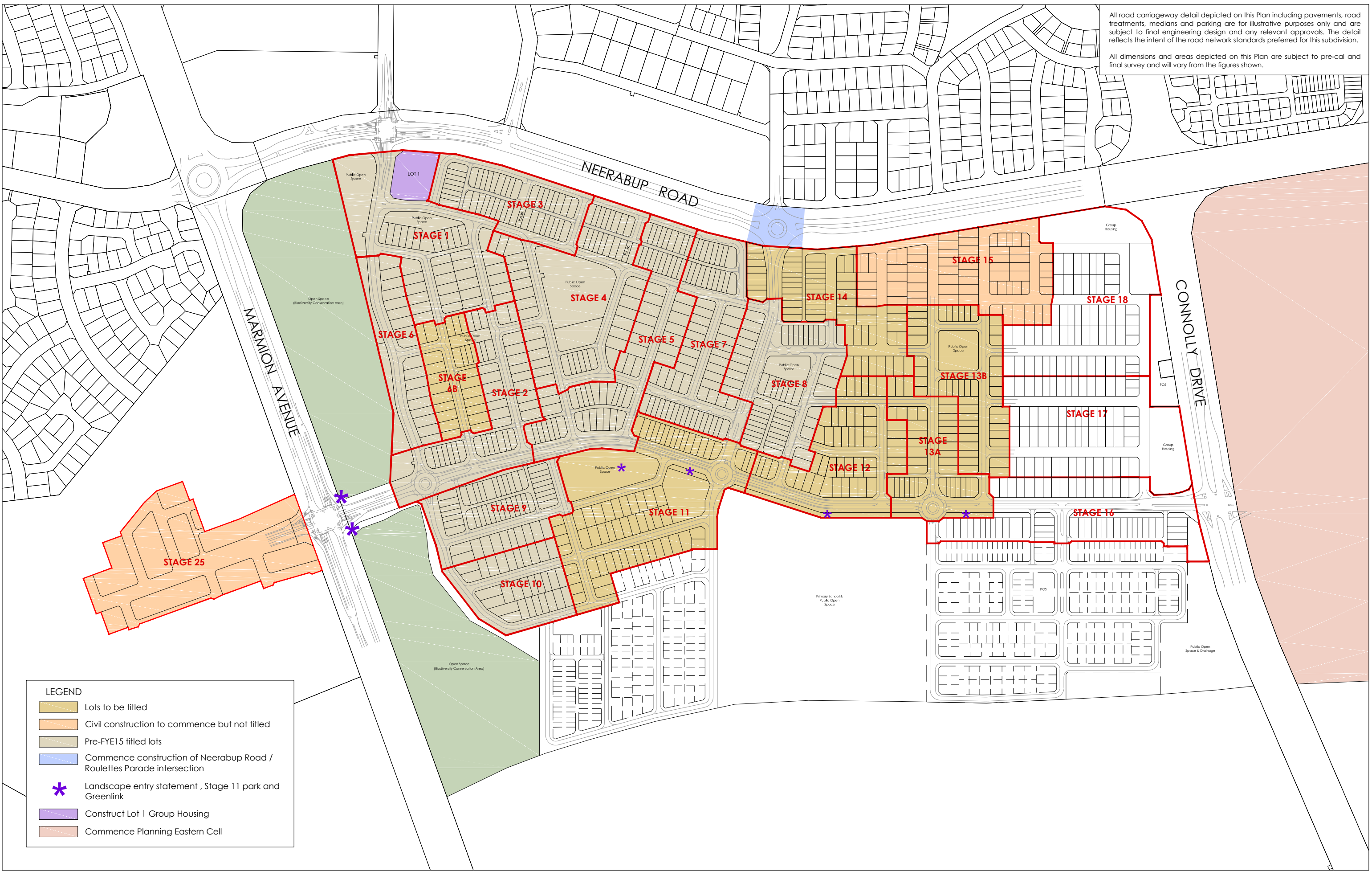


Appendix 9.1

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

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



LEGEND

- Lots to be titled
- Civil construction to commence but not titled
- Pre-FYE15 titled lots
- Commence construction of Neerabup Road / Roulettes Parade intersection
- * Landscape entry statement , Stage 11 park and Greenlink
- Construct Lot 1 Group Housing
- Commence Planning Eastern Cell



CATALINA FYE 2015 OPERATIONS
 Catalina Estate, Tamala Park
 City of Wanneroo



plan no: 2228-278B-01
 scale: 1:5,000 @ A3
 date: 12.06.2014

T: (+618) 9382 1233 F: (+618) 9382 1127
 E: admin@cleplan.com.au
 www.cleplan.com.au
 L2-36 ROWLAND STREET SUBIACO WA 6008
 PO BOX 798 SUBIACO WA 6904

This plan is current at the revised date & subject to approval, survey & engineering detail. This plan remains the property of CLE ©

Appendix 9.2

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 30 SEPTEMBER 2014**

| | NOTE | 30 September 2014 Actual \$ | 30 September 2014 Y-T-D Budget \$ | 2014/2015 Adopted Budget \$ | Variences Budget to Actual Y-T-D % |
|--|------|--------------------------------------|--|--------------------------------------|--|
| <u>Operating</u> | | | | | |
| Revenues | | | | | |
| | 1,2 | | | | |
| Interest Earnings | | 341,742 | 295,222 | 951,446 | 15.76% |
| Other Revenue | | 11,860 | 8,590 | 10,480 | 38.07% |
| | | <u>353,602</u> | <u>303,812</u> | <u>961,926</u> | 16.39% |
| Expenses | | | | | |
| | 1,2 | | | | |
| Employee Costs | | (125,499) | (179,775) | (713,586) | (30.19%) |
| Materials and Contracts | | | | | |
| - Materials and Contracts Other | | (40,953) | (113,673) | (439,950) | (63.97%) |
| - Professional/Consultant Fees | | (8,686) | 0 | 0 | |
| Depreciation | | 0 | (4,496) | (17,983) | (100.00%) |
| Utilities | | (596) | (1,500) | (6,000) | (60.27%) |
| Insurance | | (9,381) | (16,900) | (16,900) | (44.49%) |
| Other Expenditure | | (37,327) | (43,935) | (175,438) | (15.04%) |
| | | <u>(222,442)</u> | <u>(360,279)</u> | <u>(1,369,857)</u> | (38.26%) |
| <u>Adjustments for Non-Cash (Revenue) and Expenditure</u> | | | | | |
| Depreciation on Assets | | 0 | 4,496 | 17,983 | (100.00%) |
| Profit/(loss) on Disposal of Assets | | 1 | 6,869 | 6,869 | (99.99%) |
| <u>Capital Revenue and (Expenditure)</u> | | | | | |
| Furniture and Equipment | 3 | (65,303) | (65,303) | (69,000) | 0.00% |
| Proceeds on Disposal of Assets | 4 | 38,182 | 38,182 | 34,131 | 0.00% |
| LESS MEMBERS EQUITY | | | | | |
| Payment for Rates Equivalent | | 0 | 0 | 0 | 0.00% |
| Development of Land for Resale | | | | | |
| Income Sale of Lots - Subdivision | | 2,898,726 | 0 | 61,890,849 | 0.00% |
| Income Other Subdivisions | | 1,253 | 0 | 0 | 0.00% |
| Development Costs | | (3,958,351) | 0 | (48,455,839) | 0.00% |
| Contribution Refund | | 0 | 0 | (422,562) | 0.00% |
| Profit Distributions | | | | (27,700,000) | 0.00% |
| Contribution Returned | | 0 | 0 | (3,300,000) | 0.00% |
| Change in Contributed Equity | 6 | <u>(1,058,372)</u> | <u>0</u> | <u>(17,987,552)</u> | 0.00% |
| ADD Net Current Assets July 1 B/Fwd | 7 | 40,484,543 | 40,484,543 | 40,484,543 | 0.00% |
| Net Current Assets Year to Date | 7 | <u>39,530,210</u> | <u>40,367,269</u> | <u>22,079,043</u> | |

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 30 SEPTEMBER 2014

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

This statement is a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

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

The Council does not hold any monies in trust.

(c) Rounding Off Figures

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

(d) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Cash and Cash Equivalents

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

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 30 SEPTEMBER 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and Other Receivables

Trade Receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

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

(h) Inventories

General

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

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

Land Held for Resale

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

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

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

(i) Fixed Assets

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

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

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

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

Plant and Equipment by June 30 2013

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

All Assets by 30 June 2015.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 30 SEPTEMBER 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Depreciation of Non-Current Assets

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

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

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

(k) Impairment

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

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

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

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

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

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

(l) Trade and Other Payables

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 30 SEPTEMBER 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Employee Benefits

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

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

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

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

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

(n) Interest-bearing Loans and Borrowings

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

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

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

Borrowing Costs

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 30 SEPTEMBER 2014

(o) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(p) Current and Non-Current Classification

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 30 SEPTEMBER 2014**

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

3. ACQUISITION OF ASSETS

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

| | 30 September 2014 Actual \$ | Adopted 2014/15 Budget \$ |
|------------------------------------|--|--|
| <u>By Program</u> | | |
| Other Property and Services | | |
| General Office Equipment | 0 | 3,000 |
| Motor Vehicle | 65,303 | 66,000 |
| | 65,303 | 69,000 |
| | 65,303 | 69,000 |
| <u>By Class</u> | | |
| Furniture and Equipment | 0 | 3,000 |
| Plant and Equipment | 65,303 | 66,000 |
| | 65,303 | 66,000 |
| | 65,303 | 66,000 |

4. DISPOSALS OF ASSETS

The following asset is budgeted to be disposed during the year:

| | 30 September 2014 Actual \$ | Adopted 2014/15 Budget \$ |
|-----------------------------------|--|--|
| <u>Plant and Equipment</u> | | |
| Cost | 44,714 | 44,714 |
| Accumulated Depreciation | (6,533) | (10,583) |
| Proceeds | 38,182 | 41,000 |
| Profit/(Loss) | 1 | 6,869 |
| | 1 | 6,869 |

TAMALA PARK REGIONAL COUNCIL
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 31 OCTOBER 2014

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**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 31 OCTOBER 2014**

| | NOTE | 31 October 2014 Actual \$ | 31 October 2014 Y-T-D Budget \$ | 2014/2015 Adopted Budget \$ | Variences Budget to Actual Y-T-D % |
|--|------|------------------------------------|--|--------------------------------------|--|
| <u>Operating</u> | | | | | |
| Revenues | | | | | |
| | 1,2 | | | | |
| Interest Earnings | | 459,376 | 384,335 | 951,446 | 19.52% |
| Other Revenue | | 11,860 | 15,459 | 10,480 | (23.28%) |
| | | <u>471,236</u> | <u>399,794</u> | <u>961,926</u> | 17.87% |
| Expenses | | | | | |
| | 1,2 | | | | |
| Employee Costs | | (183,745) | (235,484) | (713,586) | (21.97%) |
| Materials and Contracts | | | | | |
| - Materials and Contracts Other | | (77,668) | (145,084) | (439,950) | (46.47%) |
| - Professional/Consultant Fees | | (9,652) | 0 | 0 | |
| Depreciation | | 0 | (5,992) | (17,983) | (100.00%) |
| Utilities | | 0 | (1,980) | (6,000) | (100.00%) |
| Insurance | | (3,586) | (5,577) | (16,900) | (35.70%) |
| Other Expenditure | | (37,422) | (44,757) | (175,438) | (16.39%) |
| | | <u>(312,073)</u> | <u>(438,874)</u> | <u>(1,369,857)</u> | (28.89%) |
| <u>Adjustments for Non-Cash (Revenue) and Expenditure</u> | | | | | |
| Depreciation on Assets | | 0 | 5,992 | 17,983 | (100.00%) |
| Profit/(loss) on Disposal of Assets | | 1 | 6,869 | 6,869 | (99.99%) |
| <u>Capital Revenue and (Expenditure)</u> | | | | | |
| Plant and Equipment | 3 | (65,303) | (69,000) | (69,000) | (5.36%) |
| Proceeds on Disposal of Assets | 4 | 38,182 | 34,131 | 34,131 | 11.87% |
| LESS MEMBERS EQUITY | | | | | |
| Payment for Rates Equivalent | | 0 | 0 | 0 | 0.00% |
| Development of Land for Resale | | | | | |
| Income Sale of Lots - Subdivision | | 16,660,248 | 20,630,283 | 61,890,849 | (19.24%) |
| Income Other Subdivisions | | 4,928 | 0 | 0 | 100.00% |
| Development Costs | | (7,865,889) | (16,151,946) | (48,455,839) | (51.30%) |
| Contribution Refund | | 0 | (140,854) | (422,562) | (100.00%) |
| Profit Distributions | | 0 | (9,233,333) | (27,700,000) | (100.00%) |
| Contribution Returned | | 0 | (1,100,000) | (3,300,000) | (100.00%) |
| Change in Contributed Equity | 6 | <u>8,799,287</u> | <u>(5,995,851)</u> | <u>(17,987,552)</u> | (246.76%) |
| ADD Net Current Assets July 1 B/Fwd | 7 | 40,484,543 | 40,484,543 | 40,484,543 | 0.00% |
| Net Current Assets Year to Date | 7 | <u><u>49,415,872</u></u> | <u><u>43,619,938</u></u> | <u><u>22,079,043</u></u> | |

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

No budget has been adopted at the time of compiling these statements, so no budget comparatives have been shown.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 31 OCTOBER 2014

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

This statement is a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

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

The Council does not hold any monies in trust.

(c) Rounding Off Figures

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

(d) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Cash and Cash Equivalents

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

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 31 OCTOBER 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and Other Receivables

Trade Receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

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

(h) Inventories

General

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

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

Land Held for Resale

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

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

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

(i) Fixed Assets

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

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

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

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

Plant and Equipment by June 30 2013

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

All Assets by 30 June 2015.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 31 OCTOBER 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Depreciation of Non-Current Assets

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

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

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

(k) Impairment

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

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

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

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

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

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

(l) Trade and Other Payables

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 31 OCTOBER 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Employee Benefits

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

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

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

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

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

(n) Interest-bearing Loans and Borrowings

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

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

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

Borrowing Costs

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 31 OCTOBER 2014

(o) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(p) Current and Non-Current Classification

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

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 31 OCTOBER 2014

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

3. ACQUISITION OF ASSETS

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

| | 31 October 2014 Actual \$ | Adopted 2014/15 Budget \$ |
|------------------------------------|--|--|
| <u>By Program</u> | | |
| Other Property and Services | | |
| General Office Equipment | 0 | 3,000 |
| Motor Vehicle | 65,303 | 66,000 |
| | 65,303 | 69,000 |
| | 65,303 | 69,000 |
| <u>By Class</u> | | |
| Furniture and Equipment | 0 | 3,000 |
| Plant and Equipment | 65,303 | 66,000 |
| | 65,303 | 66,000 |
| | 65,303 | 66,000 |

4. DISPOSALS OF ASSETS

The following asset is budgeted to be disposed during the year:

| | 30 October 2014 Actual \$ | Adopted 2014/15 Budget \$ |
|-----------------------------------|--|--|
| <u>Plant and Equipment</u> | | |
| Cost | 44,714 | 44,714 |
| Accumulated Depreciation | (6,533) | (10,583) |
| Proceeds | 38,182 | 41,000 |
| Profit/(Loss) | 1 | 6,869 |
| | 1 | 6,869 |

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 31 OCTOBER 2014

5. INFORMATION ON BORROWINGS

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2014-15 financial year.

6. CONTRIBUTED EQUITY

| | 31 October 2014 Actual \$ | 30 June 2014 Actual \$ |
|---------------------------------|--|---|
| Town of Victoria Park | 4,298,190 | 3,551,652 |
| City of Perth | 4,298,190 | 3,551,652 |
| Town of Cambridge | 4,298,190 | 3,551,652 |
| City of Joondalup | 8,596,378 | 7,103,303 |
| City of Wanneroo | 8,596,378 | 7,103,303 |
| Town of Vincent | 4,298,190 | 3,551,652 |
| City of Stirling | 17,195,570 | 14,209,420 |
| TOTAL | 51,581,085 | 42,622,634 |
| Total Movement in equity | 8,958,451 | |

Movement in Contributed Equity Represented by:

| | Development Expenses 31 October 2014 \$ | Land Sales 31 October 2014 \$ | Return of Contribution 31 October 2014 \$ | Rates Equivalent 31 October 2014 \$ |
|--------------------------------------|--|--|--|--|
| Town of Victoria Park | (655,491) | 1,388,765 | 0 | 0 |
| City of Perth | (655,491) | 1,388,765 | 0 | 0 |
| Town of Cambridge | (655,491) | 1,388,765 | 0 | 0 |
| City of Joondalup | (1,310,981) | 2,777,529 | 0 | 0 |
| City of Wanneroo | (1,310,981) | 2,777,529 | 0 | 0 |
| Town of Vincent | (655,491) | 1,388,765 | 0 | 0 |
| City of Stirling | (2,621,963) | 5,555,059 | 0 | 0 |
| | (7,865,889) | 16,665,177 | 0 | 0 |
| Members Contributed Equity Movements | 8,799,288 | | | |
| TPRC Net Result | 159,163 | | | |
| Total Movement in equity | 8,958,451 | | | |

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2014 TO 31 OCTOBER 2014

7. NET CURRENT ASSETS

| Composition of Estimated Net Current Asset Position | 31 October 2014 Actual \$ | Brought Forward 1-Jul \$ |
|--|--|---|
| CURRENT ASSETS | | |
| Cash - Unrestricted | 49,321,098 | 40,413,398 |
| Receivables | 668,944 | 697,068 |
| Settlement Bonds | 14,100 | 38,000 |
| | <u>50,004,142</u> | <u>41,148,466</u> |
| LESS: CURRENT LIABILITIES | | |
| Payables and Provisions | <u>(588,270)</u> | <u>(663,923)</u> |
| NET CURRENT ASSET POSITION | 49,415,872 | 40,484,543 |
| NET CURRENT ASSET POSITION | <u><u>49,415,872</u></u> | <u><u>40,484,543</u></u> |

8. RATING INFORMATION

The Regional Council does not levy rates on property.

9. TRUST FUNDS

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

Appendix 9.3

**Tamala Park Regional Council
Summary Payment List
September 2014**

| Date | Name | Description | Amount |
|-------------|---------------------------------|--|---------------|
| 01/09/2014 | Westpac Bank | Bank charges Cheque AC - September 2014 | -57.15 |
| 01/09/2014 | Aaron & Nicole Grant | Lot 171 (6th instalment over a 3 year period) | -2,887.50 |
| 01/09/2014 | Audi Centre Perth | CEO motor vehicle purchase - Audi Q5 (Rego 1EOT236) | -69,743.00 |
| 04/09/2014 | Employee Costs | Wages for period 21/08/14 - 03/09/14 | -11,442.41 |
| 04/09/2014 | Action Couriers | Courier charges for period 19/08/14 - 23/08/14 | -29.87 |
| 04/09/2014 | Anderson, Scott & Melanie | Solar Panel Rebate - Lot 265 | -2,000.00 |
| 04/09/2014 | Burgess Rawson | Stage 13 Valuation fees | -2,035.00 |
| 04/09/2014 | Butler Settineri | Interim audit fee for year ended 30 June 2014 | -7,010.82 |
| 04/09/2014 | Chappell Lambert Everett | Inv 6004 - 6006, 6017 & 6018 | -126,364.56 |
| 04/09/2014 | Cossill & Webley | Inv 15442 & 15443 | -6,819.56 |
| 04/09/2014 | Green, Michael & Melissa | Solar Panel Rebate - Lot 187 | -2,000.00 |
| 04/09/2014 | hyd20 Hydrology | Stage 12-19 UWMP - Claim 5 | -511.50 |
| 04/09/2014 | Kyocera Mita | Inv 2831166395, 2831215635 & 2831265523 | -181.61 |
| 04/09/2014 | McMullen Nolan Group | Inv 73632, 73633, 73635, 73636, 73638 & 73639 | -22,658.90 |
| 04/09/2014 | R J Vincent & Co | Inv 3517 & 3518 | -828,277.34 |
| 04/09/2014 | Synergy 23 Pty Ltd | Builders function catering | -1,280.00 |
| 04/09/2014 | T Arias | Parking & travel expenses | -17.10 |
| 04/09/2014 | Treacy Fencing | Fencing - Lot 273 | -4,915.35 |
| 04/09/2014 | WALGA | Inv I3043796 | -2,909.70 |
| 04/09/2014 | City of Vincent - Supplier | GST June & July 2014 | -19,041.00 |
| 04/09/2014 | National Australia Bank | Superannuation for period 21/08/14 - 03/09/14 | -1,346.15 |
| 08/09/2014 | Borgomastro, Jason | Lot 174 (6th instalment over a 3 year period) | -3,850.00 |
| 11/09/2014 | City of Wanneroo - Supplier | GST owing July 2014 | -2,127.47 |
| 12/09/2014 | Westpac Bank | Payment of credit card charges (CEO & EA) - September 2014 | -1,248.18 |
| 18/09/2014 | Employee Costs | Wages for period 04/09/14 - 17/09/14 | -11,442.41 |
| 18/09/2014 | ABN Projects Pty Ltd | Retaining wall design, constructions & development management - Lot 1 McAllister | -190,060.36 |
| 18/09/2014 | Action Couriers | Courier charges for period 26/08/14 - 06/09/14 | -81.90 |
| 18/09/2014 | Bicker, Christopher | Solar Panel Rebate - Lot 260 | -2,000.00 |
| 18/09/2014 | Bishop, Andre & Melissa | Solar Panel Rebate - Lot 46 | -2,000.00 |
| 18/09/2014 | Brewer, Madilaine & Ryan Bailey | Solar Panel Rebate - Lot 229 | -2,000.00 |
| 18/09/2014 | Buckley, Eric & Kate Treasure | Solar Panel Rebate - Lot 251 | -2,000.00 |
| 18/09/2014 | Burgess Rawson | Inv 38525 & 38576 | -540.00 |
| 18/09/2014 | Carlino, Robert & Laura | Solar Panel Rebate - Lot 270 | -2,000.00 |
| 18/09/2014 | City of Stirling | TPRC office rent (Sept 2014) | -3,451.89 |
| 18/09/2014 | Clean City Group | Graffiti removal from entry advertising boards & Debelle Way | -803.00 |
| 18/09/2014 | Cossill & Webley | Inv 15539 - 15549 | -196,573.81 |
| 18/09/2014 | Dominic Carbone & Associates | Consultancy services for August 2014 | -2,904.00 |
| 18/09/2014 | Emerge Associates | Stage 4 POS - Final claim | -3,093.20 |
| 18/09/2014 | Haines Norton | Inv 2015-023210 | -9,124.50 |
| 18/09/2014 | Homebuyers Centre | Inv 50191 - 50193 | -2,970.00 |
| 18/09/2014 | Jones, Linda Ann | Solar Panel Rebate - Lot 48 | -2,000.00 |
| 18/09/2014 | LD Total | Inv 61921, 61966 - 61968, 62025 & 62201 | -21,892.19 |
| 18/09/2014 | McLeods Barristers & Solicitors | Reviewing & executing Stage 11 documentation | -711.10 |
| 18/09/2014 | McMullen Nolan Group | Inv 11954, 73949 & 73950 | -8,280.80 |

