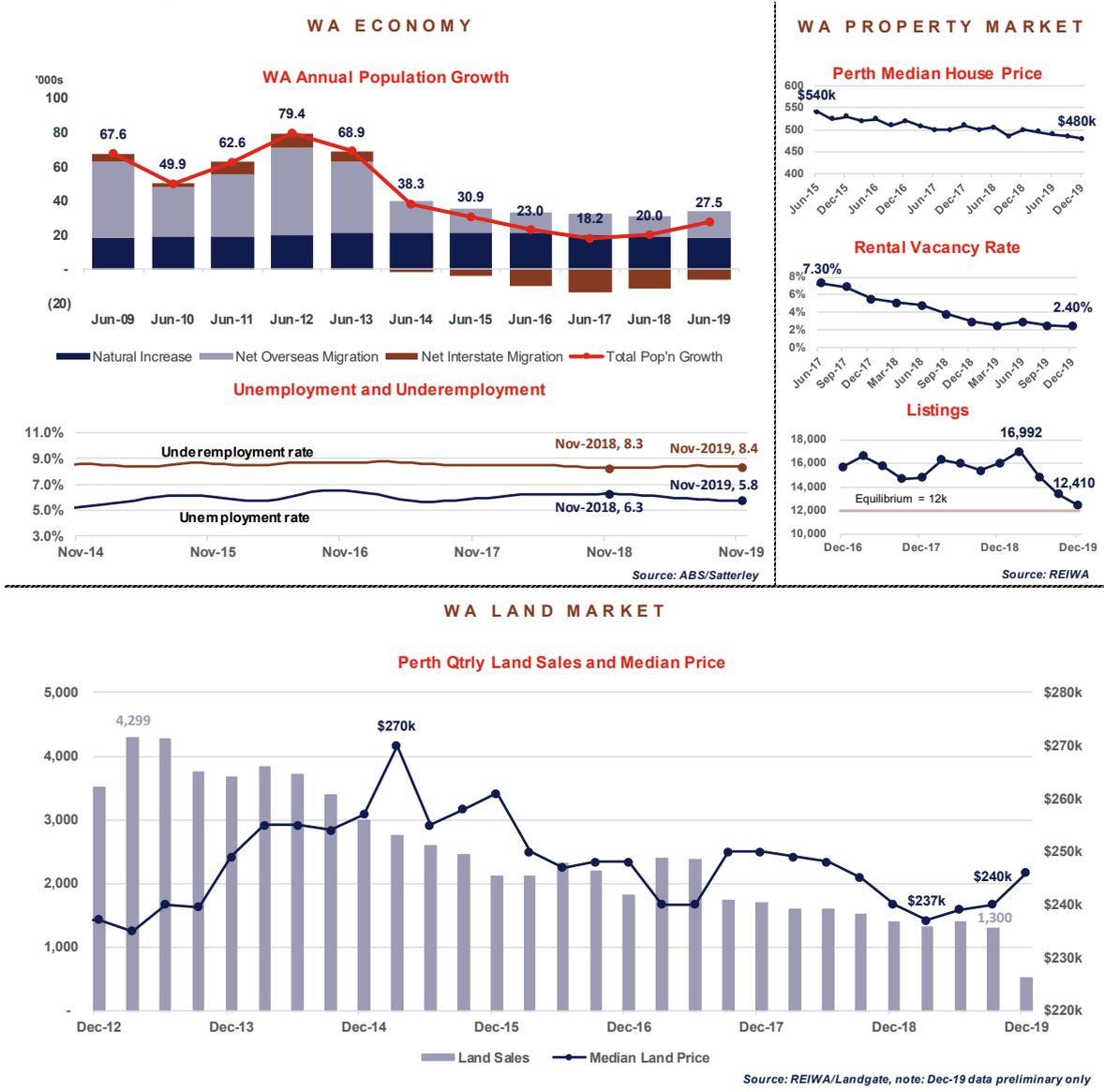
Variations from 2018 Project Forecast:

- Sales Rates – With the continued decline in economic backdrop since assumptions set in 2017, the new sales rate peaks at 8 per month, compared to 17 per month previously. In the current environment, with lower migration expected for an extended period, the project duration is increased by 9 years.
- Revenue - The reduction in revenue is attributable to the deferral and reduction of income escalation, and a 14% reduction to base selling prices. The compounding effect of 3 years escalation deferral, and rate decreasing from 4% to 3% is around \$40m. This is somewhat offset by extended project duration. The lower selling prices make up the balance.
- Costs – The deferral of cost escalation has a lower impact than income escalation because of a lower rate and lower base price. The escalation changes account for around \$4m saving in costs, which is offset by increased project duration. The project duration also results in higher holding and administration costs such as rates and taxes, audit and maintenance. The maintenance costs have also been increased per month in the new model, to improve estate presentation and achieve sales.

The variances in cashflow from the 2018 Project Forecast should be viewed in the context of the broader market outlined below.

Market Summary as at January 2020

KEY STATISTICS



SUMMARY

- Population growth was improving with reduced net outflow of interstate migrants. 1.1% growth for the year to Jun-19.
- Improvement in trend unemployment over the prior 12 months, although underemployment remains high.
- Reserve Bank rate cuts have brought the official cash rate to 0.25%. With limited room to move, the RBA left the rate unchanged in May 2020. Further infrastructure spending required to help bolster the economy.
- Improving stock levels in WA, closing near the equilibrium of circa 12,000 at the end of the Dec-19 quarter, down from 16,992 in the Mar-19 quarter.
- Perth median house prices dropped 0.1% in the December 2019 quarter (Corelogic) with 18% of homes in WA and NT in negative equity (Macquarie, August 2019). This will continue to constrain second and third home buyers.
- Slight improvement in median house rents from \$360 per week to \$370 with a tightening in the vacancy rate down to 2.4%. Unit rents remained unchanged in 2019 at \$330 per week.
- The outlook for the WA land market remains unchanged; low volumes with slow improvement.

COVID-19

The market overview above is prepared on data that has a lag of several months. The outlook indicates that WA is in a stage of slow improvement with small positive signs in population, unemployment and stock levels. However, due to the lag in data this overview does not include the impact of the recent COVID-19 pandemic.

COVID-19 has been described as a 'black swan event' impacting the world economy since the first reports of an outbreak in Wuhan China on 31 December 2019. These impacts escalated when the World Health Organisation declared this virus a 'Global Pandemic' on 11 March 2020. Volatility in financial markets and global economies has been constant since this time and is likely to continue for the time being. Factors such as the time it will take for the virus to peak and taper and a vaccine or treatment being widely disseminated are unknown at the point of preparing this scenario analysis.

The WA housing market prior to the outbreak had started to show signs of recovery. However, this trend will not continue as an adjustment will be required to account for COVID-19. Since the outbreak caution and decreased confidence has been noted in the active buyers in the market. Projects that are slow to react to the impacts of this crisis will quickly become stagnant and hard to reignite in depressed market conditions. Buyers will seek safer havens to build and those that offer value for money during this period.

It is proposed that the project takes a swift adjustment to price and leverages its locational benefits and promotes itself as a safer location to invest. To continue the momentum the project will need to invest in infrastructure to increase buyer confidence in Catalina. This approach will enable the project to continue to trade through this pandemic and the recovery period. Taking this bold move will also place the project to be in a strong position with a third precinct and beach access by FY22.



The Project Forecast and budget for FY21 cannot ignore this pandemic it must look to face it head on and position itself to take momentum into and out of this challenging period.

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'Carl Buckley', written over a light grey circular watermark.

Carl Buckley
Project Director

Appendix 8.6

CONFIDENTIAL

Appendix 8.7

CONFIDENTIAL