**Tamala Park Regional Council
Summary Payment List
September 2014**

| | | | |
|------------|--|--|------------------------------------|
| 18/09/2014 | Neverfail | Water bottles x 4 | -39.35 |
| 18/09/2014 | New Great Cleaning Service | TPRC office cleaning (August 2014) | -214.50 |
| 18/09/2014 | R J Vincent & Co | Stage 9 civil works - Cert. No. 9 | -52,632.57 |
| 18/09/2014 | Stantons International | Probity services (August 2014) | -272.80 |
| 18/09/2014 | Telstra | Mobile phones - CEO & PC (Sept 2014) | -174.08 |
| 18/09/2014 | Treacy Fencing | Inv 640416, 640599 & 640665 - 640667 | -9,886.36 |
| 18/09/2014 | Australian Taxation Office | PAYG for August 2014 | -13,380.00 |
| 18/09/2014 | Australian Super | Superannuation for period 21/08/14 - 17/09/14 | -1,074.22 |
| 18/09/2014 | National Australia Bank | Superannuation for period 04/09/14 - 17/09/14 | -1,346.15 |
| 22/09/2014 | Landgate | Stage 12 Plan Lodgement Fees | -3,760.00 |
| 22/09/2014 | Western Australian Planning Commission | Application for endorsement of deposited plan (Stage 12) | -908.00 |
| 22/09/2014 | City of Wanneroo - Supplier | Subdivision clearance fee (Stage 12) | -1,905.00 |
| 24/09/2014 | Western Power | Stage 6B Subdivision Energisation | -53,422.00 |
| 30/09/2014 | City of Wanneroo - Supplier | GST August 2014 | -2,711.23 |
| | | | <u><u>-1,724,409.59</u></u> |

**Tamala Park Regional Council
Summary Payment List
October 2014**

| Date | Name | Description | Amount |
|-------------|----------------------------------|---|---------------|
| 01/10/2014 | Westpac Bank | Bank charges Cheque AC - October 2014 | -41.95 |
| 02/10/2014 | Employee Costs | Wages for period 18/09/14 - 01/10/14 | -11,442.41 |
| 02/10/2014 | Synergy | 39 Aviator Bvd for period 30/05/14 - 28/07/14 | -215.10 |
| 02/10/2014 | Action Couriers | Courier charges for period 11/09/14 - 20/09/14 | -55.88 |
| 02/10/2014 | Alinta Energy | Gas account for Sales Office for period 10/06/14 - 12/09/14 | -206.05 |
| 02/10/2014 | All Floors Carpet Court | Sales Office carpet | -1,355.20 |
| 02/10/2014 | Burgess Rawson | GST Valuations (48) | -2,640.00 |
| 02/10/2014 | Butler Settineri | Final audit fee for FY 2013/14 | -1,153.90 |
| 02/10/2014 | Cedar Homes | Removal of site office - Lot 1 McAllister Bvd | -9,500.00 |
| 02/10/2014 | Coakley, Brendan | Solar Panel Rebate (Lot 27) | -2,000.00 |
| 02/10/2014 | Cossill & Webley | Inv 15428 - 15441 | -152,606.01 |
| 02/10/2014 | Coterra Environment | General environmental advice (July 2014) | -687.50 |
| 02/10/2014 | Creating Communities | Inv 1407 & 1408 | -22,776.62 |
| 02/10/2014 | Emerge Associates | Inv 12080 & 12256-58 | -5,375.70 |
| 02/10/2014 | Flint Moharich | Professional advice re LSP for period to 4 August 2014 | -3,245.00 |
| 02/10/2014 | hyd20 Hydrology | Stages 12-19 UWMP (Claim 6) | -409.20 |
| 02/10/2014 | LD Total | Inv 61635-39, 61466, 62322-25 & 62357 | -453,020.35 |
| 02/10/2014 | McMullen Nolan Group | Stage 13A Marketing (Claim 1) | -2,035.00 |
| 02/10/2014 | Officeworks | Office supplies | -57.48 |
| 02/10/2014 | Optimum Media Decisions | realestate.com.au ads for period 07/07/14 - 03/08/14 | -2,879.27 |
| 02/10/2014 | R J Vincent & Co | Stage 6B civil works (Claim 1) | -215,731.86 |
| 02/10/2014 | Synergy | Lot 8020 Roulettes Pde for period 04/06/14 - 28/07/14 | -112.00 |
| 02/10/2014 | Treacy Fencing | Inv 640072-3, 640085-91 | -26,797.43 |
| 02/10/2014 | WALGA | Inv 3045537-44 | -2,943.38 |
| 02/10/2014 | Water Corporation | Water usage for 39 Aviator Bvd for period 24/07/14 - 17/09/14 | -94.48 |
| 02/10/2014 | City of Vincent - Supplier | GST August 2014 | -1,356.00 |
| 02/10/2014 | National Australia Bank | Superannuation period 18/09/14 - 01/10/14 | -1,346.15 |
| 07/10/2014 | City of Wanneroo - Supplier | Stage 8 POS bond (amended amount) refund | 33,759.00 |
| 14/10/2014 | Water Corporation | Infrastructure Contribution - Stage 6B | -144,477.30 |
| 14/10/2014 | Westpac Bank | Payment of credit card charges (CEO & EA) - April 2014 | -1,079.46 |
| 16/10/2014 | Employee Costs | Wages for period 02/10/14 - 15/10/14 | -10,294.31 |
| 16/10/2014 | Town of Victoria Park - Supplier | GST for June - August 2014 | -20,397.00 |
| 16/10/2014 | Action Couriers | Courier charges for period 25/09/14 - 04/10/14 | -55.88 |
| 16/10/2014 | Black, Gayle | Solar Panel Rebate - Lot 191 | -2,000.00 |
| 16/10/2014 | Burgess Rawson | Inv 28714 & 338837 | -2,640.00 |
| 16/10/2014 | City of Stirling | TPRC office rent (October 2014) | -3,451.89 |
| 16/10/2014 | Cossill & Webley | Inv 15613 - 15621 | -181,891.17 |
| 16/10/2014 | Docushred | Security bin (September 2014) | -51.70 |
| 16/10/2014 | Haines Norton | Inv 2015-024187 | -3,932.50 |
| 16/10/2014 | Imagesource | Canvas print (map) | -231.00 |
| 16/10/2014 | Jackson, Dean & Narelle Hathaway | Solar Panel Rebate - Lot 269 | -2,000.00 |
| 16/10/2014 | Kyocera Mita | Copying for period 29/08/14 - 10/09/14 | -54.97 |
| 16/10/2014 | LD Total | Inv 61336, 62503-5, 62806-9 & 62597 | -30,963.64 |
| 16/10/2014 | McLeods Barristers & Solicitors | Inv 81635 & 82751 | -4,172.94 |

**Tamala Park Regional Council
Summary Payment List
October 2014**

| | | | |
|------------|---------------------------------|--|-------------|
| 16/10/2014 | McMullen Nolan Group | Inv 73312-3, 73333-4, 73359, 73361-2 | -26,220.70 |
| 16/10/2014 | Nelson, Nicole | Solar Panel Rebate - Lot 268 | -2,000.00 |
| 16/10/2014 | Neverfail | Bottled water x 3 | -39.65 |
| 16/10/2014 | New Great Cleaning Service | Cleaning of TPRC offices (September 2014) | -143.00 |
| 16/10/2014 | Officeworks | Tab inserts | -3.38 |
| 16/10/2014 | R J Vincent & Co | Inv 3603 & 3620 | -170,188.12 |
| 16/10/2014 | Treacy Fencing | Inv 637802, 641011-3 | -11,283.47 |
| 16/10/2014 | Optimum Media Decisions | Inv 249388, 24932 & 24933 | -8,620.53 |
| 16/10/2014 | City of Stirling | GST August 2014 | -5,422.45 |
| 16/10/2014 | R J Vincent & Co | Inv 3602 & 3644 | -465,036.61 |
| 16/10/2014 | Australian Taxation Office | BAS for quarter July - September 2014 | -5,334.00 |
| 16/10/2014 | National Australia Bank | Superannuation for period 02/10/14 - 15/10/14 | -1,346.15 |
| 20/10/2014 | City of Wanneroo - Supplier | Council Supervision Fee (Stage 12) | -10,298.70 |
| 20/10/2014 | City of Wanneroo - Supplier | Stage 12 Early Clearance Bond | -439,626.62 |
| 21/10/2014 | Cossill & Webley | Inv 15616 (correction of underpayment) | -3,717.09 |
| 27/10/2014 | Western Power | Stage 13A Subdivision Energisation | -46,116.00 |
| 30/10/2014 | Employee Costs | Wages for period 16/10/14 - 29/10/14 | -10,294.31 |
| 30/10/2014 | Action Couriers | Courier charges for period 07/10/14 - 18/10/14 | -82.30 |
| 30/10/2014 | Aveling Homes Pty Ltd | Waste management rebate (Lot 227) | -990.00 |
| 30/10/2014 | Brice, Darryn | Solar Panel Rebate (Lot 189) | -2,000.00 |
| 30/10/2014 | Chappell Lambert Everett | Inv 6050 & 6051 | -16,754.97 |
| 30/10/2014 | City of Stirling | GST owing September 2014 | -3,941.55 |
| 30/10/2014 | Coterra Environment | Environmental consulting services (1 August - 30 September 2014) | -1,138.50 |
| 30/10/2014 | Creating Communities | Community Development Plan (September 2014) | -9,655.25 |
| 30/10/2014 | Dominic Carbone & Associates | Consultancy services for September 2014 | -1,518.00 |
| 30/10/2014 | Driving Force Cleaning Services | Inv 163 & 165 | -1,443.50 |
| 30/10/2014 | Eco Logical Australia | CRMP Update & EPBC advice (11/09/14 - 30/09/14) | -4,015.00 |
| 30/10/2014 | Garner, Ronald & Jacqueline | Solar Panel Rebate (Lot 393) | -2,000.00 |
| 30/10/2014 | Jennings, Andrew | Solar Panel Rebate (Lot 65) | -2,000.00 |
| 30/10/2014 | John Phillips Consulting | CEO Annual Appraisal 2014 | -2,750.00 |
| 30/10/2014 | LD Total | Inv 61300, 62332, 62439 & 62562 | -20,465.71 |
| 30/10/2014 | LGIS Liability | Liability insurance cover to June 2015 (second instalment) | -1,384.24 |
| 30/10/2014 | LGIS Property | Property Cover to June 2015 (second instalment) | -2,560.38 |
| 30/10/2014 | LGIS Workcare | Workers Compensation cover to June 2015 (second instalment) | -8,731.25 |
| 30/10/2014 | Loaded Communications | Inv 1373, 1398, 1424 & 1461 | -782.68 |
| 30/10/2014 | Marketforce | Catalina Map & Amenities Flyer | -3,816.41 |
| 30/10/2014 | McLeods Barristers & Solicitors | Telephone advice (October 2014 - October 2015) | -4,400.00 |
| 30/10/2014 | McMullen Nolan Group | Inv 74569, 74571-2 & 7454-6 | -30,332.50 |
| 30/10/2014 | O'Grady, Penny | Solar Panel Rebate (Lot 61) | -2,000.00 |
| 30/10/2014 | Optimum Media Decisions | Press ads (September 2014) | -2,983.98 |
| 30/10/2014 | Podcoza, Rodrigo | Solar Panel Rebate (Lot 237) | -2,000.00 |
| 30/10/2014 | R J Vincent & Co | Inv 3666 & 3667 | -977,251.45 |
| 30/10/2014 | Replants | Inv 1537 & 1538 | -59,400.00 |
| 30/10/2014 | Synergy | Power charges for 39 Aviator Bvd & Lots 8020 & 9003 | -1,402.70 |
| 30/10/2014 | Telstra | Mobile phone charges (CEO & PC) for October/November 2014 | -143.29 |
| 30/10/2014 | Transcore | Mitchell Fwy & Neerabup Rd Extension (September 2014) | -3,300.00 |

**Tamala Park Regional Council
Summary Payment List
October 2014**

| | | | |
|------------|------------------------------|--|----------------------|
| 30/10/2014 | Treacy Fencing | Inv 640282, 641010, 641043 & 641169 | -18,639.50 |
| 30/10/2014 | Low, David | Solar Panel Rebate (Lot 399) | -2,000.00 |
| 30/10/2014 | Burgess Rawson | Stage 11 Valuation Fees (original payment paid into incorrect account) | -2,530.00 |
| 30/10/2014 | Australian Super | Superannuation for period 18/09/14 - 29/10/14 | -1,611.33 |
| 30/10/2014 | National Australia Bank | Superannuation for period 16/10/14 - 29/10/14 | -1,346.15 |
| 31/10/2014 | City of Joondalup - Supplier | GST owing June - September 2014 | -42,763.99 |
| 31/10/2014 | City of Wanneroo - Supplier | GST owing September 2014 | -1,970.77 |
| | | | -3,739,814.86 |

Tamala Park Regional Council
Cheque Detail
September 2014

| Num | Date | Name | Description | Amount |
|-----------|------------|--|--|-------------------|
| CH-200410 | 22/09/2014 | City of Wanneroo - Supplier | Subdivision clearance fee (Stage 12) | -1,905.00 |
| CH-200411 | 22/09/2014 | Landgate | Stage 12 Plan Lodgement Fees | -3,760.00 |
| CH-200412 | 22/09/2014 | Western Australian Planning Commission | Application for endorsement of deposited plan (Stage 12) | -908.00 |
| CH-200413 | 24/09/2014 | Western Power | Stage 6B Subdivision Energisation | -53,422.00 |
| | | | | <u>-59,995.00</u> |

Tamala Park Regional Council
Cheque Detail
 October 2014

| Type | Num | Date | Name | Description | Amount |
|------------------|-----------|------------|-----------------------------|--|-------------|
| Bill Pmt -Cheque | CH-200414 | 14/10/2014 | Water Corporation | Infrastructure Contribution - Stage 6B | -144,477.30 |
| Bill Pmt -Cheque | CH-200415 | 20/10/2014 | City of Wanneroo - Supplier | Council Supervision Fee (Stage 12) | -10,298.70 |
| Bill Pmt -Cheque | CH-200416 | 20/10/2014 | City of Wanneroo - Supplier | Stage 12 Early Clearance Bond | -439,626.62 |
| Bill Pmt -Cheque | CH-200417 | 27/10/2014 | Western Power | Stage 13A Subdivision Energisation | -46,116.00 |
| | | | | | -640,518.62 |

Appendix 9.4

26 November 2014

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

Dear Tony

Catalina Financial Report for October 2014

Please find attached the Catalina Financial Report for October 2014. This report has been prepared on a cash basis and compares actual income and expenditure to the August 2014 approved budget for the period 1 October 2014 to 31 October 2014.

Residential settlement revenue for the financial year to 31 October 2014 is \$16.9m which is \$12.6m ahead of the approved 'August 2014' budget with 44 more residential settlements for the year. Project to date residential settlement revenue is \$112.5m, which is \$12.6m ahead of budget.

Selling costs for FYE2015 are \$0.2m unfavourable to the approved 'August 2014' budget, due to settlement volumes, partly offset by rebates yet to be claimed.

Sales for FYE2015 are \$10.9m unfavourable to budget due to 35 less residential lot sales during the year to date.

Overall FYE2015 expenditure is \$6.9m under budget per the approved 'August 2014' budget, with \$6.9m spent compared to a budget of \$13.7m. The main areas of variance are summarised below:

- Landscaping \$1.7m under budget
 - Stage 2 Streetscapes \$0.2m under budget due to deferred payments
 - Lot 8009 POS \$0.2m under budget due to deferred payments
 - Public Art \$0.2m under budget due to deferred payments
 - Aviator Blvd Entry & Greenlink \$0.4m under budget due to deferred payments
- Lot Production \$2.5m under budget
 - Stage 12-13 Earthworks - \$0.5m under budget due to full provisional sums not being used
 - Stage 14-18 Earthworks - \$0.5m under budget due to deferred payments
 - Stage 9 - \$0.4m under budget due to full provisional sums not being used
 - Stage 10 - \$0.4m under budget due to full provisional sums not being used
 - Stage 12 - \$0.3m under budget due to deferred payments
- P&L expenditure - \$1.6m under budget due to Rates & Taxes budget yet to be utilised and Contingency not required to date.

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

Yours faithfully



Brenton Downing
Project Director

**CATALINA
FINANCE REPORT
OCTOBER 2014**

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> |
| | | Aug 2014 | | Aug 2014 | | Aug 2014 | | Aug 2014 |
| Prior Years | 441 | 441 | 487 | 487 | 419 | 419 | 10,000,000 | 10,000,000 |
| Jul-2014 | - | - | 15 | 34 | 4 | 7 | - | - |
| Aug-2014 | - | - | 12 | 14 | 4 | 3 | - | - |
| Sep-2014 | - | - | 22 | 21 | 3 | 5 | - | - |
| Sep-12 Qtr | - | - | 49 | 69 | 11 | 15 | - | - |
| Oct-2014 | 64 | 64 | 21 | 36 | 51 | 3 | - | - |
| Nov-2014 | - | - | - | 25 | - | 14 | - | - |
| Dec-2014 | - | 49 | - | 25 | - | 30 | - | 16,000,000 |
| Dec-12 Qtr | 64 | 113 | 21 | 86 | 51 | 47 | - | 16,000,000 |
| Jan-2015 | - | 24 | - | 12 | - | 15 | - | - |
| Feb-2015 | - | - | - | 25 | - | 32 | - | - |
| Mar-2015 | - | 37 | - | 25 | - | 26 | - | - |
| Mar-13 Qtr | - | 61 | - | 62 | - | 73 | - | - |
| Apr-2015 | - | - | - | 15 | - | 35 | - | - |
| May-2015 | - | 45 | - | 13 | - | 13 | - | - |
| Jun-2015 | - | 60 | - | 10 | - | 43 | - | 15,000,000 |
| Jun-13 Qtr | - | 105 | - | 38 | - | 91 | - | 15,000,000 |
| Full 2014/15 Year | 64 | 279 | 70 | 255 | 62 | 226 | - | 31,000,000 |
| PTD | 505 | 505 | 557 | 592 | 481 | 437 | 10,000,000 | 10,000,000 |
| 2015/16 | | 187 | | 210 | | 205 | | 23,000,000 |
| 2016/17 | | 183 | | 205 | | 182 | | 30,000,000 |

- 51 residential lots settled in October comprising:

| | <u>Lots</u> |
|----------|-------------|
| Stage 6C | 1 |
| Stage 9 | 2 |
| Stage 10 | 1 |
| Stage 11 | 47 |

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 # | 21 | 36 | 70 | 105 | 557 | 592 |
| - Sales \$ | 5,304,000 | 9,900,431 | 19,483,000 | 30,351,645 | 133,316,500 | 144,185,145 |
| - Sales \$/lot | 252,571 | 275,012 | 278,329 | 289,063 | 239,347 | 243,556 |
| - Settlements # | 51 | 3 | 62 | 18 | 481 | 437 |
| - Settlements \$ | 13,968,000 | 739,334 | 16,906,000 | 4,295,001 | 112,493,500 | 99,882,501 |
| - Settlements \$/lot | 273,882 | 246,445 | 272,677 | 238,611 | 233,874 | 228,564 |
| Special Sites | | | | | | |
| - Sales # | - | - | - | - | 2 | 2 |
| - Sales \$ | - | - | - | - | 1,895,000 | 1,895,000 |
| - Sales \$/lot | - | - | - | - | 947,500 | 947,500 |
| - Settlements # | - | - | - | - | 2 | 2 |
| - Settlements \$ | - | - | - | - | 1,895,000 | 1,895,000 |
| - Settlements \$/lot | - | - | - | - | 947,500 | 947,500 |
| Lots Under Contract | | | | | | |
| - Unsettled sales # | 76 | | | 4 | | Titled |
| - Unsettled sales \$ | 20,823,000 | | | 72 | | 508 incl. Spec sites |
| - Unsettled sales \$/lot | 273,987 | | | | | |

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1.3 Cashflow - MTD Actuals to budget

| | <u>MTD Act</u> | <u>MTD Bgt</u> | <u>Variance</u> |
|--------------------------|-------------------|---------------------|-------------------|
| Revenue | 13,968,000 | 739,334 | 13,228,666 |
| Margin GST | (204,895) | (13,911) | (190,984) |
| Direct selling costs | (625,504) | (33,361) | (592,143) |
| Interest Income | 582 | - | 582 |
| Forfeited Deposits | - | - | - |
| Other Income | - | - | - |
| Rebate Allowance | (97,911) | (67,638) | (30,273) |
| | <u>13,040,271</u> | <u>624,424</u> | <u>12,415,848</u> |
| <i>Development costs</i> | | | |
| Lot production | 2,551,280 | 2,014,245 | (537,035) |
| Landscaping | 447,484 | 281,279 | (166,205) |
| Consultants | 31,194 | 89,799 | 58,605 |
| Infrastructure | 738 | 88,380 | 87,642 |
| Sales office building | 20,724 | 62,531 | 41,807 |
| Sales & marketing | 56,207 | 68,003 | 11,796 |
| Administration | 30,617 | 50,586 | 19,969 |
| Finance | 41,954 | 135,780 | 93,826 |
| | <u>3,180,198</u> | <u>2,790,603</u> | <u>(389,595)</u> |
| Cashflow | <u>9,860,074</u> | <u>(2,166,179)</u> | <u>12,026,252</u> |

- Actual & Budget margin scheme GST has been calculated under the concessional Item 4 basis for settlements.

1.4 Cashflow - YTD Actuals to budget

| | <u>YTD Act</u> | <u>YTD Bgt</u> | <u>Variance</u> |
|--------------------------|-------------------|----------------------|-------------------|
| Revenue | 16,906,000 | 4,295,001 | 12,610,999 |
| Margin GST | (245,752) | (82,731) | (163,021) |
| Direct selling costs | (757,167) | (194,033) | (563,135) |
| Interest Income | 3,416 | - | 3,416 |
| Forfeited Deposits | - | - | - |
| Other Income | - | - | - |
| Rebate Allowance | (239,294) | (569,232) | 329,938 |
| | <u>15,667,203</u> | <u>3,449,005</u> | <u>12,218,198</u> |
| <i>Development costs</i> | | | |
| Lot production | 4,989,169 | 7,526,050 | 2,536,881 |
| Landscaping | 994,622 | 2,744,965 | 1,750,343 |
| Consultants | 221,502 | 601,921 | 380,419 |
| Infrastructure | 69,857 | 458,593 | 388,736 |
| Sales office building | 332,411 | 561,469 | 229,058 |
| Sales & marketing | 98,092 | 271,780 | 173,688 |
| Administration | 83,492 | 921,128 | 837,635 |
| Finance | 75,947 | 641,685 | 565,738 |
| | <u>6,865,092</u> | <u>13,727,589</u> | <u>6,862,498</u> |
| Cashflow | <u>8,802,111</u> | <u>(10,278,584)</u> | <u>19,080,695</u> |

The YTD revenue variance comprises:

- Settlement revenue is \$12.6m favourable to budget on 44 more residential settlements than the budget for FY2015.

1.5 Bonds

| | <u>Last Year</u> | <u>Last Month</u> | <u>This Month</u> |
|------------------|------------------|-------------------|-------------------|
| City of Wanneroo | <u>704,822</u> | <u>1,030,899</u> | <u>1,399,870</u> |
| | <u>704,822</u> | <u>1,030,899</u> | <u>1,399,870</u> |

Bonds relate to landscaping for Stage 6C, & early clearances for stages 9, 11 & 12

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2.0 PROFIT & LOSS

| | MTH Act | MTH Bgt | Var | YTD Act | YTD Bgt | Var | PTD Act | PTD Bgt |
|------------------------|------------------|----------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| - Revenue \$ (Stlmnts) | 13,968,000 | 739,334 | 13,228,666 | 16,906,000 | 4,295,001 | 12,610,999 | 112,493,500 | 99,882,501 |
| - Revenue \$/lot | 273,882 | 246,445 | | 272,677 | 238,611 | | 233,874 | 228,564 |
| - Selling & GST \$ | 1,365,904 | 75,891 | (1,290,013) | 1,645,027 | 446,964 | (1,198,063) | 11,438,911 | 10,240,848 |
| - Selling & GST \$/lot | 26,782 | 25,297 | | 26,533 | 24,831 | | 23,782 | 23,434 |
| - Cost of sales \$ | 5,216,980 | 280,784 | (4,936,196) | 6,382,319 | 1,853,007 | (4,529,312) | 47,921,746 | 43,392,434 |
| - Cost of sales \$/lot | 102,294 | 93,595 | | 102,941 | 102,945 | | 99,629 | 99,296 |
| - Gross profit \$ | 7,385,116 | 382,659 | 7,002,457 | 8,878,654 | 1,995,030 | 6,883,624 | 53,132,843 | 46,249,219 |
| - Gross profit \$/lot | 144,806 | 127,553 | | 143,204 | 110,835 | | 110,463 | 105,833 |
| - Gross profit Mgn % | 52.87% | 51.76% | | 52.52% | 46.45% | | 47.23% | 46.30% |
| - Special Sites \$ | - | - | - | - | - | - | 1,284,073 | 1,284,073 |
| - Other income \$ | 582 | - | 582 | 3,416 | - | 3,416 | 49,551 | 46,136 |
| - Sales & Marketing \$ | 29,681 | 68,136 | 38,456 | 96,738 | 272,312 | 175,574 | 754,498 | 930,071 |
| - Administration \$ | 56,169 | 111,707 | 55,538 | 143,048 | 434,597 | 291,550 | 993,430 | 1,284,980 |
| - Finance \$ | - | - | - | - | 15,000 | 15,000 | 17,000 | 32,000 |
| - Contingency \$ | - | 135,780 | 135,780 | - | 626,710 | 626,710 | 20,364 | 647,074 |
| - Net profit \$ | 7,299,848 | 67,036 | 7,232,812 | 8,642,284 | 646,411 | 7,995,873 | 52,681,175 | 44,685,303 |
| - Net profit \$/lot | 143,134 | 22,345 | | 139,392 | 35,912 | | 109,524 | 102,255 |

- FY15 YTD Gross profit is \$6.9m ahead of budget due to favorable YTD settlements of 44 lots and a favourable margin of \$34k per lot on revenue due to lot mix.
- FY15 YTD net profit is favourable against budget by \$8.0m, due to the favourable gross profit variance \$6.9m plus unused contingency \$0.6m, and favourable marketing and admin costs of \$0.5m.

YEAR TO DATE VERSUS FULL YEAR BUDGET

| | YTD Act | FY15 Full Year Bgt | Var |
|------------------------|------------------|---------------------------|---------------------|
| - Revenue \$ (Stlmnts) | 16,906,000 | 62,962,079 | (46,056,079) |
| - Revenue \$/lot | 272,677 | 278,593 | |
| - Selling & GST \$ | 1,645,027 | 6,304,819 | 4,659,793 |
| - Selling & GST \$/lot | 26,533 | 27,897 | |
| - Cost of sales \$ | 6,382,319 | 24,750,351 | 18,368,032 |
| - Cost of sales \$/lot | 102,941 | 109,515 | |
| - Gross profit \$ | 8,878,654 | 31,906,909 | (23,028,255) |
| - Gross profit \$/lot | 143,204 | 141,181 | |
| - Gross profit Mgn % | 52.52% | 50.68% | |
| - Special Sites \$ | - | - | - |
| - Other income \$ | 3,416 | - | 3,416 |
| - Sales & Marketing \$ | 96,738 | 818,818 | 722,080 |
| - Administration \$ | 143,048 | 1,332,819 | 1,189,771 |
| - Finance \$ | - | 15,000 | 15,000 |
| - Contingency \$ | - | 2,274,479 | 2,274,479 |
| - Net profit \$ | 8,642,284 | 27,465,793 | (18,823,509) |
| - Net profit \$/lot | 139,392 | 121,530 | |

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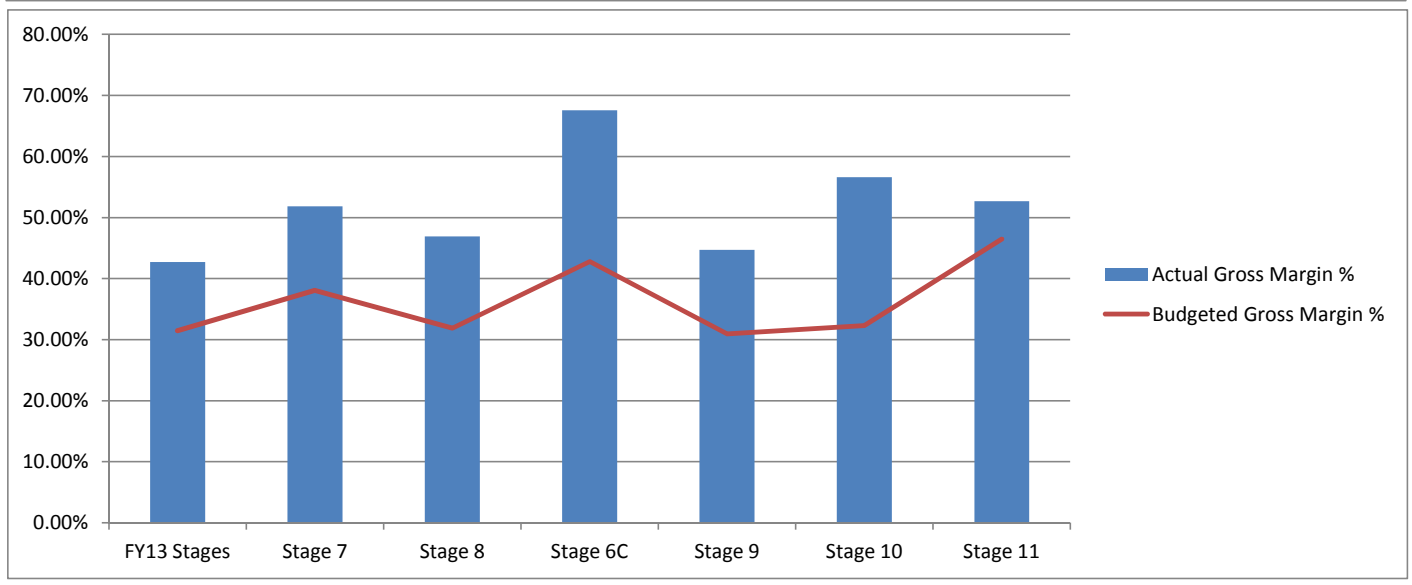
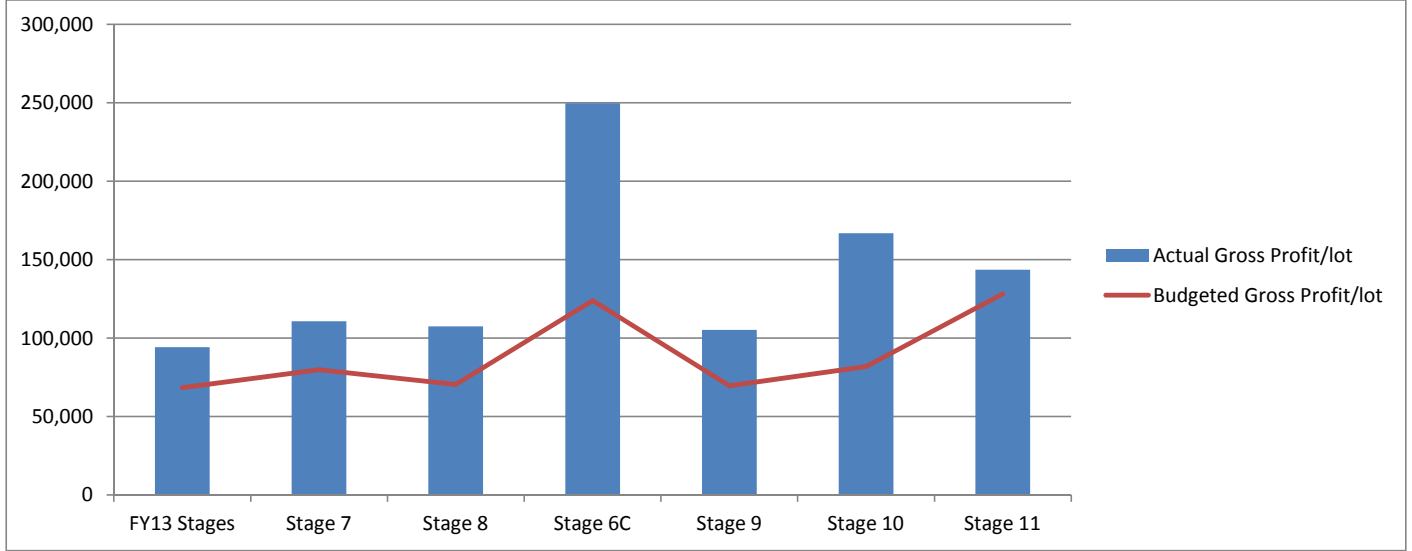
2.1 GROSS PROFIT ANALYSIS

Actual

| Stages | Title Issue Date | Revenue | Revenue/lot | Direct Selling & COGS (incl. GST) | | Direct Costs/lot | Actual Gross | Actual Gross | Actual Gross |
|-------------|------------------|--------------------|-------------|-----------------------------------|------------|------------------|-------------------|--------------|--------------|
| | | | | Profit | Profit/lot | | Margin % | | |
| FY13 Stages | 2012 / 2013 | 51,375,500 | 220,496 | 29,438,433 | | 126,345 | 21,937,067 | 94,151 | 42.70% |
| Stage 7 | 31-Oct-13 | 13,452,000 | 213,524 | 6,479,416 | | 102,848 | 6,972,584 | 110,676 | 51.83% |
| Stage 8 | 16-Jan-14 | 12,146,000 | 229,170 | 6,450,298 | | 121,704 | 5,695,702 | 107,466 | 46.89% |
| Stage 6C | 3-Apr-14 | 2,958,000 | 369,750 | 959,355 | | 119,919 | 1,998,645 | 249,831 | 67.57% |
| Stage 9 | 8-May-14 | 11,781,000 | 235,620 | 6,513,344 | | 130,267 | 5,267,656 | 105,353 | 44.71% |
| Stage 10 | 8-May-14 | 7,961,000 | 294,852 | 3,453,816 | | 127,919 | 4,507,184 | 166,933 | 56.62% |
| Stage 11 | 1-Oct-14 | 12,820,000 | 272,766 | 6,065,994 | | 129,064 | 6,754,006 | 143,702 | 52.68% |
| | | <u>112,493,500</u> | | <u>59,360,657</u> | | | <u>53,132,843</u> | | |

Budget

| Stages | Budget Version | Revenue | Revenue/lot | Direct Selling & COGS (incl. GST) | | Direct Costs/lot | Budgeted Gross | Budgeted Gross | Budgeted Gross |
|-------------|----------------|--------------------|-------------|-----------------------------------|------------|------------------|-------------------|----------------|----------------|
| | | | | Profit | Profit/lot | | Margin % | | |
| FY13 Stages | May-12 | 51,358,953 | 217,623 | 35,200,675 | | 149,155 | 16,158,278 | 68,467 | 31.46% |
| Stage 7 | Jun-13 | 13,205,000 | 209,603 | 8,178,150 | | 129,812 | 5,026,850 | 79,791 | 38.07% |
| Stage 8 | Jun-13 | 11,725,000 | 221,226 | 7,988,239 | | 150,721 | 3,736,761 | 70,505 | 31.87% |
| Stage 6C | Jun-13 | 2,894,098 | 289,410 | 1,655,174 | | 165,517 | 1,238,924 | 123,892 | 42.81% |
| Stage 9 | Jun-13 | 11,501,926 | 225,528 | 7,945,622 | | 155,797 | 3,556,303 | 69,731 | 30.92% |
| Stage 10 | Jun-13 | 7,605,912 | 253,530 | 5,150,237 | | 171,675 | 2,455,675 | 81,856 | 32.29% |
| Stage 11 | Aug-14 | 17,645,281 | 275,708 | 9,444,658 | | 147,573 | 8,200,623 | 128,135 | 46.47% |
| | | <u>115,936,169</u> | | <u>75,562,754</u> | | | <u>40,373,415</u> | | |



Appendix 9.6

6 November 2014

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

Dear Tony

CATALINA CENTRAL - REVIEW OF PURCHASER TERMS AND CONDITIONS

SPG have reviewed the terms and conditions currently being implemented for the sale of lots at Catalina. The Council of the TPRC adopted the recommended terms and conditions prepared by SPG in August 2013. Since this time approximately 270 lots have been sold across stages 8-13.

DEPOSIT, FINANCE APPROVALS AND SETTLEMENT

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

- Deposit - \$5,000
- Period for finance approval - 28 days
- Period for finance extensions - 28 days
- Number of finance extensions - 2, with the second considered on merit
- Settlement - within 21 days of issue of titles

It is proposed that the above terms are maintained with the exception of the period for finance approval and number of extensions.

Finance Approval Period

In August 2013, when the current terms were implemented, we were receiving very high demand for lots at Catalina with limited supply. Stages were generally selling out within two weeks of the release date. To avoid missing out on a block of land purchasers were prepared to purchase a lot with finance approval for the land only. Following settlement they would seek a further finance approval for the construction of a home.

Since this time prices at Catalina have increased significantly with a regular supply of lots now available to the market. Many sales are now being sourced through builder contacts on the basis of the purchaser obtaining finance for a house and land package.

We have received feedback from some builders of their preference to sell houses onto competing developments which have longer finance terms as they are unable to finalise housing plans and finance approval within the 28 day period. This preference is due to the uncertainty of obtaining approval for finance extension requests which places stress on home buyers and creates risk that the builder may be preparing house plans for a deal that won't proceed if finance is not approved within 28 days. Builders are generally requesting a 90 day finance approval period based on an 8 week period to prepare and finalise building plans and a further 4 weeks to obtain finance approval.

A summary of finance extension timeframes for competing developments is summarised in the table below:

| Estate | Developer | Finance Approval Period (>3 months before title) | Finance Approval Period (<3 months before title) |
|------------|-----------|--|--|
| Beaumaris | Satterley | 28 days | 28 days |
| Catalina | Satterley | 28 days | 28 days |
| Eden Beach | Satterley | 90 days | 60 days |
| Trinity | LWP | Finance approval due date is 1 month before estimated titles date. | 45 days |
| Amberton | Stockland | 40 days | 40 days |
| Shorehaven | Peet | 63 days | 40 days |

In order to attract builders to sell house and land packages at Catalina it is recommended that the TPRC adjust the finance approval period at Catalina as follows:

Finance Approval Period (>3 months before title): 60 days
Finance Approval Period (<3 months before title): 45 days
Extensions: one extension of up to 28 days based on individual merit of claim and stock levels

Deposit

The \$5,000 deposit has resulted in a higher level of commitment from purchasers compared to the standard \$2,000 deposit and has generally been accepted by the market. It is recommended the \$5,000 deposit continues.

Settlement Period

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

Recommendation

Based on the above SPG recommend that the current terms and conditions for lots sold by public release are continued with the exception that the finance approval period is amended as follows:

| | |
|---|--|
| Finance Approval Period (>3 months before title): | 60 days |
| Finance Approval Period (<3 months before title): | 45 days |
| Extensions: | one extension of up to 28 days based on individual merit of claim and stock levels |

SALES INCENTIVES

Public Releases

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

- Colourbond side (behind the front building line) and rear fencing to all lots, with brushwood fencing to the side boundary of lots abutting a road;
- Water wise landscaping to front garden and verge areas, including the side boundary of lots abutting a road;
- \$2,000 rebate to all purchasers who install a 1.5 kw solar PV system.

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

Builder Releases

Medium density rear loaded lots within Catalina are intended to be sold via builders under put options as house and land packages. The incentives offered to purchasers of these lots are currently:

- \$2,000 rebate to all purchasers who install a 1.5kw PV system;
- Landscaping to the verge outside the property boundary where an unpaved area exists;
- \$2,000 rebate to builders to incentivise the completion of front landscaping and side fencing on the property.

The solar rebate encourages sustainability and works well for builder releases. It is recommended the rebate continues.

In regard to the landscaping and fencing it is recommended that the \$2,000 rebate is discontinued and that the TPRC completes the front landscaping of these homes in the same manner as public releases. The benefits of this proposal are it:

- will allow the TPRC to landscape the verge concurrently with the front landscaping, which will enhance presentation and provide a more efficient process for the irrigation of the verge area;
- will ensure the landscaping is completed to a good quality;
- will result in additional savings to the TPRC as the landscaping to the property can be completed within the \$2,000 per lot landscape and fencing rebate that was previously offered;
- will be more attractive to builders who generally prefer not to get involved in landscaping properties.

With the exception of lots on major boulevards, where it is proposed the verge is landscaped as part of a larger landscape stage, it is also recommended that builders who have entered into put options in stages 9-13 at Catalina are also offered the opportunity to have the Tamala Park Regional Council complete their front landscaping in lieu of the \$2,000 per lot rebate for the same reasons listed above.

Builders are no longer entering into Put Options on many other Satterley developments due to concerns that the lots may not sell in a timely manner, resulting in the builders being required to settle on the lots themselves. If this also eventuates at Catalina we will need to review the method of sale for future builder releases.

Should you wish to discuss further please contact the undersigned.

Yours sincerely



BRENTON DOWNING
PROJECT DIRECTOR

Appendix 9.7

Management Committee Terms of Reference/Delegations (December 2014)

1. Recommending to Council the Project Annual Plan, Project Budget and Project Milestones.
2. The establishment and variation of key performance indicators which will be used to measure the performance of the Development Manager.
3. Monitoring the Approved Project budget (including any proposed variations to the Approved Project Budget).
4. Stage-by-stage cost determination and review.
5. Monitoring the Project's strategy, plans or concepts.
6. Monitoring the marketing and sales program for the Project.
7. Approval of sales schedules (including pricing) prior to the release of a stage of the Project.
8. Contracts to be entered into by any party with a value less than \$3,000,000.
9. Monitoring the Approved Project Program (including any proposed variations to the Approved Project Program).
10. The appointment of Project consultants and contractors with a value less than \$3,000,000.
11. The location of Stages of subdivision including the number of lots, Display Village(s) (size, mix and locality).
12. Approval to the lodgement of Subdivision Applications with the Western Australian Planning Commission.
13. Approval of marketing strategy and program.
14. Monitoring the implementation of TPRC objectives.
 - 14.1 Generally monitor the performance of the Development Manager.
 - 14.2 Generally progress the Project.
15. To provide regular confidential updates on progress to the Council.
16. Approval of methods for the sale of project stages, from the sales procedures approved by the Council.

Appendix 9.8

19 November 2014

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

Dear Tony,

Catalina Budget - Three Yearly Project Forecast

Introduction

The Tamala Park Regional Council (TPRC) has requested The Satterley Property Group (SPG) to provide an updated Project Forecast (2014 Project Forecast) and compare it to the Project Forecast prepared in July 2011 (2011 Project Forecast). This comparison is in accordance with KPI 4.2 in the KPI's approved at the June 2014 TPRC Council meeting.

Assumptions set in the 2011 Project Forecast were based upon available estimates at the time, where works were yet to commence. Project assumptions in the 2014 Project Forecast have been reforecast based upon better knowledge of lot prices, lot production conditions, infrastructure and landscaping requirements.

The 2014 Project Forecast profit is \$397m, representing an improvement of \$85m against the 2011 Project Forecast. This is shown in the table below.

| CATALINA SUMMARY | 2014 Project Forecast | 2011 Project Forecast | Variance |
|--------------------------------|-----------------------|-----------------------|--------------|
| Settled Lots | 2,448 | 2,310 | 138 |
| GROSS INCOME | | | |
| Income - Lots | 817,802,872 | 797,371,531 | 20,431,341 |
| Income - Special Sites & Other | 34,638,071 | 2,997,655 | 31,640,416 |
| Direct Selling Expenses | 88,094,712 | 130,908,853 | 42,814,141 |
| GROSS INCOME | 764,346,231 | 669,460,333 | 94,885,898 |
| DEVELOPMENT COSTS | | | |
| Land | 11,426,058 | | (11,426,058) |
| Indirect Consultants | 7,930,123 | 5,672,600 | (2,257,523) |
| Landscape | 37,564,537 | 36,363,281 | (1,201,256) |
| Infrastructure Costs | 24,437,651 | 26,107,961 | 1,670,311 |
| Infrastructure Refunds | (4,662,845) | 0 | 4,662,845 |
| Special Sites Development | 6,207,917 | 935,121 | (5,272,796) |
| Lot Production | 242,542,017 | 245,536,927 | 2,994,909 |
| Administration | 14,490,752 | 11,881,589 | (2,609,163) |
| Sales and Marketing | 8,398,900 | 11,234,127 | 2,835,227 |
| Community Development | 2,678,940 | 2,904,656 | 225,716 |
| Finance/Bonds | 15,000 | 0 | (15,000) |
| Contingency | 16,461,808 | 17,031,813 | 570,005 |
| DEVELOPMENT COSTS | 367,490,858 | 357,668,075 | (9,822,783) |
| PROJECT PROFIT | 396,855,373 | 311,792,259 | 85,063,115 |

Lot Yield

| | 2014 Project Forecast | 2011 Project Forecast | Variance |
|------------|-----------------------|-----------------------|----------|
| Total Lots | 2,448 | 2,310 | 138 |

The 2014 project forecast contains 138 more lots than the 2011 project forecast model. The increased yield is resultant of the move to higher density lots combined with more detailed urban design across the Central, Western and Eastern Cells of the project.

The average lot size has reduced from an average of 410m² to 330m². Also, approximately 10.5 Ha of developable area has been moved from Residential lots to Special Sites in the 2014 Project Forecast. This has resulted in the forecast of 2,879 dwelling unit equivalents (DUE), compared to 2,627 in the Tamala Park Local Structure Plan as shown in the table below.

Dwelling Unit Equivalents (DUE)

| Precinct | LSP | SPG Aug2014 Model | Variance |
|-------------------|--------------|-------------------|------------|
| Central Cell | 1,178 | 1,314 | 136 |
| Western Cell | 487 | 541 | 54 |
| Eastern Cell/WAPC | 962 | 1,024 | 62 |
| Total | 2,627 | 2,879 | 252 |

WA Market Summary

WA has experienced strong land price growth since the 2011 Project Forecast. This growth was underpinned by strong population growth of ~80,000 persons per annum, one of the lowest unemployment rates in the country at ~4%, low interest rates and strong mining investment.

Lot sales over the past three financial years have been strong, resulting in strong price growth at the tail end of FYE2013 and for the majority of FYE2014.

| Sales Region | FYE2014 | FYE2013 | FYE2012 |
|-------------------------|---------|---------|---------|
| North West Metro Sales | 2,874 | 3,730 | 2,589 |
| Total Perth Metro Sales | 10,848 | 15,517 | 10,023 |
| Catalina Net Sales | 212 | 227 | 48 |

Source: REIWA & SPG Sales data

Lots created have increased over FYE2013 & FYE2014 in response to increased sales demand. The table below shows lots titled for the previous three Financial Years.

| Lots Created Region | FYE2014 | FYE2013 | FYE2012 |
|--------------------------------|---------|---------|---------|
| North West Metro Lots Created | 3,617 | 2,518 | 2,010 |
| Total Perth Metro Lots Created | 14,915 | 12,089 | 9,489 |
| Catalina Lots Created | 222 | 196 | 24 |

Source: Planning WA & SPG Title data

Catalina price growth over FYE2013 & FYE2014 has been in the order of 12-15% per annum. Below is a table showing Catalina sales price growth over the past 2 financial years;

| Product Type | FYE2013 Annualised Price Growth | FYE2014 Annualised Growth | Annualised Growth FYE2013 & FY2014 |
|-----------------------------------|---------------------------------|---------------------------|------------------------------------|
| Cottage A (375m ²) | 9% | 16% | 13% |
| Traditional (450m ²) | 8% | 16% | 12% |
| Cottage B (300m ²) | 9% | 18% | 15% |
| Rear Loaded (225 m ²) | 14% | 15% | 15% |

Price growth and sales volumes in WA have softened over the past 4-6 months with mining investment slowing, population growth reducing to ~63,000 people per annum and the unemployment rate increasing to 5.1%. Although these are significant changes in the key market drivers for the property market, it should be still recognised that the WA population growth is still the highest of all States when compared to the change in the previous years and the current unemployment rate is one of the lowest in the country.

These market conditions provide a base for steady lot sales and moderate price escalation over the next 3 years.

Sales Rates

Sales rates have been adjusted in the 2014 Project Forecast to reflect current market selling conditions and also looking at achieving the best internal rate of return for the TPRC.

The internal rate of return (IRR) for the project allows the TPRC to judge whether the project is delivering a desired investment return. The IRR is calculated by starting with the initial upfront capital investment, then forecasting the timing of future capital returns and profit distributions to the participants. The IRR takes into account the time value of money whereas dollar profit alone does not. The derived IRR will then show the annual rate of return for the project. The higher the IRR, the better the annual return. The forecasted IRR for this project, based on a notional land purchase value of \$77.4m in July 2011, is ~21.7% per annum.

The Catalina project will begin development on a 2nd front in 2015, a differing assumption from the 2011 model where development was assumed to be one precinct at a time. Lots in the western cell are forecast to be released for sale in FYE2016, with sales occurring in conjunction with sales in the central cell. This will provide a more diverse product offering to the market. Sales are forecast at 200 lots per annum (consisting of 48 lots in the western cell and 152 lots in the central cell/eastern cell) from FYE2016-FYE2021. It has been assumed that sales within the Central Cell Urban Deferred zone will not commence until FYE2025, being the estimated time for the removal of the landfill buffer with the FYE2022 – FYE2024 period reflecting sales of the Western Cell only. The 2011 Project Forecast assumed that the landfill buffer would be removed progressively and would not impact sales within the Catalina project. The completion of sales has therefore been deferred from FYE2024 in the 2011 Project Forecast to FYE2027 in the 2014 Project Forecast.

As the market fluctuates, it is recommended that the project is positioned to take advantage of any strong selling periods. Accordingly, SPG recommends to have at least one stage (50-80 lots) in addition to the 200 lots that are planned for development in that year, fully approved and ready to be released for sale and construction should the market be able to meet that level of production. The modelling in this cashflow reflects earlier expenditure for planning and engineering design to achieve timely approvals that will give the development the flexibility to meet the market. Forecast sales rates are shown in the table below.

| Financial Year | 2014 Project Forecast | 2011 Project Forecast |
|----------------|-----------------------|-----------------------|
| PTD FYE2012 | 48 | 169 |
| FYE2013 | 227 | 180 |
| FYE2014 | 212 | 180 |
| FYE2015 | 255 | 180 |
| FYE2016 | 200 | 180 |
| FYE2017 | 200 | 180 |
| FYE2018 | 200 | 180 |
| FYE2019 | 200 | 180 |
| FYE2020 | 200 | 180 |
| FYE2021 | 200 | 180 |
| FYE2022 | 103 | 180 |
| FYE2023 | 48 | 180 |
| FYE2024 | 48 | 161 |
| FYE2025 | 158 | |
| FYE2026 | 149 | |
| Total | 2448 | 2310 |

Escalation Rates

| | | | |
|------|--------|--------|--------|
| Rate | 4.0% | 5.5% | 5.5% |
| From | Sep-14 | Oct-16 | Jan-18 |
| To | Sep-16 | Dec-17 | End |

| | | | |
|------|--------|--------|--------|
| Rate | 3.0% | 3.0% | 3.0% |
| From | Sep-14 | Oct-16 | Jan-18 |
| To | Sep-16 | Dec-17 | End |

| | | | |
|------|--------|--------|--|
| Rate | 5.0% | 5.0% | |
| From | Jan-12 | Jan-13 | |
| To | Dec-12 | End | |

| | | | |
|------|--------|--------|--|
| Rate | 4.0% | 4.0% | |
| From | Jan-12 | Jan-13 | |
| To | Dec-12 | End | |

Escalation rates have been adjusted in the 2014 Project Forecast to 4% from September 2014 to September 2016, before returning to long-term growth estimates of 5.5% per annum from October 2016.

The short term reduced escalation rate is a response to the higher price escalation experienced over the past 18 months combined with a recent softening in the market.

Development in the central cell is continuing to progress eastwards towards Connolly Drive. As the distance from the coast increases it can be expected that slightly lower price growth will be achieved.

Risk Factors

The assumptions included in this budget update include the following risks:

1. The project forecast contains assumptions on sales rate and price escalation. A negative change in market sentiment due to micro or macro-economic factors could reduce sales rates and/or projected price escalation which would impact on the size and timing of profit distributions.
2. The southern portion of the Catalina development is affected by a landfill buffer which has resulted in the land being zoned Urban Deferred. The rezoning of the land from Urban Deferred to Urban could be delayed for many reasons including but not limited to a slowdown of filling of the landfill, environmental risks from the landfill, a change in policy regarding landfill buffers or other factors required for the rezoning of this land.
3. Amendment to the requirements of local, state or federal government which could affect the lot yield for reasons including but not limited to the retention of additional vegetation, buffers for nearby uses, bushfire management, public open space requirements, community or school requirements and requirements for the installation of additional servicing infrastructure.
4. Amendment to the requirements of local, state or federal government agencies and other servicing authorities which may affect costs including but not limited to additional developer contributions, passing on taxes incurred by these agencies, and additional studies required for OHS.
5. Environmental risks discovered during development including but not limited to archaeological, rare flora or fauna, native vegetation and contamination could result in a reduction of the lot yield of the project, delays to the project or additional costs to overcome these risks.
6. The project forecast assumes that GST is payable under Item 4 is \$16.6m (reduced from \$70m in 2011 project forecast), a significant GST concession for the TPRC. Amendments to GST requirements may result in the TPRC being required to pay additional GST in future years. Additionally amendments to existing local, state or federal tax requirements could result in other additional taxes payable by the TPRC.
7. The project forecast assumes that the Western Australian Planning Commission (WAPC) will sell its landholding in the eastern cell to the TPRC for an assumed price of \$11.4m in FYE2018. If the WAPC decides not to sell its landholding to the TPRC, requires a higher price or an amendment to the timing of payment, this will affect the size and timing of the forecast profit distributions.
8. The project forecast assumes the Water Corporation will reimburse the TPRC's costs incurred for the Eastern Cell Waste Water Pump Station of \$2.3m. If this reimbursement does not eventuate it will impact on projected distributions.

Gross Income

| Description | 2014 Project Forecast | 2011 Project Forecast | Variance |
|--------------------------|-----------------------|-----------------------|-------------------|
| Income - Lots | 817,802,872 | 797,371,531 | 20,431,341 |
| Income - Other | 34,638,071 | 2,997,655 | 31,640,416 |
| GST Liability | (16,770,819) | (70,306,503) | 53,535,684 |
| Selling Commission | (17,900,291) | (16,744,802) | (1,155,489) |
| Project Management Fee | (19,178,883) | (17,940,859) | (1,238,024) |
| Settlement Fees | (952,872) | (924,000) | (28,872) |
| Sales Incentive Packages | (33,291,847) | (24,992,688) | (8,299,159) |
| GROSS INCOME | 764,346,231 | 669,460,333 | 94,885,898 |

Gross income has increased by \$95m when comparing the 2014 Project Forecast to the 2011 Project Forecast. Major variances in Gross Income include:

Lot income is \$20m higher than the 2011 Project Forecast. This increase is largely as a result of:

- Increased revenue as a result of higher density lot sizes and strong price growth increasing the rate per m² from \$841 per m² forecast in 2011 to \$1,003 per m² forecast in the 2014 Project Forecast.
- An increase in income escalation, where strong escalation was achieved over the period of July 2012 to June 2014, with escalation forecast to increase from 5% to 5.5% from October 2016 for the remainder of the project. Escalation has also increased as a result of the increased project duration.
- Partially offset by a decrease in income due to the transfer of 10.5 Ha of developable area from residential lots to special sites (Group housing sites and the retirement village site).

Other Income is \$32m higher than the July 2011 project forecast due to the transfer of developable area from residential lots to Group Housing Sites in the Central and Eastern Cells, combined with the Retail site and Retirement Village site in the Eastern Cell.

GST Liability is \$54m lower due to GST now being assessed on Item 4.

Selling Incentives have increased by \$8m due to the inclusion of new rebates for the shared bore and solar package.

Development Costs

| Description | 2014 Project Forecast | 2011 Project Forecast | Variance |
|----------------------------------|-----------------------|-----------------------|--------------------|
| Land & Special Sites Development | 17,633,975 | 935,121 | (16,698,854) |
| Consultants | 7,930,123 | 5,672,600 | (2,257,523) |
| Landscape | 37,564,537 | 36,363,281 | (1,201,256) |
| Infrastructure | 19,774,806 | 26,107,961 | 6,333,156 |
| Lot Production | 242,542,017 | 245,536,927 | 2,994,909 |
| Administration | 14,490,752 | 11,881,589 | (2,609,163) |
| Sales and Marketing | 8,398,900 | 11,234,127 | 2,835,227 |
| Community Development | 2,678,940 | 2,904,656 | 225,716 |
| Finance/Bonds | 244,704 | 0 | (244,704) |
| Contingency | 16,232,105 | 17,031,813 | 799,708 |
| DEVELOPMENT COSTS | 367,490,858 | 357,668,075 | (9,822,783) |

Development costs have increased by \$10m when comparing the 2014 Project Forecast to the 2011 Project Forecast. Major variances in Development costs include:

Land & Special Site Development costs have increased by \$17m largely due to the inclusion of the WAPC land acquisition and the additional construction costs associated with Group Housing sites, the Eastern Cell retail site and the Eastern Cell retirement village.

Consultant costs are \$2m higher due to the addition of Earth Potential Rise costs and increased Sustainability and Hydrology consultant requirements.

Landscape costs are \$1m higher due to more detailed design in the central cell and additional landscaping in the Western Cell.

Infrastructure costs have reduced by \$6m due to the inclusion of refunds for the Western Cell gravity main, the Eastern Cell pump station, and primary school site services.

Lot Production costs have reduced by \$3m due to more detailed engineering design reducing costs at stage level for the Central Cell, combined with more detailed planning in the Western and Eastern Cells now showing a reduction in the cost per lot when compared to the 2011 Project Forecast.

Administration costs have increased by \$3m due to additional costs for rent due to the sale and leaseback of the sales office and carpark lots, increased costs for rates and taxes and increased costs due to increased project duration.

Sales and Marketing costs have reduced by \$3m due to the revised reduced scope of marketing required.

Contingency costs have reduced by \$1m due to lower costs, partially offset by increased contingency costs for the Western Cell, where the contingency has increased from 5% to 7.5%.

Distributions

The distribution profile for the project has changed primarily due to a change in the minimum cash balance, timing of removal of the landfill buffer and sales rates.

Distributions from FYE2012 to FYE2014 were impacted by changes to the minimum cash balance assumption in the 2011 Project Forecast. It is forecast cumulative distributions will increase above the 2011 forecast from FYE2016 to FYE2019. However, cumulative distributions will decrease below the 2011 Project Forecast after FYE2020, when sales are slowed due to the deferment of Central Cell buffer stages.

| Financial Year | 2014 Project Foecast | 2011 Project Forecast | Variance | Cumulative Variance |
|----------------|----------------------|-----------------------|-------------------|---------------------|
| PTD Jun 12 | (13,300,000) | (13,300,000) | 0 | 0 |
| FYE2013 | 0 | 6,000,000 | (6,000,000) | (6,000,000) |
| FYE2014 | 10,000,000 | 15,000,000 | (5,000,000) | (11,000,000) |
| FYE2015 | 31,000,000 | 13,000,000 | 18,000,000 | 7,000,000 |
| FYE2016 | 22,000,000 | 17,000,000 | 5,000,000 | 12,000,000 |
| FYE2017 | 28,000,000 | 19,000,000 | 9,000,000 | 21,000,000 |
| FYE2018 | 18,000,000 | 20,000,000 | (2,000,000) | 19,000,000 |
| FYE2019 | 37,000,000 | 23,000,000 | 14,000,000 | 33,000,000 |
| FYE2020 | 33,000,000 | 45,000,000 | (12,000,000) | 21,000,000 |
| FYE2021 | 37,000,000 | 48,000,000 | (11,000,000) | 10,000,000 |
| FYE2022 | 43,000,000 | 29,000,000 | 14,000,000 | 24,000,000 |
| FYE2023 | 12,000,000 | 24,000,000 | (12,000,000) | 12,000,000 |
| FYE2024 | 15,000,000 | 28,000,000 | (13,000,000) | (1,000,000) |
| FYE2025 | 14,000,000 | 38,092,259 | (24,092,259) | (25,092,259) |
| FYE2026 | 38,000,000 | 0 | 38,000,000 | 12,907,741 |
| FYE2027 | 38,000,000 | 0 | 38,000,000 | 50,907,741 |
| FYE2028 | 26,000,000 | 0 | 26,000,000 | 76,907,741 |
| FYE2029 | 8,155,373 | 0 | 8,155,373 | 85,063,114 |
| Total | 396,855,373 | 311,792,259 | 85,063,114 | |

Forecast distributions assume ongoing maintenance of a cash balance of \$15m, representing approximately four months of production costs.

Distributions from the final settlements in FYE2026 have been deferred by approximately 2 years to provide a conservative distribution assumption over this period.

SPG Recommendation

SPG recommends that TPRC adopt the outlined project forecast, while also acknowledging the inherent risk factors associated with the project forecast.

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

Yours sincerely

A handwritten signature in blue ink, appearing to read 'B. Downing', written over a light blue horizontal line.

Brenton Downing
Project Director

| Catalina Annual Cashflow | Aug-14 Project Forecast | Jul-11 Project Forecast | Variance | Comments |
|----------------------------------|--------------------------------|--------------------------------|--------------------|---|
| Sales | 2,448 | 2,310 | 138 | Increased lot yield due to higher density lots (average lot size 330m ² compared to 410m ² in Mar-11). Approx 10.5 Ha of developable area has been transferred from residential lots to special sites. |
| Average Settlement Price | 334,070 | 345,182 | (11,113) | |
| GROSS INCOME | | | | |
| Income - Lots | 817,802,872 | 797,371,531 | 20,431,341 | Increase in lot income due to smaller average area of current lots generating a higher rate per m ² and increased income escalation due to stronger forecast market growth, where growth over the past 3 years has exceeded the July 2011 budget growth rates due to the exceptionally strong price growth over the past 18 months. This is partially offset by reduced income from the transfer of residential lot developable area to special sites. |
| Income - Other | 34,638,071 | 2,997,655 | 31,640,416 | Increased income as a result of the inclusion of Group housing sites in the Central, Eastern and WAPC cells. |
| GST Liability | (16,770,819) | (70,306,503) | 53,535,684 | Reduction in GST costs as GST is now assessed on an Item 4 basis. |
| Selling Commission | (17,900,291) | (16,744,802) | (1,155,489) | Increased selling commission in the line with increased Lot and Other income. |
| Project Management Fee | (19,178,883) | (17,940,859) | (1,238,024) | Increased project management fees in the line with increased Lot and Other income. |
| Settlement Fees | (952,872) | (924,000) | (28,872) | |
| Sales Incentive Packages | (33,291,847) | (24,992,688) | (8,299,159) | Increased rebates due to rebates added for the Shared Bore and Solar Package rebates. |
| GROSS INCOME | 764,346,231 | 669,460,333 | 94,885,898 | |
| DEVELOPMENT COSTS | | | | |
| Land & Special Sites Development | 17,633,975 | 935,121 | (16,698,854) | Increased costs due to the inclusion of the WAPC land acquisition and additional costs associated with the inclusion of special site development |
| Consultants | 7,930,123 | 5,672,600 | (2,257,523) | Increased costs due to the addition of EPR study costs and increased Sustainability & Hydrology requirements. |
| Landscape | 37,564,537 | 36,363,281 | (1,201,256) | Increased costs due to the increased landscaping requirements in the Western Cell. |
| Infrastructure | 19,774,806 | 26,107,961 | 6,333,156 | Reduction in costs due to the inclusion of infrastructure refunds for Western Cell gravity main, the Eastern Cell pump station, the greenlink underpass, primary school site services and reduced cost escalation. |
| Lot Production | 242,542,017 | 245,536,927 | 2,994,909 | Reduced costs due to more detailed engineering design now allocating costs at a stage level for the Central Cell, with more detailed costings for the Western, Eastern & WAPC cells showing a reduction when compared to the cost per lot forecast completed in Jul-11. Cost have also increased due to the reduction in cost escalation. |
| Administration | 14,490,752 | 11,881,589 | (2,609,163) | Increased administration costs due to additional costs for rent due to the sale & leaseback of the sales office and carpark lots, combined with increased costs for rates and taxes. |
| Sales and Marketing | 8,398,900 | 11,234,127 | 2,835,227 | Reduction in sales and marketing costs due to revised reduced scope of marketing required. |
| Community Development | 2,678,940 | 2,904,656 | 225,716 | |
| Finance/Bonds | 244,704 | 0 | (244,704) | |
| Contingency | 16,232,105 | 17,031,813 | 799,708 | Reduction in contingency due to lower costs, partially offset by increasing the Western Cell contingency from 5% to 7.5%. |
| DEVELOPMENT COSTS | 367,490,858 | 357,668,075 | (9,822,783) | |
| CASHFLOW | 396,855,373 | 311,792,259 | 85,063,115 | |
| Minimum Debt | | | | |
| Maximum Debt | | | | |
| Capital Calls | (13,300,000) | (13,300,000) | 0 | |
| Capital Returns | 13,300,000 | 13,300,000 | 0 | |
| Profit Distributions | 396,855,373 | 311,792,259 | 85,063,114 | Increased profit distributions in line with increased profit. |
| Cumulative Cash Balance | 0 | 0 | 0 | |
| Distributions | Aug-14 Project Forecast | Jul-11 Project Forecast | Variance | |
| PTD Jun 12 | (13,300,000) | (13,300,000) | 0 | |
| FYE2013 | 0 | 6,000,000 | (6,000,000) | |
| FYE2014 | 10,000,000 | 15,000,000 | (5,000,000) | |
| FYE2015 | 31,000,000 | 13,000,000 | 18,000,000 | |
| FYE2016 | 22,000,000 | 17,000,000 | 5,000,000 | |
| FYE2017 | 28,000,000 | 19,000,000 | 9,000,000 | |
| FYE2018 | 18,000,000 | 20,000,000 | (2,000,000) | |
| FYE2019 | 37,000,000 | 23,000,000 | 14,000,000 | |
| FYE2020 | 33,000,000 | 45,000,000 | (12,000,000) | |
| FYE2021 | 37,000,000 | 48,000,000 | (11,000,000) | |
| FYE2022 | 43,000,000 | 29,000,000 | 14,000,000 | |
| FYE2023 | 12,000,000 | 24,000,000 | (12,000,000) | |
| FYE2024 | 15,000,000 | 28,000,000 | (13,000,000) | |
| FYE2025 | 14,000,000 | 38,092,259 | (24,092,259) | |
| FYE2026 | 38,000,000 | 0 | 38,000,000 | |
| FYE2027 | 38,000,000 | 0 | 38,000,000 | |
| FYE2028 | 26,000,000 | 0 | 26,000,000 | |
| FYE2029 | 8,155,373 | 0 | 8,155,373 | |
| Total | 396,855,373 | 311,792,259 | 85,063,114 | |

| Catalina Annual Cashflow | Project Total | PTD Jun-12 | FYE2013 | FYE2014 | FYE2015 | FYE2016 | FYE2017 | FYE2018 | FYE2019 | FYE2020 | FYE2021 | FYE2022 | FYE2023 | FYE2024 | FYE2025 | FYE2026 | FYE2027 | FYE2028 | FYE2029 |
|----------------------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
| Sales Release | 2,448 | 53 | 243 | 233 | 318 | 163 | 192 | 174 | 215 | 221 | 197 | 48 | 48 | 48 | 197 | 98 | 0 | 0 | 0 |
| Sales | 2,448 | 48 | 227 | 212 | 255 | 200 | 200 | 200 | 200 | 200 | 200 | 103 | 48 | 48 | 158 | 149 | 0 | 0 | 0 |
| Titles | 2,448 | 24 | 195 | 221 | 279 | 182 | 169 | 222 | 216 | 172 | 230 | 147 | 48 | 48 | 97 | 150 | 48 | 0 | 0 |
| Settlements | 2,448 | 20 | 175 | 224 | 221 | 206 | 186 | 190 | 201 | 202 | 202 | 190 | 48 | 48 | 74 | 183 | 78 | 0 | 0 |
| Closing Stock | 0 | 5 | 21 | 42 | 105 | 68 | 60 | 34 | 49 | 70 | 67 | 12 | 12 | 12 | 51 | 0 | 0 | 0 | 0 |
| Contracts on Hand | 0 | 28 | 80 | 68 | 102 | 96 | 110 | 120 | 119 | 117 | 115 | 28 | 28 | 28 | 112 | 78 | 0 | 0 | 0 |
| Average Settlement Price | 334,070 | 257,850 | 217,537 | 233,757 | 280,019 | 280,522 | 331,518 | 310,104 | 304,251 | 321,282 | 342,855 | 369,784 | 496,758 | 524,779 | 520,653 | 494,740 | 490,933 | 0 | 0 |
| GROSS INCOME | | | | | | | | | | | | | | | | | | | |
| Income - Lots | 817,802,872 | 5,157,000 | 38,069,000 | 52,361,500 | 61,884,179 | 57,787,592 | 61,662,401 | 58,919,752 | 61,154,427 | 64,899,061 | 69,256,780 | 70,258,898 | 23,844,400 | 25,189,411 | 38,528,328 | 90,537,398 | 38,292,743 | 0 | 0 |
| Income - Other | 34,638,071 | 0 | 25,170 | 1,915,966 | 0 | 1,706,468 | 2,068,343 | 9,409,857 | 13,892,919 | 3,325,204 | 1,919,490 | 374,655 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Direct Selling Expenses | 88,094,712 | 681,211 | 2,436,250 | 4,037,558 | 6,280,967 | 7,414,975 | 6,800,335 | 8,365,187 | 8,467,053 | 8,070,512 | 7,906,758 | 7,739,507 | 4,297,971 | 2,306,285 | 3,149,478 | 7,774,364 | 2,366,299 | 0 | 0 |
| GROSS INCOME | 764,346,231 | 4,475,789 | 35,657,920 | 50,239,908 | 55,603,212 | 52,079,085 | 56,930,409 | 59,964,422 | 66,580,293 | 60,153,753 | 63,269,512 | 62,894,046 | 19,546,429 | 22,883,126 | 35,378,850 | 82,763,034 | 35,926,444 | 0 | 0 |
| DEVELOPMENT COSTS | | | | | | | | | | | | | | | | | | | |
| Land & Special Sites Development | 17,633,975 | 0 | 41,584 | 368,397 | 623,999 | 38,000 | 270,796 | 13,061,817 | 2,150,963 | 772,205 | 144,313 | 111,900 | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 |
| Consultants | 7,930,123 | 322,832 | 425,419 | 347,091 | 1,431,238 | 681,077 | 668,552 | 688,265 | 643,221 | 594,335 | 562,539 | 558,057 | 571,328 | 361,497 | 27,549 | 47,121 | 0 | 0 | 0 |
| Landscape | 37,564,537 | 157,823 | 1,469,489 | 1,878,651 | 6,575,529 | 3,525,300 | 3,086,355 | 3,259,650 | 3,517,699 | 2,729,426 | 2,883,775 | 2,730,762 | 594,065 | 617,648 | 950,983 | 2,536,253 | 1,051,129 | 0 | 0 |
| Infrastructure | 19,774,806 | 76,675 | 2,131,218 | 4,477,057 | 1,864,089 | 6,938,639 | 3,873,215 | 898,229 | (67,433) | 983,115 | (900,000) | 0 | (500,000) | 0 | 0 | 0 | 0 | 0 | 0 |
| Lot Production | 242,542,017 | 5,319,597 | 17,483,977 | 17,407,217 | 27,704,676 | 19,649,509 | 17,455,298 | 20,149,075 | 19,293,665 | 19,363,595 | 19,894,459 | 13,850,087 | 4,070,284 | 5,464,716 | 16,528,454 | 15,999,807 | 2,907,600 | 0 | 0 |
| Administration | 14,490,752 | 121,437 | 400,188 | 308,906 | 1,355,645 | 1,091,528 | 1,151,557 | 1,126,212 | 1,078,775 | 1,067,629 | 1,054,647 | 1,039,944 | 1,026,177 | 1,044,222 | 1,027,470 | 961,070 | 427,461 | 111,975 | 95,910 |
| Sales and Marketing | 8,398,900 | 250,745 | 279,261 | 141,256 | 629,180 | 728,914 | 752,321 | 774,750 | 798,255 | 822,340 | 847,193 | 447,460 | 215,926 | 222,494 | 756,519 | 732,285 | 0 | 0 | 0 |
| Community Development | 2,678,940 | 0 | 6,492 | 1,650 | 187,136 | 200,604 | 206,705 | 212,992 | 219,471 | 226,146 | 233,025 | 240,112 | 247,416 | 254,941 | 262,695 | 179,554 | 0 | 0 | 0 |
| Finance/Bonds | 244,704 | (280,449) | 1,878,781 | 2,418,743 | (2,209,360) | 400,000 | (400,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1,573,406) | 5,599 | 4,795 | 0 |
| Contingency | 16,232,105 | 4,900 | 108,448 | (88,893) | 2,089,810 | 1,886,569 | 1,547,347 | 2,201,808 | 1,504,909 | 1,432,975 | 1,359,923 | 1,114,365 | 426,174 | 519,099 | 1,093,163 | 1,031,507 | 0 | 0 | 0 |
| DEVELOPMENT COSTS | 367,490,858 | 5,973,559 | 24,224,856 | 27,260,075 | 40,251,942 | 35,140,140 | 28,612,148 | 42,372,801 | 29,139,525 | 27,991,766 | 26,079,875 | 20,092,688 | 6,651,370 | 8,534,618 | 20,646,834 | 21,487,599 | 2,812,784 | 117,574 | 100,705 |
| CASHFLOW | 396,855,373 | (1,497,770) | 11,433,065 | 22,979,832 | 15,351,270 | 16,938,945 | 28,318,261 | 17,591,621 | 37,440,767 | 32,161,987 | 37,189,637 | 42,801,358 | 12,895,059 | 14,348,508 | 14,732,015 | 61,275,435 | 33,113,660 | (117,574) | (100,705) |
| Capital Calls | (13,300,000) | (13,300,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Returns | 13,300,000 | 0 | 0 | 10,000,000 | 3,300,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit Distributions | 396,855,373 | 0 | 0 | 0 | 27,700,000 | 22,000,000 | 28,000,000 | 18,000,000 | 37,000,000 | 33,000,000 | 37,000,000 | 43,000,000 | 12,000,000 | 15,000,000 | 14,000,000 | 38,000,000 | 38,000,000 | 26,000,000 | 8,155,373 |
| Cumulative Cash Balance | 0 | 11,802,230 | 23,235,295 | 36,215,127 | 20,566,397 | 15,505,342 | 15,823,604 | 15,415,225 | 15,855,993 | 15,017,979 | 15,207,617 | 15,008,975 | 15,904,033 | 15,252,541 | 15,984,557 | 39,259,992 | 34,373,652 | 8,256,079 | 0 |

Appendix 9.9



TAMALA PARK
Regional Council

Annual Report 2013/14



Tamala Park Regional Council
Unit 2/369 Scarborough Beach
Road, Innaloo WA 6018
T: (08) 9205 7500
E: mail@tamalapark.wa.gov.au

Background

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

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



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

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

The objectives of the TPRC are:

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

The Tamala Park project, marketed as Catalina, will be a new urban development in the suburbs of Clarkson and Mindarie and will comprise around 2,500 lots. It is anticipated to be developed at a rate of approximately 200 lots per annum.

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

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

The life of the Council is currently projected to extend to 2027.

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Message from the Chairman

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

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

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

There has been considerable construction activity at Catalina during financial year 2013/14 with large stages of bulk earthworks, a number of stages of civil construction works, landscape works, major road and infrastructure works and housing construction being undertaken. The Project is now a major local employment centre for the area.

Significant landscape works were also undertaken during the last twelve months helping to transform the site, demonstrate the quality of the Catalina Estate and provide important amenities for residents.

The Sales and Marketing program has been successful with over 500 lots sold with a value of over \$115M and over 419 lots settled with a value of \$95M to date, which I consider an excellent result and consistent with the Council's program.

Importantly the Council continues to cover all operating expenses through investment and land sales income. The Council made its first distribution of income from land sales to participant local governments which is another major milestone for the Project.



Cr Giovanni Italiano JP
CHAIRMAN



Message from the Chief Executive Officer

This year was another significant year for the TPRC with major planning, construction, landscaping, marketing and sales programs being undertaken for Catalina. The Bulk Earthworks were completed to Stages 9 - 13, which made way for corresponding Stages of civil construction which realised the creation of 232 titled lots.

In 2013/14 significant landscaping works were undertaken involving the Stage 4 park, Aviator Boulevard entry statement and streetscape, Neerabup Road verge and Stage 8 park. These landscape works provide important local amenities for residents as well as demonstrating the quality of the Catalina Project.



The Marmion Avenue/Aviator Boulevard intersection, including a new traffic controlled intersection and major service relocation, was completed. This will be the major entry into the Catalina Project and provides direct access to the Catalina Builders Display Home Village and the new Land Sales Office, which also opened this year.

The Sales and Marketing program for 2013/14 resulted in 217 residential lot sales at an average sale price of \$253,845 and 224 lot settlements with a value of \$52.4M. The marketing strategy continued the Catalina branding and the promotion of the Catalina Builders Display Village and new Land Sales office.

The Council also continued to implement the following important environmental programs during 2013/14:

- Fauna relocation in Bulk Earthworks areas;
- Grass tree and Zamia Palms relocation;
- Rehabilitation of Biodiversity Conservation Area (Stage 1 in 2014);
- Seed collections from significant flora areas; and
- Builders Waste Recycling Program.

A handwritten signature in black ink that reads "Tony Arias". The signature is written in a cursive, slightly slanted style.

Mr Tony Arias
CHIEF EXECUTIVE OFFICER



Statutory Compliance Reports

Local Government Compliance Audit Report

The Compliance Audit Report required of Local Governments by the Minister for Local Government pursuant to Section 7.13. of the Local Government Act has been completed and submitted in the required form. There has been no adverse comment in respect of the report.

Competition Policy

The TPRC has met its obligations with regard to competition policy. The Council has no local laws or policies that reflect anti-competitive practice. No complaints have been received by the TPRC in 2013/14 in relation to anti-competitive practices.

Recordkeeping Plan Required under the State Records Act

A Recordkeeping Plan meeting the requirements of the State Records Office was approved at its meeting on 8 April, 2011. The State Records Commission has approved the amended Plan. The TPRC will next review the Plan before April 2016.

Disability Services Plan

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

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

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

Financial Budget Review

A formal review of the TPRC budget is required in the manner prescribed under the Local Government Act 1995 between 1 January and 31 March each year. The review was undertaken in 20 February 2014 and no adverse findings or matters of consequence were found during the review. The Council considered the review and resolved to adopt the review at its meeting on 20 February 2014.

Strategic Community Plan 2013-2023

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

Corporate Business Plan 2013-2017

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

Committee Membership



Chairman
Cr Giovanni Italiano
City of Stirling

CEO Performance Review
 Committee
 Management Committee



Deputy Chairman
Cr Trevor Vaughan
Town of Victoria Park

CEO Performance Review
 Committee



Cr Geoff Amphlett
City of Joondalup

Management Committee



Cr Louis Carr
Town of Cambridge
 (Joined October 2013)

Audit Committee



Cr Janet Davidson
City of Perth
 (Joined October 2013)

Audit Committee
 CEO Performance Review
 Committee



Cr Dianne Guise
City of Wanneroo

Management Committee



Cr Tom McLean
City of Joondalup

Audit Committee



Cr David Michael
City of Stirling

Audit Committee



Cr Joshua Topelberg
City of Vincent

Management Committee
 CEO Performance Review
 Committee



Cr Brett Treby
City of Wanneroo
 (Joined October 2013)

Management Committee
 CEO Performance Review
 Committee

Committee Membership (continued)



Cr Terry Tyzack
City of Stirling

Audit Committee
CEO Performance Review
Committee



Cr Rod Willox
City of Stirling

Management Committee

Retired October 2013



Cr Jim Adamos
City of Perth



Cr Frank Cvitan
**City of
Wanneroo**



*Cr Corinne
MacRae*
**Town of
Cambridge**

Attendance at Meetings by Council Members

Meeting attendances by Council members for 2013/14 is shown in the table below:

| Councillor | Council (7) | Audit (3) | CEO Performance Review (5) | Management (4) |
|--|----------------|--------------|----------------------------------|-------------------|
| Cr Jim Adamos | 2 | | | |
| Cr Geoff Amphlett | 6 | | | 3 |
| Cr Louis Carr | 5 | 3 | | |
| Cr Frank Cvitan (as alternate member) | 2 1 | | 1 | 2 |
| Cr Janet Davidson | 3 | 1 | 1 | |
| Cr Dianne Guise | 7 | | | 2 |
| Cr Giovanni Italiano | 7 | | 5 | 3 |
| Cr Corinne MacRae | 1 | | | 2 |
| Cr Tom McLean | 5 | 3 | | |
| Cr David Michael | 7 | 3 | | |
| Cr Joshua Topelberg | 7 | | 4 | 1 |
| Cr Brett Treby | 3 | | 3 | 1 |
| Cr Terry Tyzack | 5 | | 5 | |
| Cr Trevor Vaughan | 4 | | 3 | |
| Cr Rod Willox | 7 | | 3 | |

Notes

- Crs Jim Adamos, Frank Cvitan and Corinne MacRae retired from the TPRC Council in October 2013.
- Crs Louis Carr, Janet Davidson and Brett Treby were appointed to the TPRC Council in October 2013.
- Cr Frank Cvitan was alternate member for Cr Brett Treby at the ordinary meeting of Council on 26 June 2014.



Year 2013/14 Under Review

Council Activity

The current Council comprises 12 members which are elected by constituent local authorities following the ordinary bi-annual Council elections. There have been two changes in Council membership during the year.

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

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



Member Local Governments' Equity

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

| | 2011/12 | 2012/13 | 2013/14 |
|------------------------|-------------------|-------------------|-------------------|
| TVP Contributed Equity | 1,259,167 | 2,334,462 | 3,535,548 |
| | 1,259,167 | 2,334,462 | 3,535,548 |
| TOC Contributed Equity | 1,259,167 | 2,334,462 | 3,535,548 |
| COJ Contributed Equity | 2,518,334 | 4,668,926 | 7,071,097 |
| COW Contributed Equity | 2,518,334 | 4,668,926 | 7,071,097 |
| COV Contributed Equity | 1,259,167 | 2,334,462 | 3,535,548 |
| COS Contributed Equity | 5,036,671 | 9,337,848 | 14,142,194 |
| TOTAL EQUITY | 15,110,007 | 28,013,548 | 42,426,580 |

Employee Remuneration

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

This information is presented below:

| Salary Range | No. |
|--------------|----------|
| 100-110K | 1 |
| 300-310K | 1 |
| TOTAL | 2 |



Distribution to Participating Councils

TPRC has not exercised its option under the Establishment Agreement to require Councils to transfer their shares in the landholding jointly held by Councils at Tamala Park. Individual Councils continue to pay municipal rate levies to City of Wanneroo and the TPRC has decided to reimburse the Councils for an amount equivalent to rates paid from retained earnings. However, the TPRC has resolved to pay municipal rate levies for residential lots created directly to the City of Wanneroo, on behalf of participant local governments.

Distributions for 2013/14 are shown below in the schedule of rate equivalent payment distributions.

| Participant Council | 2011/12 | 2012/13 | 2013/14 |
|-----------------------|---------------|----------------|----------------|
| Town of Cambridge | 7,209 | 18,367 | 27,854 |
| City of Perth | 7,209 | 18,367 | 27,854 |
| Town of Victoria Park | 7,209 | 18,367 | 27,854 |
| City of Vincent | 7,209 | 18,367 | 27,854 |
| City of Joondalup | 14,418 | 36,734 | 55,708 |
| City of Wanneroo | 14,418 | 36,734 | 55,708 |
| City of Stirling | 28,836 | 73,468 | 111,416 |
| TOTAL | 86,508 | 220,404 | 335,248 |

Infrastructure & Land Use Changes in 2013/14 Impacting Tamala Park Planning & Development

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

The residential lot market has been strong over the last 12 months with good land sales within northern coastal areas. Significant development is occurring at Butler, Jindalee, Eglinton and Yanchep Two Rocks. Residential lot sales are continuing within this area.



Lot sales have continued within the Peet & Co Burns Beach subdivision to the south-west with substantial new housing under construction.

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

Within the Clarkson commercial centre the development of light industry and commercial businesses has continued, consolidating the area as an area for local employment. A new Bunning's store has opened fronting Neerabup Road. The former site is currently being advertised for interest to become showrooms.

The owners of the Ocean Keys Shopping commercial centre are undertaking an expansion of the centre which will improve services for existing residents of the area and provide significant services to the future residents of Tamala Park.

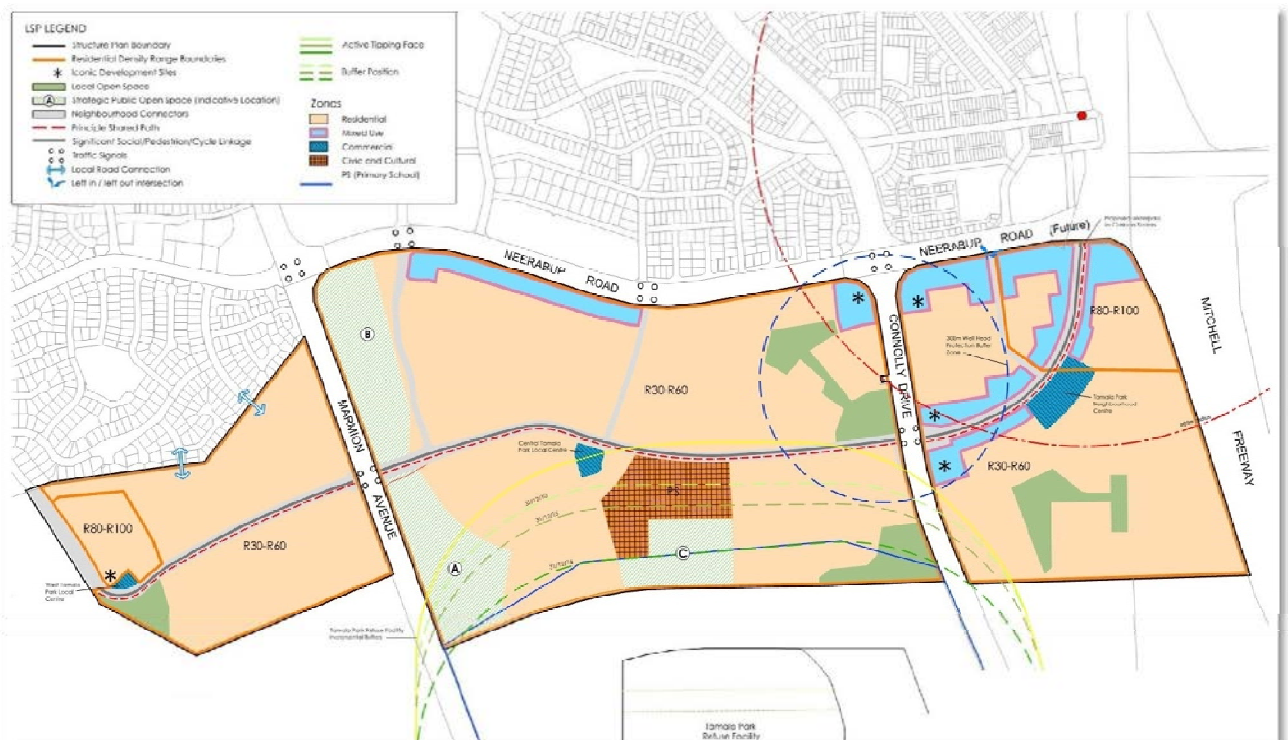
In November 2012, Main Roads Western Australia (MRWA) released a Strategic Business Case for the Mitchell Freeway Extension which recommended the extension of the Mitchell Freeway from Burns Beach Road to Hester Avenue, including the construction of Neerabup Road between Connolly Drive and Wanneroo Road with freeway entry/exit points. Works are currently scheduled to be commenced by MRWA in early 2016 and completed by the end of 2017.

TPRC Local Structure Plan

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

Key aspects of the Local Structure Plan include:

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



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

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

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

A mixed use zone has been created close to the Clarkson rail station and the junction of Neerabup Road and Mitchell Freeway.



Environmental Management

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

- Purchase of an Offset site for Carnaby's Black Cockatoo foraging, habitat and breeding;
- Rehabilitation and fencing of Biodiversity Conservation Area;
- Seed collection and storage from prescribed areas; and
- Preparation of Audit and Compliance report.

An Environmental Management Plan (EMP) has been approved by the EPA which provides management and mitigation measures for impacts of the proposed Tamala Park Development on biodiversity assets and values of the area. The EMP is intended to accompany the Local Structure Plan and to address the specific Ministerial Conditions set for the development. These conditions are summarized as follows:

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



Key Activities 2014

| Project | Timeframe |
|--|-----------------------|
| <p>Implementation of Environmental Approval Conditions - Environmental Protection & Biodiversity Conservation Act (EPBC Act)</p> <p>The projects EPBC Act approval stipulates a number of conditions. These conditions, including the retention of Bushland Conservation Areas have commenced implementation and will continue to be implemented as the project progresses.</p> | 2014-2015 and ongoing |
| <p>Implementation of Subdivision Approvals</p> <p>The Council will progressively implement Subdivision Plans approvals Stages 12-18 and work with designated authorities to satisfy the relevant conditions of subdivision. A Subdivision application for Stages 25 – 27, comprising 159 lots in the Western Cell are to be lodged with the WAPC for approval.</p> | 2014-2015 |
| <p>Project Marketing and Branding</p> <p>The TPRC adopted an Annual Marketing Plan in June 2014, reflecting the consolidation of the Project. Various initiatives are to be implemented throughout the year to promote the Catalina Project and the sales releases. Key marketing initiatives will include the continued Catalina branding and promotion of the new Land Sales office and Builders Display village.</p> | 2014-2015 and ongoing |
| <p>Bulk Earthworks</p> <p>Bulk earthworks for the Central Precinct, Stages 14 – 18 and Western Precinct, Stages 25 – 27 are to be undertaken.</p> | 2014-2015 |
| <p>Civil Construction Works</p> <p>Civil construction of a number of Catalina's central cell stages was completed during the year with Stages 6B, 13, 14, 15 & 25 comprising 299 lots.</p> | 2014-2015 |
| <p>Catalina Land Sales Office</p> <p>The new Land Sales office on Aviator Boulevard was completed in 2014 and will continue to operate as the key focus for the Catalina Project.</p> | 2014-2015 and ongoing |
| <p>Landscaping Works</p> <p>Significant landscape works are to be undertaken during the year including Stages 11 -13 Public Open Space, extension Aviator Blvd Entry Statement and verges and rehabilitation of Biodiversity Conservation Area (South).</p> | 2014-2015 |
| <p>Sale of Residential Lots</p> <p>The Sales program anticipates 250 lot sales for 2014/15.</p> | 2014-2015 |

Annual Financial Report (including Audit Report)



TAMALA PARK REGIONAL COUNCIL
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014

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

**TAMALA PARK REGIONAL COUNCIL
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Tamala Park Regional Council being the annual financial report and other information for the financial year ended 30 June 2014 are in my opinion properly drawn up to present fairly the financial position of the Tamala Park Regional Council at 30th June 2014 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the 9th day of September 2014



Tony Arias
Chief Executive Officer

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2014**

| | NOTE | 2014 \$ | 2014 Budget \$ | 2013 \$ |
|--|------|-----------------------|-------------------------|-------------------------|
| Revenue | | | | |
| Interest Earnings | 2(a) | 1,004,865 | 711,090 | 517,078 |
| Other Revenue | | 8,395 | 1,890 | 1,287 |
| | | <u>1,013,260</u> | <u>712,980</u> | <u>518,365</u> |
| Expenses | | | | |
| Employee Costs | | (520,305) | (679,975) | (567,081) |
| Materials and Contracts | | (48,827) | (348,450) | (193,651) |
| Utility Charges | | (2,806) | (10,000) | 0 |
| Depreciation on Non-Current Assets | 2(a) | (13,626) | (20,489) | (15,127) |
| Insurance Expenses | | (10,592) | (11,900) | (10,119) |
| Other Expenditure | | (249,282) | (161,050) | (301,869) |
| | | <u>(845,438)</u> | <u>(1,231,864)</u> | <u>(1,087,847)</u> |
| | | 167,822 | (518,884) | (569,482) |
| Decrement on Revaluation of Assets | 6 | <u>0</u> | <u>0</u> | <u>(17,136)</u> |
| NET RESULT | | 167,822 | (518,884) | (586,618) |
| Other Comprehensive Income | | | | |
| Changes on Revaluation of Non-Current Assets | 11 | 1,164 | 0 | 6,353 |
| Total Other Comprehensive Income | | <u>1,164</u> | <u>0</u> | <u>6,353</u> |
| Total Comprehensive Income | | <u><u>168,986</u></u> | <u><u>(518,884)</u></u> | <u><u>(580,265)</u></u> |

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

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2014**

| | NOTE | 2014 \$ | 2014 Budget \$ | 2013 \$ |
|--|-------------|------------------------------|--------------------------------|--------------------------------|
| Revenue | | | | |
| General Purpose Funding | | 1,004,865 | 711,090 | 517,078 |
| Other Property and Services | | 8,395 | 1,890 | 1,287 |
| | 2(a) | <u>1,013,260</u> | <u>712,980</u> | <u>518,365</u> |
| Expenses | | | | |
| Governance | | (140,987) | (160,750) | (117,941) |
| Other Property and Services | | (704,451) | (1,071,114) | (969,906) |
| | 2(a) | <u>(845,438)</u> | <u>(1,231,864)</u> | <u>(1,087,847)</u> |
| Decrement on Revaluation of Assets | | | | |
| Other Property and Services | 6 | <u>0</u> | <u>0</u> | <u>(17,136)</u> |
| | | 0 | 0 | 0 |
| Net Result | | <u>167,822</u> | <u>(518,884)</u> | <u>(586,618)</u> |
| Other Comprehensive Income | | | | |
| Changes on revaluation of non-current assets | 11 | 1,164 | 0 | 6,353 |
| Total Other Comprehensive Income | | <u>1,164</u> | <u>0</u> | <u>6,353</u> |
| Total Comprehensive Income | | <u><u>168,986</u></u> | <u><u>(518,884)</u></u> | <u><u>(580,265)</u></u> |

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

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2014**

| | NOTE | 2014 \$ | 2013 \$ |
|--------------------------------------|------|-------------------|-------------------|
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | 3 | 40,413,398 | 25,985,602 |
| Trade and Other Receivables | 4 | <u>735,068</u> | <u>515,699</u> |
| TOTAL CURRENT ASSETS | | <u>41,148,466</u> | <u>26,501,301</u> |
| NON-CURRENT ASSETS | | | |
| Inventories | 5 | 1,818,182 | 1,818,182 |
| Property, Plant and Equipment | 6 | <u>140,116</u> | <u>145,610</u> |
| TOTAL NON-CURRENT ASSETS | | <u>1,958,298</u> | <u>1,963,792</u> |
| TOTAL ASSETS | | <u>43,106,764</u> | <u>28,465,093</u> |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 7 | 587,695 | 323,468 |
| Provisions | 10 | <u>76,228</u> | <u>109,418</u> |
| TOTAL CURRENT LIABILITIES | | <u>663,923</u> | <u>432,886</u> |
| NON-CURRENT LIABILITIES | | | |
| Provisions | 10 | <u>16,261</u> | <u>18,659</u> |
| TOTAL NON-CURRENT LIABILITIES | | <u>16,261</u> | <u>18,659</u> |
| TOTAL LIABILITIES | | <u>680,184</u> | <u>451,545</u> |
| | | <u>42,426,580</u> | <u>28,013,548</u> |
| EQUITY | | | |
| Retained Surplus | | 351,079 | 183,257 |
| Members Contributions | | 42,067,984 | 27,823,938 |
| Revaluation Surplus | 11 | <u>7,517</u> | <u>6,353</u> |
| TOTAL EQUITY | 12 | <u>42,426,580</u> | <u>28,013,548</u> |

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

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2014**

| | NOTE | 2014 \$ | 2014 Budget \$ | 2013 \$ |
|---|-------|-------------------|----------------------|--------------------|
| Cash Flows From Operating Activities | | | | |
| Receipts | | | | |
| Interest Earnings | | 926,748 | 711,090 | 39,098 |
| Goods and Services Tax | | 3,508 | 50,000 | 61,934 |
| Other Revenue | | 8,395 | 109,664 | 183,265 |
| | | <u>938,651</u> | <u>870,754</u> | <u>284,297</u> |
| Payments | | | | |
| Employee Costs | | (553,618) | (639,975) | (523,765) |
| Materials and Contracts | | 189,200 | (462,900) | (482,093) |
| Utility Charges | | (2,806) | (10,000) | 0 |
| Insurance Expenses | | (10,592) | (11,900) | (10,119) |
| Goods and Services Tax | | (119,572) | (50,000) | (61,934) |
| Other Expenditure | | (250,545) | (161,050) | (94,522) |
| | | <u>(747,933)</u> | <u>(1,335,825)</u> | <u>(1,172,433)</u> |
| Net Cash Provided By (Used In) | | | | |
| Operating Activities | 13(b) | <u>190,718</u> | <u>(465,071)</u> | <u>(888,136)</u> |
| Cash Flows from Investing Activities | | | | |
| Payments for Purchase of Property, Plant & Equipment | | (6,968) | (6,000) | (64,247) |
| Net Cash Provided by (Used in) | | <u>(6,968)</u> | <u>(6,000)</u> | <u>(64,247)</u> |
| Investment Activities | | (6,968) | (6,000) | (64,247) |
| Cash Flows from Financing Activities | | | | |
| Proceeds from Members Contributions | | 24,798,685 | 474,514 | 13,483,806 |
| Payment of Members Contributions | | (10,554,639) | (10,400,000) | 0 |
| Net Cash Provided By (Used In) | | <u>14,244,046</u> | <u>(9,925,486)</u> | <u>13,483,806</u> |
| Financing Activities | | 14,244,046 | (9,925,486) | 13,483,806 |
| Net Increase (Decrease) in Cash Held | | 14,427,796 | (10,396,557) | 12,531,423 |
| Cash at Beginning of Year | | 25,985,602 | 25,985,602 | 13,454,179 |
| Cash and Cash Equivalents | | <u>40,413,398</u> | <u>15,589,045</u> | <u>25,985,602</u> |
| at the End of the Year | 13(a) | <u>40,413,398</u> | <u>15,589,045</u> | <u>25,985,602</u> |

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

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2014**

| | NOTE | RETAINED SURPLUS \$ | CONTRIBUTED EQUITY \$ | REVALUATION SURPLUS \$ | TOTAL EQUITY \$ |
|--|------|---------------------------|-----------------------------|------------------------------|--------------------------|
| Balance as at 1 July 2012 | | 769,875 | 14,340,132 | 0 | 15,110,007 |
| Comprehensive Income | | | | | |
| Net Result | | (586,618) | 580,265 | 0 | (6,353) |
| Changes on Revaluation of Non-Current Assets | 11 | <u>0</u> | <u>0</u> | <u>6,353</u> | <u>6,353</u> |
| Total Comprehensive Income | | (586,618) | 580,265 | 6,353 | 0 |
| Members Contributions | | 0 | 12,903,541 | 0 | 12,903,541 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Balance as at 30 June 2013 | | 183,257 | 27,823,938 | 6,353 | 28,013,548 |
| Comprehensive Income | | | | | |
| Net Result | | 167,822 | (168,986) | 0 | (1,164) |
| Changes on Revaluation of Non-Current Assets | 11 | <u>0</u> | <u>0</u> | <u>1,164</u> | <u>1,164</u> |
| Total Comprehensive Income | | 167,822 | (168,986) | 1,164 | 0 |
| Members Contributions | 12 | 0 | 24,413,020 | 0 | 24,413,020 |
| Return of Capital | 12 | | (9,999,988) | | (9,999,988) |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Balance as at 30 June 2014 | | <u>351,079</u> | <u>42,067,984</u> | <u>7,517</u> | <u>42,426,580</u> |

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

**TAMALA PARK REGIONAL COUNCIL
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2014**

| | NOTE | 2014 Actual \$ | 2014 Budget \$ | 2013 Actual \$ |
|---|-------|----------------------|----------------------|----------------------|
| Revenue | | | | |
| General Purpose Funding | | 1,004,865 | 711,090 | 517,078 |
| Other Property and Services | | 8,395 | 1,890 | 1,287 |
| | | <u>1,013,260</u> | <u>712,980</u> | <u>518,365</u> |
| Expenses | | | | |
| Governance | | (140,987) | (160,750) | (117,941) |
| Other Property and Services | | (704,451) | (1,071,114) | (987,042) |
| | | <u>(845,438)</u> | <u>(1,231,864)</u> | <u>(1,104,983)</u> |
| Net Result Excluding Rates | | 167,822 | (518,884) | (586,618) |
| Adjustments for Cash Budget Requirements: | | | | |
| Decrement for Valuation of Inventory | | 0 | 0 | 181,818 |
| Decrement for Valuation of Non-Current Assets | | 0 | 0 | 17,136 |
| Movement in Employee Benefit Provisions (Non-current) | | (2,398) | 0 | 8,796 |
| Depreciation and Amortisation on Assets | 2(a) | 13,626 | 20,489 | 15,127 |
| Capital Expenditure and Revenue | | | | |
| Purchase Furniture and Equipment | 6(a) | (6,968) | (6,000) | (1,515) |
| Purchase Plant and Equipment | 6(a) | 0 | 0 | (62,732) |
| Repayment of Members Contributions | 12 | 14,244,046 | 0 | 13,483,806 |
| ADD Estimated Surplus/(Deficit) July 1 B/Fwd | 22(b) | 26,068,415 | 26,069,507 | 13,012,597 |
| LESS Estimated Surplus/(Deficit) June 30 C/Fwd | 22(b) | 40,484,543 | 25,565,112 | 26,068,415 |
| Total Amount Raised from General Rate | 22(a) | <u>0</u> | <u>0</u> | <u>0</u> |

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

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

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

Critical Accounting Estimates

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

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

The Local Government Reporting Entity

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 19 to these financial statements.

(b) Goods and Services Tax (GST)

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

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

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

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Cash and Cash Equivalents

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

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

(d) Trade and Other Receivables

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

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

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

(e) Inventories

General

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

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

Land Held for Sale

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

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

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets

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

Mandatory Requirement to Revalue Non-Current Assets

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

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

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

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

In 2013, Council commenced the process of adopting Fair Value in accordance with the Regulations.

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

Land Under Control

In accordance with Local Government (Financial Management) Regulation 16(a), the Council was required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or Regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

Whilst they were initially recorded at cost, fair value at the date of acquisition was deemed cost as per AASB 116.

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Initial Recognition and Measurement between Mandatory Revaluation Dates

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

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

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

Revaluation

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

Transitional Arrangements

During the time it takes to transition the carrying value of non-current assets from the cost approach to the fair value approach, the Council may still be utilising both methods across differing asset classes.

Those assets carried at cost will be carried in accordance with the policy detailed in the ***Initial Recognition*** section as detailed above.

Those assets carried at fair value will be carried in accordance with the ***Revaluation*** Methodology section as detailed above.

Early Adoption of AASB 13 - Fair Value Measurement

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

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Land Under Roads

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

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

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

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Depreciation

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

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

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

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

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

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

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

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

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

Capitalisation Threshold

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities

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

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

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

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

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

Fair Value Hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Income approach

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

Cost approach

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

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

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

(h) Financial Instruments

Initial Recognition and Measurement

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

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or at cost.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments and any reduction for impairment; and
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

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

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

(ii) Loans and receivables

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

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

(iii) Held-to-maturity investments

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

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

(iv) Available-for-sale financial assets

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

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Impairment

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

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

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

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Council no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(i) Impairment of Assets

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

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

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

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

(j) Trade and Other Payables

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Employee Benefits

Short-Term Employee Benefits

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

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

Other Long-Term Employee Benefits

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

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

(l) Borrowing Costs

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Provisions

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

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

(n) Leases

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

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

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

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

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

(o) Investment in Associates

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

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

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

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Interests in Joint Arrangements

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

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to note 1(o) for a description of the equity method of accounting.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 16.

(q) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

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

(r) Superannuation

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

(s) Current and Non-Current Classification

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

(t) Rounding Off Figures

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SUMMARY SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Comparative Figures

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

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

(v) Budget Comparative Figures

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

| Title | Issued / Compiled | Applicable ⁽¹⁾ | Impact |
|--|-------------------|---------------------------|--|
| (i) AASB 9 – Financial Instruments | December 2013 | 1 January 2017 | Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect. |
| (ii) AASB 2010 -7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) | December 2013 | 1 January 2017 | Nil - The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above). |
| [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] | | | |

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

| Title | Issued / Compiled | Applicable ⁽¹⁾ | Impact |
|---|-------------------|---------------------------|--|
| (iii) AASB 2011 - 7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards [Not-For-Profit entities] [AASB 1, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 131, 132, 133, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] | December 2012 | 1 January 2014 | Consequential changes to various standards arising from the issuance of AASB 10, 11, 12, 127 and 128. It is not expected to have a significant impact on Council. |
| (iv) AASB 2012-3: Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132] | June 2012 | 1 January 2014 | This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement. This Standard is not expected to significantly impact the Council's financial statements. |

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

| Title | Issued / Compiled | Applicable ⁽¹⁾ | Impact |
|---|-------------------|---------------------------|--|
| (v) AASB 2013 - 3: Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets | June 2013 | 1 January 2014 | <p>This standard makes amendments to AASB 136 and includes requirements to disclose additional information when present value techniques are used to measure the recoverable amount of impaired assets.</p> <p>It is not expected to have a significant impact on Council.</p> |
| (vi) AASB 2013-8: Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities [AASB 10, 12 & 1049] | October 2013 | 1 January 2014 | <p>This standard adds Appendix E to AASB 10 to provide implementation guidance for Not-for-Profit entities regarding control criteria from the perspective of not-for-profit entities.</p> <p>It is not expected to have a significant impact on Council.</p> |
| (vii) AASB 2013-9: Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments [Operative dates: Part A Conceptual Framework – 20 December 2013; Part B Materiality – 1 January 2014; Part C Financial Instruments – 1 January 2015] | December 2013 | Refer Title column | <p>Part A of this standard makes various editorial corrections to Australian Accounting Standards.</p> <p>Part B of this standard deletes references to AASB 1031 in various Australian Accounting Standards in advance of the withdrawal of AASB 1031.</p> <p>Part C of this standard makes consequential amendments to AASB 9 and numerous other standards and amends the permissions around certain applications relating to financial liabilities reissued at fair value.</p> <p>As the bulk of changes related either to editorial or reference changes it is not expected to have a significant impact on Council.</p> |

Notes:

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Adoption of New and Revised Accounting Standards

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

These new and revised standards were:

| | | |
|----------|----------------|----------------|
| AASB 10 | AASB 128 | AASB 2012 - 2 |
| AASB 11 | AASB 2011 - 7 | AASB 2012 - 3 |
| AASB 12 | AASB 2011 - 9 | AASB 2012 - 5 |
| AASB 119 | AASB 2011 - 10 | AASB 2012 - 10 |
| AASB 127 | | |

Most of the standards adopted had a minimal effect on the accounting and reporting practices of the Council as they did not have a significant impact on the accounting or reporting practices or were either not applicable, largely editorial in nature, were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

| 2. REVENUE AND EXPENSES | 2014 \$ | 2013 \$ | |
|--|-------------------------------|-------------------------------|-------------------------------|
| (a) Net Result | | | |
| The Net Result includes: | | | |
| (i) Charging as an Expense: | | | |
| Auditors Remuneration | | | |
| - Audit of the annual financial report | 9,680 | 9,000 | |
| Impairment | | | |
| Inventories - Land held for Resale | 0 | 181,818 | |
| Depreciation | | | |
| Furniture and Equipment | 1,554 | 947 | |
| Plant and Equipment | 6,533 | 7,535 | |
| Improvements to Leasehold Property | 5,539 | 6,645 | |
| | 13,626 | 15,127 | |
| (ii) Crediting as Revenue: | | | |
| | 2014 Actual \$ | 2014 Budget \$ | 2013 Actual \$ |
| Interest Earnings | | | |
| - Other Funds | 1,004,865 | 711,090 | 517,078 |
| | 1,004,865 | 711,090 | 517,078 |

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

The Tamala Park Regional Council is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

COMMUNITY VISION

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

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

GENERAL PURPOSE FUNDING

Objective:

To collect interest on investments

Activities:

Interest revenue.

OTHER PROPERTY AND SERVICES

Objective:

To monitor and control council's overheads operating accounts.

Activities:

Other unclassified Activities.

(c) Conditions over Grants/Contributions

The Council does not hold any grants/contributions over which there are conditions.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

| | Note | 2014 \$ | 2013 \$ |
|--|------|-------------------|-------------------|
| 3. CASH AND CASH EQUIVALENTS | | | |
| Unrestricted | | <u>40,413,398</u> | <u>25,985,602</u> |
| | | <u>40,413,398</u> | <u>25,985,602</u> |
| 4. TRADE AND OTHER RECEIVABLES | | | |
| Current | | | |
| Sundry Debtors | | 542,087 | 435,327 |
| GST Receivable | | 4,417 | 7,925 |
| Accrued Interest | | 150,564 | 72,447 |
| Settlement Bonds | | <u>38,000</u> | <u>0</u> |
| | | <u>735,068</u> | <u>515,699</u> |
| 5. INVENTORIES | | | |
| Non-Current | | | |
| Land Held for Resale -Net Realisable Value | | <u>1,818,182</u> | <u>1,818,182</u> |
| | | <u>1,818,182</u> | <u>1,818,182</u> |
| 6. PROPERTY, PLANT AND EQUIPMENT | | | |
| Improvements to Leasehold Property at: | | | |
| - Management Valuation 2013 | | 101,260 | 101,260 |
| Less: Accumulated Depreciation | | <u>(5,539)</u> | <u>0</u> |
| | | 95,721 | 101,260 |
| Furniture and Equipment at: | | | |
| - Management Valuation 2013 | | 800 | 800 |
| - Additions after Valuation - Cost | | 6,968 | 0 |
| Less Accumulated Depreciation | | <u>(1,554)</u> | <u>0</u> |
| | | 6,214 | 800 |
| Plant and Equipment at: | | | |
| - Management Valuation 2014 | | 38,181 | 43,550 |
| Less Accumulated Depreciation | | <u>0</u> | <u>0</u> |
| | | 38,181 | 43,550 |
| | | <u>140,116</u> | <u>145,610</u> |

Improvements to Leasehold Property

The Council's improvements to leasehold property was revalued at 30 June 2013 by management.

The valuation was made on the basis of depreciated replacement cost, (Level 3 inputs in the fair value hierarchy).

The revaluation resulted in an increase of \$6,353 in the net value of the Council's Improvements to Leasehold Property. All of this increment was credited to a revaluation surplus.

Furniture and Equipment

The Council's Furniture and Equipment was revalued at 30 June 2013 by management.

The valuation was made on the basis of observable open market values of similar assets, adjusted for condition and comparability (Level 3 inputs in the fair value hierarchy)

The revaluation resulted in a decrease of \$5,489 in the net value of the Council's furniture and equipment. All of this decrement was debited to operating expenses in the Statement of Comprehensive Income.

Motor Vehicle

The Council's motor vehicle was revalued at 30 June 2014 by management.

The valuation was made on the basis of observable market value of similar assets, adjusted for condition and comparability (Level 3 inputs in the fair value hierarchy).

The revaluation resulted in an increase of \$ 1,164 in the net value of the Council's motor vehicle. All of this increment was credited to a revaluation surplus.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(a) Movements in Carrying Amounts

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

| | Balance at the Beginning of the Year | Additions | (Disposals) | Revaluation Increments/ (Decrements) | Impairment (Losses)/ Reversals | Depreciation (Expense) | Carrying Amount at the End of Year |
|--|---|------------------|--------------------|---|---|-----------------------------------|---|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Improvements to Leasehold Property (Level 3) | 101,260 | 0 | 0 | 0 | 0 | (5,539) | 95,721 |
| Total Buildings | 101,260 | 0 | 0 | 0 | 0 | (5,539) | 95,721 |
| Total Land and Buildings | 101,260 | 0 | 0 | 0 | 0 | (5,539) | 95,721 |
| Furniture and Equipment (Level 3) | 800 | 6,968 | 0 | 0 | 0 | (1,554) | 6,214 |
| Plant and Equipment (Level 3) | 43,550 | 0 | 0 | 1,164 | 0 | (6,533) | 38,181 |
| Total Property, Plant and Equipment | 145,610 | 6,968 | 0 | 1,164 | 0 | (13,626) | 140,116 |

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

| | 2014 | 2013 |
|------------------------------------|----------------|----------------|
| | \$ | \$ |
| 7. TRADE AND OTHER PAYABLES | | |
| Current | | |
| Sundry Creditors | 561,027 | 295,625 |
| Accrued Salaries and Wages | 5,510 | 3,372 |
| ATO Liabilities | 13,388 | 13,259 |
| FBT Liabilities | 770 | 762 |
| Accrued Expenses | 7,000 | 10,450 |
| | <u>587,695</u> | <u>323,468</u> |

8. LONG-TERM BORROWINGS

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

9. RESERVES -CASH BACKED

The Regional Council did not have any reserves at the reporting date.

10 PROVISIONS

| | 2014 | 2013 |
|------------------------------|---------------|----------------|
| | \$ | \$ |
| Analysis of Total Provisions | | |
| Current | 76,228 | 109,418 |
| Non-Current | 16,261 | 18,659 |
| | <u>92,489</u> | <u>128,077</u> |

| | Provision for Annual Leave \$ | Provision for Long Service Leave \$ | Total \$ |
|--------------------------------|--|--|---------------------|
| Opening Balance at 1 July 2013 | 109,418 | 18,659 | 128,077 |
| Additional Provision | 3,450 | 5,702 | 9,152 |
| Amounts Used | (44,740) | 0 | (44,740) |
| Balance at 30 June 2014 | <u>68,128</u> | <u>24,361</u> | <u>92,489</u> |

11. REVALUATION SURPLUS

| | 2014 | 2013 |
|--|-------------|-------------|
| | \$ | \$ |

Revaluation surpluses have arisen on revaluation of the following classes of non-current assets:

(a) Leasehold Improvements

| | | |
|-----------------------|--------------|--------------|
| Opening Balance | 6,353 | 0 |
| Revaluation Increment | 0 | 6,353 |
| Revaluation Decrement | 0 | 0 |
| | <u>6,353</u> | <u>6,353</u> |

(b) Plant & Equipment

| | | |
|-----------------------|--------------|----------|
| Opening Balance | 0 | 0 |
| Revaluation Increment | 1,164 | 0 |
| Revaluation Decrement | 0 | 0 |
| | <u>1,164</u> | <u>0</u> |

| | | |
|---------------------------------|--------------|--------------|
| TOTAL ASSET REVALUATION SURPLUS | <u>7,517</u> | <u>6,353</u> |
|---------------------------------|--------------|--------------|

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

| | 2014 | 2013 |
|----------------------------------|-------------------|-------------------|
| | \$ | \$ |
| 12. MEMBERS EQUITY | | |
| (a) Town of Victoria Park | | |
| Opening Balance | 2,334,462 | 1,259,167 |
| Land Development Expenses | (2,382,974) | (1,996,107) |
| Proceeds of Sale of Member Land | 4,449,297 | 3,119,757 |
| Return of Contribution | (833,332) | 0 |
| Rates Equivalent | (46,221) | 0 |
| TPRC Nett Result | <u>14,316</u> | <u>(48,355)</u> |
| | <u>3,535,548</u> | <u>2,334,462</u> |
| (b) City of Perth | | |
| Opening Balance | 2,334,462 | 1,259,167 |
| Land Development Expenses | (2,382,974) | (1,996,107) |
| Proceeds of Sale of Member Land | 4,449,297 | 3,119,757 |
| Return of Contribution | (833,332) | 0 |
| Rates Equivalent | (46,221) | 0 |
| TPRC Nett Result | <u>14,316</u> | <u>(48,355)</u> |
| | <u>3,535,548</u> | <u>2,334,462</u> |
| (c) Town of Cambridge | | |
| Opening Balance | 2,334,462 | 1,259,167 |
| Land Development Expenses | (2,382,974) | (1,996,107) |
| Proceeds of Sale of Member Land | 4,449,297 | 3,119,757 |
| Return of Contribution | (833,332) | 0 |
| Rates Equivalent | (46,221) | 0 |
| TPRC Nett Result | <u>14,316</u> | <u>(48,355)</u> |
| | <u>3,535,548</u> | <u>2,334,462</u> |
| (d) City of Joondalup | | |
| Opening Balance | 4,668,925 | 2,518,334 |
| Land Development Expenses | (4,765,948) | (3,992,213) |
| Proceeds of Sale of Member Land | 8,898,594 | 6,239,515 |
| Return of Contribution | (1,666,665) | 0 |
| Rates Equivalent | (92,442) | 0 |
| TPRC Nett Result | <u>28,633</u> | <u>(96,711)</u> |
| | <u>7,071,097</u> | <u>4,668,925</u> |
| (e) City of Wanneroo | | |
| Opening Balance | 4,668,925 | 2,518,334 |
| Land Development Expenses | (4,765,948) | (3,992,213) |
| Proceeds of Sale of Member Land | 8,898,594 | 6,239,515 |
| Return of Contribution | (1,666,665) | 0 |
| Rates Equivalent | (92,442) | 0 |
| TPRC Nett Result | <u>28,633</u> | <u>(96,711)</u> |
| | <u>7,071,097</u> | <u>4,668,925</u> |
| (f) City of Vincent | | |
| Opening Balance | 2,334,462 | 1,259,167 |
| Land Development Expenses | (2,382,974) | (1,996,107) |
| Proceeds of Sale of Member Land | 4,449,297 | 3,119,757 |
| Return of Contribution | (833,332) | 0 |
| Rates Equivalent | (46,221) | 0 |
| TPRC Nett Result | <u>14,316</u> | <u>(48,355)</u> |
| | <u>3,535,548</u> | <u>2,334,462</u> |
| (g) City of Stirling | | |
| Opening Balance | 9,337,849 | 5,036,671 |
| Land Development Expenses | (9,527,684) | (7,984,427) |
| Proceeds of Sale of Member Land | 17,795,785 | 12,479,029 |
| Return of Contribution | (3,333,330) | 0 |
| Rates Equivalent | (184,883) | 0 |
| TPRC Nett Result | <u>54,456</u> | <u>(193,423)</u> |
| | <u>14,142,193</u> | <u>9,337,849</u> |
| TOTAL CONTRIBUTED EQUITY | <u>42,426,580</u> | <u>28,013,548</u> |
| Total Opening Balance | 28,013,548 | 15,110,007 |
| Land Development Expenses | (28,591,476) | (23,953,281) |
| Proceeds of Sale of Member Land | 53,390,161 | 37,437,087 |
| Return of Contribution | (9,999,988) | 0 |
| Rates Equivalent | (554,651) | 0 |
| TPRC Nett Result | <u>168,986</u> | <u>(580,265)</u> |
| TOTAL CONTRIBUTED EQUITY | <u>42,426,580</u> | <u>28,013,548</u> |

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

13 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

| | 2014 \$ | 2014 Budget \$ | 2013 \$ |
|---------------------------|--------------------------|---|--------------------------|
| Cash and Cash Equivalents | <u>40,413,398</u> | <u>15,589,045</u> | <u>25,985,602</u> |

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

| | | | |
|---|----------------|------------------|------------------|
| Net Result | 167,822 | (518,884) | (586,618) |
| Depreciation | 13,626 | 20,489 | 15,127 |
| Decrement on Revaluation of Non -Current Assets | 0 | 0 | 17,136 |
| Decrement on Revaluation of Inventory | 0 | 0 | 181,818 |
| (Increase)/Decrease in Receivables | (219,369) | (210,856) | (469,427) |
| Increase/(Decrease) in Payables | 264,227 | 244,180 | (89,488) |
| Increase/(Decrease) in Employee Provisions | (35,588) | 0 | 43,316 |
| Net Cash from Operating Activities | <u>190,718</u> | <u>(465,071)</u> | <u>(888,136)</u> |

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

The Regional Council does not have any undrawn borrowing facilities at 30 June 2014.

14 CONTINGENT LIABILITIES

There were no known contingent liabilities at 30 June 2014.

15 CAPITAL AND LEASING COMMITMENTS

(a) Operating Lease Commitments

The Regional Council did not have any future operating lease commitments at the reporting date.

(b) Capital Expenditure Commitments

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

16 JOINT VENTURE ARRANGEMENTS

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

17 TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

| | 2014 \$ | 2013 \$ |
|---|--------------------------|--------------------------|
| Other Property and Services Unallocated | 140,116 | 145,610 |
| | <u>42,966,648</u> | <u>28,319,483</u> |
| | <u>43,106,764</u> | <u>28,465,093</u> |

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

| 18 FINANCIAL RATIOS | 2014 | 2013 | 2012 |
|-----------------------------------|-------------|-------------|-------------|
| Current Ratio | 61.98 | 61.22 | 27.67 |
| Asset Sustainability Ratio | 0.51 | 0.00 | 0.04 |
| Debt Service Cover Ratio | 0.00 | 0.00 | 0.00 |
| Operating Surplus Ratio | 0.17 | (1.13) | (0.07) |
| Own Source Revenue Coverage Ratio | 1.20 | 0.47 | 0.94 |

The above ratios are calculated as follows:

| | |
|-----------------------------------|--|
| Current Ratio | $\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$ |
| Asset Sustainability Ratio | $\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$ |
| Debt Service Cover Ratio | $\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$ |
| Operating Surplus Ratio | $\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$ |
| Own Source Revenue Coverage Ratio | $\frac{\text{own source operating revenue}}{\text{operating expenses}}$ |

Notes:

Information relating to the **Asset Consumption Ratio** and the **Asset Renewal Funding Ratio** can be found at Supplementary Ratio Information on Page 40 of this document.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

19 TRUST FUNDS

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

20 DISPOSALS OF ASSETS - 2013/14 FINANCIAL YEAR

No assets were disposed of during the year ended 30th June 2014.

21 INFORMATION ON BORROWINGS

(b) New Debentures - 2013/14

The Regional Council did not take up any new debentures during the year ended 30 June 2014.

(c) Unspent Debentures

The Regional Council did not have any unspent debentures as at 30 June 2014.

(d) Overdraft

The Regional Council does not have an overdraft facility.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

22. RATING INFORMATION - 2013/14 FINANCIAL YEAR

Information on Surplus/(Deficit) Brought Forward

| | 2014 (30 June 2014 Carried Forward) \$ | 2014 (1 July 2013 Brought Forward) \$ | 2013 (30 June 2013 Carried Forward) \$ |
|--|---|--|---|
| Surplus/(Deficit) 1 July 13 Brought Forward | <u>40,484,543</u> | <u>26,068,415</u> | <u>26,068,415</u> |
| <u>Comprises:</u> | | | |
| Cash and Cash Equivalents | | | |
| Unrestricted | 40,413,398 | 25,985,602 | 25,985,602 |
| Receivables | | | |
| Sundry Debtors | 542,087 | 435,327 | 435,327 |
| GST Receivable | 4,417 | 7,925 | 7,925 |
| Accrued Interest | 150,564 | 72,447 | 72,447 |
| Settlement Bonds | 38,000 | 0 | 0 |
| <u>Less:</u> | | | |
| Trade and other Payables | | | |
| Sundry Creditors | (561,027) | (295,625) | (295,625) |
| Accrued Salaries and Wages | (5,510) | (3,372) | (3,372) |
| ATO Liabilities | (13,388) | (13,259) | (13,259) |
| FBT Liabilities | (770) | (762) | (762) |
| Accrued Expenses | (7,000) | (10,450) | (10,450) |
| Provisions | | | |
| Provision for Annual Leave | (68,128) | (109,418) | (109,418) |
| Provision for Long Service Leave | (8,100) | 0 | 0 |
| <u>Net Current Assets</u> | <u>40,484,543</u> | <u>26,068,415</u> | <u>26,068,415</u> |
| Surplus/(Deficit) | <u>40,484,543</u> | <u>26,068,415</u> | <u>26,068,415</u> |

Difference

There was no difference between the Surplus/(Deficit) 1 July 2013 Brought Forward position used in the 2014 audited financial report and the Surplus/(Deficit) Carried Forward position as disclosed in the 2013 audited financial report.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

23. SPECIFIED AREA RATE - 2013/14 FINANCIAL YEAR

The Regional Council did not impose any Specified Area Rates.

24. SERVICE CHARGES - 2013/14 FINANCIAL YEAR

The Regional Council did not impose any service charges.

**25. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS
- 2013/14 FINANCIAL YEAR**

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

26. INTEREST CHARGES AND INSTALMENTS - 2013/14 FINANCIAL YEAF

The Regional Council did not impose interest charges.

27. FEES & CHARGES

There were no fees and charges applied in the financial year.

28. GRANT REVENUE

The Regional Council did not receive any Grant Revenue in the financial year.

29. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date

| | | |
|--|-------------|-------------|
| | <u>3.43</u> | <u>2.63</u> |
|--|-------------|-------------|

30. ELECTED MEMBERS REMUNERATION

| | 2014 \$ | 2014 Budget \$ | 2013 \$ |
|--|------------|----------------------|------------|
|--|------------|----------------------|------------|

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

| | | | |
|------------------------------|----------------|----------------|----------------|
| Elected Members Remuneration | 114,837 | 125,000 | 84,000 |
| Chairman's Allowance | 15,418 | 19,000 | 19,000 |
| Deputy Chairman's Allowance | 4,129 | 4,750 | 3,000 |
| | <u>134,384</u> | <u>148,750</u> | <u>106,000</u> |

31. MAJOR LAND TRANSACTIONS

Council did not participate in any major land transactions during the 2013/14.

32. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2013/14 financial year.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

33. FINANCIAL RISK MANAGEMENT

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

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

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

The Council held the following financial instruments at balance date:

| | Carrying Value | | Fair Value | |
|------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | \$ | \$ | \$ | \$ |
| Financial Assets | | | | |
| Cash and cash equivalents | 40,413,398 | 25,985,602 | 40,413,398 | 25,985,602 |
| Receivables | <u>735,068</u> | <u>515,699</u> | <u>735,068</u> | <u>515,699</u> |
| | <u>41,148,466</u> | <u>26,501,301</u> | <u>41,148,466</u> | <u>26,501,301</u> |
| Financial Liabilities | | | | |
| Payables | <u>587,695</u> | <u>323,468</u> | <u>587,695</u> | <u>323,468</u> |
| | <u>587,695</u> | <u>323,468</u> | <u>587,695</u> | <u>323,468</u> |

Fair value is determined as follows:

Cash and Cash Equivalents, Receivables, Payables - estimated to the carrying value which approximates net market value.

(a) Cash and Cash Equivalents

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

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

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

Council manages these risks by only investing in registered commercial banks. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

| | 2014 | 2013 |
|--|---------|---------|
| | \$ | \$ |
| Impact of a 1% ⁽¹⁾ movement in interest rates on cash | | |
| - Equity | 300,559 | 130,929 |
| - Statement of Comprehensive Income | 300,559 | 130,929 |

Notes:

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

(b) Receivables

Council's major receivables are classified as Interest Receivables, Goods and Services Tax and General Debtors. Interest receivables represents interest earned on surplus funds invested, Goods and Services Taxes represent monies owed by the Australian Taxation Office to the Council.

The Council's General Debtors include bond, reimbursements and contributions. The Council has exposure to credit risk in that debtors may not be able to meet their commitment to repay debts.

Council reviews its outstanding debts regularly and commences a variety of recovery techniques. There are no material receivables that have been subject to a re-negotiation of repayment terms.

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

| | 2014 | 2013 |
|---------------------------------|--------|--------|
| Percentage of Other Receivables | | |
| - Current | 90.05% | 90.60% |
| - Overdue | 9.95% | 9.40% |

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

33. FINANCIAL RISK MANAGEMENT (Continued)
(c) Payables

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

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

| | Due within 1 year \$ | Due between 1 & 5 years \$ | Due after 5 years \$ | Total contractual cash flows \$ | Carrying values \$ |
|--------------------|-------------------------------|-------------------------------------|-------------------------------|--|--------------------------|
| <u>2014</u> | | | | | |
| Payables | 587,695 | | | 587,695 | 587,695 |
| | <u>587,695</u> | <u>0</u> | <u>0</u> | <u>587,695</u> | <u>587,695</u> |
| <u>2013</u> | | | | | |
| Payables | 323,468 | | | 323,468 | 323,468 |
| | <u>323,468</u> | <u>0</u> | <u>0</u> | <u>323,468</u> | <u>323,468</u> |

The Independent Audit Report will be Provided by your Auditor

The Independent Audit Report will be Provided by your Auditor

**TAMALA PARK REGIONAL COUNCIL
SUPPLEMENTARY RATIO INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2014**

RATIO INFORMATION

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

| | 2014 | 2013 | 2012 |
|-----------------------------|-------------|-------------|-------------|
| Asset Consumption Ratio | 0.81 | 0.78 | N/A |
| Asset Renewal Funding Ratio | N/A | 1.17 | N/A |

The above ratios are calculated as follows:

Asset Consumption Ratio $\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$

Asset Renewal Funding Ratio $\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

N/A - In keeping with amendments to Local Government (Financial Management) Regulations 50, comparatives for the 2012 year have not been reported as financial information is not available.

INDEPENDENT AUDITOR REPORT TO THE MEMBERS OF TAMALA PARK REGIONAL COUNCIL

Report on the Financial Report

We have audited the accompanying financial report of Tamala Park Regional Council which comprises the statement of financial position as at 30 June 2014 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by chief executive officer.

Management's Responsibility for the Financial Report

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

In our opinion, the financial report of the Tamala Park Regional Council:

- a) gives a true and fair view of the financial position of Tamala Park Regional Council as at 30 June 2014 and of its performance for the year ended on that date; and
- b) complies with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards.

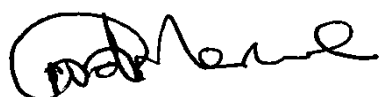
Reporting on Other Legal and Regulatory Requirements

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

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

- a) There are no material matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Council.
- b) There are no matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) The asset consumption ratio and the asset renewal funding ratio, included in the supplementary ratio information at the back of the financial report, are supported by verifiable information and reasonable assumptions.
- d) All necessary information and explanations required were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit.

BUTLER SETTINERI (AUDIT) PTY LTD



MARIUS VAN DER MERWE
Director

Perth
Date: 9 September 2014

Appendix 9.11

POLICY MANUAL

Sponsorship Policy

Policy Purpose

To provide direction and guidelines for the Tamala Park Regional Council (TPRC) to receive, assess and determine community sponsorship proposals.

Policy Objective

The objective of the Sponsorship Policy is to provide sponsorship that contributes to community building and community services/infrastructure and provides direct benefit to the Project.

Scope

The Policy applies to all applicants seeking a funding arrangement between the TPRC and an eligible organisation, whereby successful applicants receive funding from TPRC to deliver a specified activity in exchange for the promotion and delivery of TPRC's sponsorship objectives.

Background

The Tamala Park Regional Council may consider sponsoring community events and infrastructure on the basis that it benefits the residents of Catalina Estate or the Catalina Project.

The TPRC has initiated a comprehensive Community Development Program for Catalina Estate residents. The key focus of the program is to build community capacity. Part of this will involve providing sponsorship to established community groups in the Estate and supporting community groups outside of the Estate that demonstrate a capacity to directly benefit and involve the Catalina residents.

The focus of the Tamala Park Sponsorship Policy is to support the implementation of the Community Development Plan for the Catalina Project. The overriding principle is that support by TPRC to community sponsorship proposals should be based on demonstrating clear and direct benefits to the residents of the Catalina Estate.

The Sponsorship Policy also advocates support to community sponsorship proposals that provide branding opportunities for the Catalina Estate but also demonstrates benefits to the residents of the Catalina Estate.

Sponsorship Category

There are two types of sponsorship that may be considered under this policy 'Community Sponsorship' or 'Project Sponsorship' both categories are defined as follows:

POLICY MANUAL

Sponsorship Policy

Community Sponsorship

To provide sponsorship for the establishment and support of community groups within the Catalina Estate and for the support of community groups outside of the Estate that demonstrate a capacity to directly benefit and involve Catalina's residents.

Project Sponsorship

To provide sponsorship in return for the promotion of the Catalina Project that enhances and provides direct benefit to the Project.

Sponsorship Objectives

- Environmental sustainability - promote environmental sustainability and/or protection of the natural environment;
- Youth Development – positive guidance for children and young adults, encouraging development of skills and contribution to the community;
- Culture, recreation and healthy lifestyle – promote the provision of community sport, health and wellbeing initiatives, and creative expression of cultural identity;
- Education and training opportunities – workshops, networking and training to develop community skills;
- Awareness and/or promotion of the Catalina estate – enhance the profile of Catalina estate and promote its attributes; and
- Build community capacity – promote new and existing groups to achieve self-sustainability.

Sponsorship Examples

The following examples are provided as a general guide for Tamala Park Regional Council sponsorship:

a) Matching Sponsorship

Matching Sponsorship is where the applicant group/organisation contributes a matching sum (equal to that requested from TPRC).

Examples of suitable activities include:

- Sports workshops
- Community workshops
- Training (governance, volunteer recruitment etc.)
- Volunteer recruitment initiatives

b) Small Event Sponsorship

Sponsorship under the Small Event Category aims to assist community groups and organisations to deliver small-scale events within Catalina Estate.

POLICY MANUAL

Sponsorship Policy

Examples of suitable events include:

- Sporting events
- Movie nights
- Community networking events
- Arts / cultural displays

c) **Small Equipment Sponsorship**

The Small Equipment category assists with the purchase of equipment that provides a means for community groups and organisations to become more self-sustainable and/or more diverse in future.

Examples of suitable equipment include:

- BBQ
- Gazebo
- Signage
- Education equipment
- Stock for planting days
- Sporting equipment - allowing for more games / training

Eligibility

Sponsorship will only be made available to incorporated groups and organisations within the Catalina Estate, or to those located in communities immediately adjacent to the estate (e.g. Mindarie and Clarkson).

NOTE: The definition of an incorporated organisation (*incorporation*) is detailed at: <http://www.commerce.wa.gov.au/ConsumerProtection/Content/Business/Associations/index.htm>

For sponsorship by the TPRC, the applicant group/organisation and its application should satisfy the following criteria:

- Should be not-for-profit (to the organisation or individual members);
- Should be located within the Catalina Development, or any of its adjoining suburbs;
- Must not have any outstanding sponsorship acquittal to TPRC;
- Must not be groups who stand to make a profit/financial gain;
- Must not be individuals pursuing personal activities;
- Must not be political campaigns and lobbying groups;
- Must not be religious organisations seeking sponsorship for religious purposes;
- Must not be retrospective sponsorship (for events already underway or completed);
- Must not be an application for funds to cover a shortfall in revenue/expected revenue;

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Sponsorship Policy

- Must not be ongoing or recurrent sponsorship - for permanent wages/salaries or standard operational costs (utilities, maintenance, stationery etc.).

TPRC Financial Implications

Funds for all approved community sponsorship applications will be sourced from the approved TPRC Budget. TPRC retains absolute discretion as to whether it supports an application for community sponsorship or project sponsorship.

The maximum amounts per organisation for each category of sponsorship are capped at the following amounts per annum:

| | |
|-----------------------|---------|
| Community Sponsorship | \$1,000 |
| Project Sponsorship | \$2,000 |

Process

All the applications must meet the above eligibility criteria and must be submitted with a completed Request for Sponsorship Application Form (Appendix A). The form also addresses the method of submission. Applications submitted via any other method will not be considered by the TPRC.

The TPRC will evaluate the application against the assessment criteria. If successful, the TPRC will arrange for a formal agreement of the sponsorship to be made. Meeting the criteria and being eligible do not guarantee sponsorship will be granted.

Applicants that receive sponsorship from the TPRC are required to provide details of the sponsored program/event's completion in relation to the TPRC's contribution within 4 weeks of completion. In the event that the details are not received by the required deadline, the recipient group may be required to refund the full sponsorship amount to the TPRC.

Assessment Criteria

TPRC will assess sponsorship applications against the following criteria:

- 1. The applicant group must demonstrate a genuine capacity to responsibly manage, deliver and acquit the project/activity for which sponsorship is being sought.**

This can be demonstrated by:

- Describing past projects/activities that the groups has successfully delivered;
- Outlining the group's formal structure and proposed method of delivering the project, including the management and administration of funds.

POLICY MANUAL

Sponsorship Policy

- 2. The proposed project must nominate a Sponsorship Category and address at least one of the Objectives outlined in this policy.**

The sponsorship proposal must demonstrate how the project is capable of delivering one of the sponsorship Objectives.

- 3. The proposal must represent value for money.**

The applicant group must demonstrate that the proposed project will be delivered at a reasonable cost.

- 4. The applicant group should demonstrate the project's capacity to become self-sustainable in the future.**

This can be demonstrated by:

- Detailing other partnership/funding arrangements applicable to the proposed project;
- Outlining strategies to engage additional stakeholders, during and following delivery of the proposed project;
- Describing how the sponsorship will enable provision of additional resources, and how these resources will be used.

Further information

Applicants who require any further information about the sponsorship process are encouraged to email mail@tamalapark.wa.gov.au.

This Sponsorship Policy is authorised by the Chief Executive Officer on

Signature:

Name:

Date:

POLICY MANUAL

Sponsorship Policy

Annexure A – Request for Sponsorship Application Form

- Please tick box to confirm you have read and understand the TPRC's Sponsorship Policy in conjunction with this form.

Section A – Contact details

Organising body:

Contact person:

Position:

Address:

Phone: Mobile:

Email:

ABN (if applicable):

Is your organisation incorporated? Yes No Other:

Is your organisation non-profit? Yes No Other:

Section B – Sponsorship details

Sponsorship name:

Date:

Venue and address:

Brief description of the sponsorship purpose:

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....



POLICY MANUAL

Sponsorship Policy

Declaration

I, the undersigned, declare the information provided to be a correct and honest description of our organisation and the project or event for which funding is being sought.

Successful applications will be entirely responsible for any indemnities and insurance required for the project/event. Tamala Park Regional Council accepts no liability for any accidents or negligence resulting in a claim or demand arising from the sponsored project or event and excludes all such liability to the fullest extent permitted by law. Volunteers involved in any sponsored project or event must be covered by their own insurance or organisers' insurance.

Signed:

Please send your completed application form to:

Tamala Park Regional Council
Attention to: Project Coordinator
PO Box 655,
Innaloo WA 6918
mail@tamalapark.wa.gov.au

Appendix 9.12



REGISTRATION FORM

DELEGATE INFORMATION

All delegates are required to complete a registration form

Title: _____ First name: _____ Surname: _____
Company: _____
Job title: _____ Mobile: _____
Email: _____
Postal address: _____
Suburb: _____ State: _____ Postcode: _____
Dietary requirements: _____ Medical/special requirements: _____

FULL CONGRESS DELEGATE REGISTRATION

Each full delegate registration includes one ticket to the following:

- | | |
|------------------------------------|--|
| - Study tour | Tuesday 17 March 2015 (delegates will be emailed in February 2015 with study tour options) |
| - Opening night event | Tuesday 17 March 2015 |
| - Congress day sessions | Wednesday 18 March 2015 |
| - Networking evening | Wednesday 18 March 2015 |
| - Congress day sessions | Thursday 19 March 2015 |
| - UDIA National Awards Gala Dinner | Thursday 19 March 2015 |

UDIA member rates

- Earlybird \$2,395 (book prior to December 19, 2014)
- Standard \$2,695

Non-member rates

- Earlybird \$2,795 (book prior to December 19, 2014)
- Standard \$2,995

FULL CONGRESS DELEGATE REGISTRATION - THE VIP EXPERIENCE

This is a new concept designed to enhance your National Congress networking experience

Each VIP delegate registration includes one ticket to the following:

- | | |
|------------------------------------|--|
| - Study tour | Tuesday 17 March 2015 (delegates will be emailed in February 2015 with study tour options) |
| - Opening night event | Tuesday 17 March 2015 |
| - Congress day sessions | Wednesday 18 March 2015 |
| - Networking evening | Wednesday 18 March 2015 |
| - Congress day sessions | Thursday 19 March 2015 |
| - UDIA National Awards Gala Dinner | Thursday 19 March 2015 |

VIP ADDITIONS:

- One ticket to a VIP dinner or VIP lunch
- All day access to the VIP Lounge during Congress sessions on 18 and 19 March, plus two guest passes per day
- \$100 food & beverage credit per day in the VIP Lounge at The Westin Sydney
- Priority VIP seating during Congress and the gala dinner
- Concierge service for bookings and business services requests

The VIP Experience rate

- \$4,950

YOUR CHANCE TO BE UPGRADED TO THE VIP EXPERIENCE

Register as a full congress delegate and then refer 8 full congress delegate registrations and receive a free upgrade to The VIP Experience once they have all registered as a full delegate.

All 8 referred delegates must reference your name on their registration form when booking. You will be notified by email once your name is referred 8 times and you will receive the details of you upgrade.

I was referred by: _____

INDIVIDUAL CONGRESS TICKETS

TUESDAY 17 MARCH 2015: STUDY TOURS

Various locations around Sydney

UDIA member \$130 Non-member \$150

TUESDAY 17 MARCH 2015: OPENING NIGHT EVENT

Museum of Contemporary Art Australia, The Rocks

UDIA member \$175 Non-member \$195

WEDNESDAY 18 MARCH 2015: CONGRESS DAY SESSIONS

The Westin Sydney, one full day (9.00am - 5.00pm inclusive)

UDIA member \$1,100 Non-member \$1,250

WEDNESDAY 18 MARCH 2015: NETWORKING EVENING

GPO, 1 Martin Place, Sydney

UDIA member \$130 Non-member \$150

THURSDAY 19 MARCH 2015: CONGRESS DAY SESSIONS

The Westin Sydney, one full day (9.00am - 5.00pm inclusive)

UDIA member \$1,100 Non-member \$1,250

THURSDAY 19 MARCH 2015: AWARDS GALA DINNER

The Star, Pyrmont

UDIA member \$295 Non-member \$330

Please note any Gala Dinner seating requests below

EXCLUSIVE ACCOMMODATION PARTNER - THE WESTIN SYDNEY

The rates below are available for the first 50 bookings only. Rates after this time are subject to availability, so ensure you book early to secure your room.

Please select the below options you require.

| Date | Room type | Bedding options | Rate / per night / room only (valid for first 50 bookings) |
|---|--------------------|---|--|
| <input type="checkbox"/> Tuesday 17 March | Superior King Room | King <input type="checkbox"/> Twin <input type="checkbox"/> | \$325 |
| <input type="checkbox"/> Wednesday 18 March | Superior King Room | King <input type="checkbox"/> Twin <input type="checkbox"/> | \$325 |
| <input type="checkbox"/> Thursday 19 March | Superior King Room | King <input type="checkbox"/> Twin <input type="checkbox"/> | \$325 |

Total cost \$ _____

Special room requirements: _____

If you require accommodation on any other days before or after the Congress please call UDIA Congress Coordinator on 02 9262 1214. Accommodation cancellations made after 17 February 2015 will attract a 100% cancellation fee. Accommodation is provided in both the Heritage and Tower buildings. Hotel check-in is 15:00 and check-out is 11.00.

PAYMENT DETAILS

Total cost \$ _____

Cheque enclosed (please make out to Wise Events)

Please invoice

Please debit my: (circle) Mastercard Visa Amex (please note that all credit card payments will incur a 3% surcharge)

Name of cardholder: _____

Signature: _____

Card No.

Expiry: /

Please register online at www.udiacongress.com.au or send this form with payment to the UDIA NSW office:
 F: 02 9262 1218 E: congress2015@udia-nsw.com.au P: PO Box Q402, QVB Post Office, NSW 1230

For any questions regarding your registration please contact Nicole Macalpine, Congress Coordinator, 02 9262 1214.

Visit the Congress website www.udiacongress.com.au for full terms and conditions.

Credit card charges will appear on your statement from Wise Events. Cancellations must be notified to the UDIA NSW office by February 17, 2015. Payment will be required for any booking not cancelled prior to this date and no refunds will be made. This form will be a tax invoice on receipt of payment. All fees are inclusive of GST. UDIA NSW ABN 43 001 172 363.

Privacy policy: We collect your details in order to register you and your colleagues for this event. The information will be stored on the UDIA database and may be used for future marketing of UDIA events. If you do not wish your details to be made available to external parties, please notify us by written request to the UDIA at congress2015@udia-nsw.com.au.

Appendix 9.13

27 November 2014

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

Dear Tony

CATALINA - REVIEW OF PROJECT MILESTONES AGAINST PROJECT PLAN

SPG have reviewed the Project Milestones forecast for completion this financial year in the approved FYE 2015 Project Annual Plan. An update on progress of the Project Milestones is summarised in the tables below.

Civil Construction

| Construction Stage | Programmed Completion Date | Completed | Comment |
|--------------------|----------------------------|----------------|---|
| 11 | September 2014 | September 2014 | Civil works completed. |
| 12 | December 2014 | NA | On target for completion in December 2014. |
| 6B | December 2014 | November 2014 | Civil works completed. |
| 13A | March 2015 | NA | On target for completion in March 2015. |
| 13B | May 2015 | NA | On target for completion in April 2015. |
| 14 | June 2015 | NA | Expected to commence in January 2015 and complete in June 2015. |

Bulk Earthworks

| Construction Stage | Programmed Completion Date | Completed | Comment |
|--------------------|----------------------------|-----------|---------------------------------|
| 14-18 | January 2015 | NA | Completion due in February 2015 |

Landscape Construction

| Construction Stage | Programmed Completion Date | Completed | Comment |
|-----------------------------------|----------------------------|-----------|--|
| Stage 11 POS & Greenlink | April 2015 | NA | Detailed design underway. Forecast to commence in March 2015 and complete in June 2015. |
| Stage 12 Greenlink | May 2015 | NA | Concept design being finalised. Forecast to commence in April 2015 and complete in June 2015. |
| Stage 13 Greenlink | June 2015 | NA | Concept design for Greenlink being finalised. Forecast completion June 2015. |
| Stage 13 POS | June 2015 | NA | Detailed design commenced for Stage 13 POS. Completion has been deferred to September 2015 as stage 13 has been split into 2 stages, deferring the availability of the POS site for landscaping. |
| Aviator Boulevard Entry Statement | September 2014 | Yes | Landscaping of entry completed however entry signage is still subject to approval by the City of Wanneroo. |
| BCA South Area | February 2015 | No | Design commencement is subject to approval of the Conservation Area Management Plan by the City of Wanneroo. Forecast to commence landscaping in FYE2015 and complete in FYE2016. |

Marketing

| Construction Stage | Completion Date | Completed | Comment |
|--|-----------------|-----------|--|
| Display Village and Land Sales Office | July 2014 | Yes | Sales office and display village open. 1 final display home still to open which is expected in early 2015. |
| Market Research | June 2015 | No | Market research appointment is being finalised. |
| Commence construction in 2 nd Display Village | April 2015 | NA | Civil works complete. Display home construction expected to commence in March 2015. |

Sales/Settlements

| Sales and Settlements | Budget | No. to 31 October 14 | Comment |
|-----------------------|--------|----------------------|---|
| Sales | 255 | 70 | Under budget however 36 builder sales allocated which are yet to be contracted will close the gap. We continue to target 255 sales for FYE15. |
| Settlements | 226 | 62 | Ahead of budget however requires sale and settlement of mandatory 2 storey lots on Aviator Blvd which have been slow to sell. |
| Titles | 280 | 64 | Achievement is subject to sufficient sales to let stage 14 civil contract by December 2014 for titles in June 2015. |

Subdivision Approvals

| Stage | No Lots D | Programmed Approval Date | Approved | Comment |
|-------|-----------|--------------------------|----------|---|
| 14 | 73 | August 2014 | Yes | Approval Issued. |
| 15-18 | 177 | October 2014 | No | Subdivision approval is subject to LSP Amendment approval. Expected January 2015. |
| 25-27 | 206 | March 2015 | NA | Subdivision application due for lodgement December 2014. |

Eastern Precinct Urban Design

| Budgeted Commencement Date | Commenced | Comment |
|----------------------------|-----------|---|
| August 2014 | No | Forecast commencement in April 2015. Deferred subject to urban design tender. |

Community Development and Public Art

| Item | Completion Date | Completed | Comment |
|-----------------------------------|-----------------|-----------|--|
| Phase 1 Public Art | June 2015 | NA | Artwork tender has now closed. Targeting completion in June 2015 subject to fabrication timeframes for artwork chosen. |
| Commence ongoing Community Events | December 2014 | Yes | Community events have commenced and are continued to be rolled out. |

Implement Sustainability Initiatives Plan

| Item | Completion Date | Completed | Comment |
|--|-----------------|-----------|--|
| Expand Waste Management Program to Civil and Landscape Contractors | June 2015 | NA | Waste Management Program is to be tendered in December 2014 / January 2015. |
| Shared Bore Trial Recommendation | December 2014 | NA | There are only a limited number of shared bores connected. Report to be deferred to April 2015. |
| Apply for EnviroDevelop / Greenstar Accreditation | June 2015 | NA | Consideration being given to the merits of EnviroDevelop and Greenstar before an application is submitted. |

Should you wish to discuss further please contact the undersigned.

Yours sincerely



BRENTON DOWNING
PROJECT DIRECTOR

Appendix 9.14

6. Numerical Listing of Delegations

| NUMBER | DELEGATION | CONDITION | CEO DELEGATION |
|--------------------------------|--|--|--|
| CHIEF EXECUTIVE OFFICER | | | |
| 1 | Press Statements and media comments: Authority to issue statements to the News Media and make comments on behalf of Council. | Subject to the prior approval of the Chairman. | |
| 2 | Press Statements on Policy: Authority to issue statements of Policy to the News Media on behalf of the Council. | Subject to the prior approval of the Chairman | |
| 3 | Contract Signing: Authority to sign formal contracts with the co-signature of the Chairman – upon affixation of the Common Seal to the contract documents. | Subject to budget provision or after authority for sealing by the Council. | |
| 4 | Voluntary Emergency Service: Authority to deploy Council equipment and manpower in an emergency. | | |
| 5 | Leave: Authority to grant the following leave: 1. Leave without pay 2. Study Leave | Subject to policy provisions or if no policy with Chairman's approval. | |
| 6 | 1. Authority to appoint all staff with the exception of designated officers ; 2. Authority to advertise vacancies | Subject budget provision. | |
| 7 | Authority to appoint consultants. | a) Subject to the value being less than \$100,000. b) Subject to there being a budget allocation <u>or</u> - <u>subject to there being budget provision and necessary to implement Annual Plan.</u> | |
| 8 | Authority to place and/or approve purchase orders • With formally contracted suppliers in accordance with the Procurement Purchasing Policy and Local Government Act and contracts . • Non-contracted and non-accredited suppliers in accordance with Purchasing Policy and Local Government Act. | Subject to budget provision or budget allowance policy. | Executive Assistant and Senior Projects Officer. |

| | | | |
|----|--|--|---------------------------------|
| 9 | Statutory Nominations: Chief Executive Officer and Chairman authorised to complete Ballot Paper. | | |
| 10 | | | |
| 11 | Authorising the submission of subdivision and development applications to the Western Australian Planning Commission on land owned by or under the care and control of the TPRC or where TPRC acts in pursuit of the objectives set out in the Establishment Agreement. | | |
| 12 | Contracts – <ul style="list-style-type: none"> • Authority to sign contracts for maintenance support of computer and telecommunication hardware and software and general office equipment; • Signify acceptance of contracts works as 'completed to TPRC satisfaction'. | | |
| 13 | Authority to make minor amendments to the Policy Manual due to changes in names or titles. | | Executive Assistant |
| 14 | Authority to advertise Invitations to Tender: | | |
| 15 | Authority to invite period supply tenders and tenders for the disposal of surplus Council property (except land) only. | | |
| 16 | Procurement of goods and services & disposal of Council property and associated advertisements in accordance with the TPRC Procurement Policy and Local Government Act. | | |
| 17 | Authority to sign grant applications, acquittals and audited statements related to grants. | | Following Council CEO approval. |
| 18 | Authority to approve applications to place advertising signs from any organisation – temporary signage. | | |
| 19 | Attendance at Conference: Authority to approve where budget allocation has been made, subject to the conference being within WA. | | |
| 20 | Certifying documents (section 9.31 Local Government Act). | | |
| 21 | Authority to write off unrepresented stale cheques to the value of \$20,000. | | |
| 22 | Authority to approve an extension to a contract. | Subject to: a) The tender specifying the provisions of the option term; | |

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|-----------|--|--|--|
| | | <p>b) The contract providing for the extension; and</p> <p>c) The extension being on the same terms and conditions as the last year of the original term but does allow for price increases in line with the contract provisions (if any) for the price.</p> | |
| 23 | Authority to make payments to elected members subject to Council policies, the Local Government Act 1995 and its Regulations. | Funds being available in the Council's annual budget and Council policies. | |
| 24 | Authority to make payments and transfers from the municipal fund or the trust fund, subject to Regulation 12(1) of the Local Government (Financial Management) Regulations 1996. | Subject to the requirements of Regulation 13 of the Local Government (Financial Management) Regulations 1996. | |
| 25 | Authority to invest money and establish investment internal control procedures, subject to Section 6.14 of the Local Government Act 1995 and Regulation 19 of the Local Government (Financial Management) Regulation 1996. | Subject to Council's 'Investment Policy'. | |
| 26 | Authority to publicly invite tenders before the Council enters into a contract for the supply of goods or services if the consideration under the contract is, or is expected to be, worth more than \$100,000, subject to Regulation 11(1) of the Local Government (Functions and General) Regulations 1996 and Section 3.57(1) of the Local Government Act 1995. | Tenders can only be invited for those goods and services identified in the annual budget, or approved by Council. | |
| 27 | Authority to accept or decline any tender, subject to Regulation 18(4) and (5) of the Local Government (Functions and General) Regulations 1996. | Delegation subject to a provision in the annual budget and limited to an amount of \$100,000. | |
| 28 | Authority, with the approval of the tenderer, to make a minor variation in | That the variation is minor | |

| | | | |
|----|--|---|--|
| | a contract for goods or services before the Council enters the contract with the successful tenderer, subject to Regulation 20(1) of the Local Government (Functions and General) Regulations 1996. | having regard to the total goods or services that tenderers were invited to supply. | |
| 29 | Authority to approve requests for donations or sponsorship from community groups, subject to Section 6.7(2) of the Local Government Act 1995. | Subject to a value not exceeding \$500 and funding being allocated in the annual budget. | |
| 30 | Authority to allocate decommissioned computers to community groups and organisations, subject to Section 3.58 of the Local Government Act 1995. | Subject to conditions contained in Council policies. | |
| 31 | Authority to attend interstate meetings associated with Council business. | Subject to being required for Council business and consistent with TPRC objectives. | |
| 32 | Authority to approve and submit construction, civil, development, landscaping and servicing plans for the Tamala Project. | Subject to being required for Council business and consistent with TPRC objectives and, as appropriate, approved TPRC policies and strategies. | |
| 33 | Authority to approve and negotiate conditions of approval and servicing and infrastructure agreements relating to subdivision, development, landscaping applications and servicing plans for the Tamala Project and requirements and scheme costs under the City of Wanneroo Wanneroo Town Planning Scheme . | Subject to Budget provision being required for Council business and consistent with TPRC objectives and, as appropriate, approved TPRC policies and strategies. | |
| 34 | Authority to approve signage, marketing and advertising brochures and sales information. | Subject to being required for Council business and consistent with the approved Annual Marketing Plan and | |

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| | | budget provision 2014. | |
| 35 | Authority to approve minor changes to the Local Structure Plan. | Subject to being required for Council business and consistent with TPRC objectives and, as appropriate, approved TPRC policies and strategies. | |
| 36 | Authority to make a minor variation in a contract for goods or services, subject to Regulation 20(1) of the Local Government (Functions and General) Regulations 1996. | Subject to being required for Council business and consistent with TPRC objectives. Subject to there being a budget allocation. | |
| 37 | Authority to enter into a contract for the supply of goods or services if the consideration under the contract is, or is expected to be worth less than \$100,000, subject to Regulation 11(1) of the Local Government (Functions and General) Regulations 1996 and Section 3.57(1) of the Local Government Act 1995. | Subject to there being a budget allocation and TPRC policies. | |
| 38 | Authority to advertise, manage and dispose of the single residential lots by private treaty under Section 3.58(3) of the Local Government Act 1995. For the purpose of Delegation 38, the disposal is to be considered by Council if the property value exceeds one million (\$1,000,000) dollars. | | |
| 39 | Authority to consider submissions under Section 3.58(3)(b) of the Local Government Act 1995. | | |
| 40 | Authority to determine the sale price for each of the single residential lots based upon the valuations supplied by the Development Manager and an independent valuer being cognisant of the approved Project Cashflow. Where there is a difference between the valuations supplied | | |

| | | | |
|----|---|---|--|
| | <p>by the Development Manager and the independent valuer then the higher of the two values will be determined as the sale price. In the event that the determined sale price is less than the valuation estimation contained within the Project Cashflow the CEO shall refer the matter back to Council before exercising this delegation.</p> <p><u>Authority to determine the sale price for each of the single residential lots subject to the average of lot pricing for a stage being higher the approved Project Cashflow. Where there is a difference between the average of lot pricing supplied by the Development Manager and the independent valuer then the higher of the lot pricing will be determined as the sale price.</u></p> <p><u>In the event that the determined average of lot pricing is less than the lot pricing for a stage in the Project Cashflow the CEO shall refer the matter back to Council before exercising this delegation.</u></p> | | |
| 41 | Authority to administer the provisions of the sales contract and proceed to dispose of the lot by private treaty subject to the requirements of Section 3.58 of the Local Government Act 1995. | | |
| 42 | Authority to determine finance and settlement extensions and contract cancellations for single residential lots <u>and dwellings</u> . | | |
| 43 | Authority to grant approval to proceed with the Display Village Lots Tender and Allocation Procedure in accordance with the Display Village Lot ranking as recommended by the Development Manager. | | |
| 44 | Authority to establish the time/date for the sales releases.. | Subject to all necessary documentation being completed and consistent with Project Program. | |

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| | Authority to grant approval to bulk earthworks, civil, infrastructure and landscape works. | Subject to rates being in accordance with Council approved rates for the relevant works and there being a budget allocation. | |
| 45 | Authority to implement and manage the Lot 1 Built Form Project in accordance with the Development Agreement dated 10 th September 2013 and the approved Project Budget and Program | Subject to compliance with the terms and conditions of the Development Agreement dated 10 th September 2013 and compliance with the approved TPRC Budget and Project Program. | |

Appendix 9.16

25 November 2014

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

Dear Tony,

Catalina Sales Office Opening Hours

We refer to your letter dated 14 July 2014 in regard to trialling Catalina Sales Office Opening Hours of Monday – Sunday 12pm – 5pm with the office closed on Thursdays. The sales office opening hours total 30 hours per week and were agreed to be trialled by the TPRC on the basis that 2 sales representatives attended the sales office during busy periods.

The trial period was agreed to by the TPRC on the basis that a higher level of customer service would be provided by employing additional resources during busy periods rather than employing them to open the sales office between 10am and 12pm, which is a quieter time for inquiries. The trial opening hours of 30 hours per week compared to the 14 hours per week that the temporary sales office was previously opened for and 42 hours per week in the Development Management Agreement.

We have reviewed the average number of new inquiries received each day over the trial period 28 June 2014 to 25 November 2014. These inquiries consist of phone calls, price lists collected, office walk-ins and web leads. The results are shown in the table below. Please note we also opened the sales office on most Thursdays during the trial period to service any additional inquiry received on this day.

| Monday | Tuesday | Wednesday | Thursday | Friday | Saturday | Sunday | Total |
|--------|---------|-----------|----------|--------|----------|--------|-------|
| 9 | 6 | 9 | 5 | 9 | 13 | 20 | 71 |

The table shows that Saturday and Sunday are the busiest days. The majority of inquiries on Tuesday, Thursday and Friday are phone inquiries while inquiries on Monday, Wednesday, Saturday and Sunday are primarily walk-in inquiries. This coincides with the hours the display village is open.

We have also reviewed the number of inquiries received at different periods which is summarised in the table below:

| Inquiries for Previous Sales Office Hours (14 hours per week) | Inquiries per Week |
|---|--------------------|
| May 2014 (temporary sales office) | 95 |
| June 2014 (new sales office) | 123 |

| Inquiries for Trialled Sales Office Hours (30 hours per week) | Inquiries per Week |
|---|--------------------|
| July 2014 | 97 |
| August 2014 | 90 |
| September 2014 | 61 |
| October 2014 | 56 |
| 3 weeks to 24 November 2014 | 44 |

The table shows that despite the longer hours, the number of inquiries decreased following the implementation of the longer opening hours. Additionally the number of inquiries has continued to reduce each month. We believe this is attributable to current market conditions with similar declines also being experienced at other Satterley developments. In our view the decline is not related to a change in the sales office operating hours.

The reduction in inquiries has also coincided with a reduction in sales over the same period. From 1 July 2014 to 31 October 2014 there were 70 accepted sales at Catalina compared to 105 sales in the approved budget. It is noted that 20 display home lots have been allocated for sale as well as 16 builders sales in stage 13B, subject to Council approval on 27 November 2014. These additional 36 sales, which we expect will be accepted in December 2014, will assist in reducing the gap between budgeted and actual sales.

On a positive note, the reduction in inquiries has given our sales representatives the opportunity to work closely with public purchasers and builders. As the office is being operated by 2 sales representatives it also provides an opportunity for them to regularly visit display home builders in the region and ensure the public and builders are being well serviced during busier periods, particularly on weekends. We have received positive feedback from builders that service levels have improved during the trial period.

We believe it is still preferable in the current market to provide additional resources during busy periods rather than to open the sales office between 10am and 12pm when there is a lower level of inquiry. Based on this the SPG recommends the trialled sales office hours are continued. If you have any queries please contact the undersigned.

Yours sincerely,

Brenton Downing
PROJECT DIRECTOR

Appendix 9.17



Tony Arias
Tamala Park Regional Council
PO Box 655
Innaloo WA 6918

5th November 2014

Hi Tony

The Wanneroo Christmas Lunch is a charity community event coordinated by the combined churches of Wanneroo. We will be providing lunch to about 300 people who are alone or unable to put a meal on the table on Christmas Day. Everyone involved with this lunch is volunteering his or her time. The City of Wanneroo is kindly donating the use of their facilities at the Wanneroo Showgrounds and have provided a grant for the event.

We would like to extend to you and the Tamala Park Regional Council the opportunity to participate in the way of sponsorship for this great event. If you are able to donate items, that could be used at this event that would also be appreciated.

Gold Sponsors (\$2500 and above) will have their logo on the website, the program for the day and will be mentioned by name at the event. They can also have a banner (or similar) at the pavilion on the day.

Silver Sponsors (\$1000 - \$2500) will have a small logo on the website and a listing on the program.

Bronze Sponsors (up to \$1000) will have their name listed on the website.

Please contact Norm King - normanking@iinet.net.au or Narelle Collas on 0481563882 if you have any questions about sponsorship for the Christmas Day Lunch. Please check out our website at www.wanneroochristmaslunch.com or our Facebook page - Wanneroo Christmas Lunch

Thank you

Trischa Botha
on behalf of the Christmas Lunch Committee

4 December 2014

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

Dear Tony,

WANNEROO CHRISTMAS LUNCH SPONSORSHIP

We refer to the sponsorship proposal received by the TPRC from the Wanneroo Christmas Lunch Committee dated 5 November 2014. The event provides lunch to approximately 300 people who are alone or unable to put a meal on the table on Christmas Day. Whilst not approved, we have assessed the proposal against the 'draft' Tamala Park Regional Council Sponsorship Policy.

SPONSORSHIP CATEGORY

The proposal is considered to meet the objectives of a Community Sponsorship proposal under the Policy as it supports a community group that has capacity to directly benefit and involve Catalina residents. This involvement could be through attending as a guest or through volunteering at the lunch.

SPONSORSHIP ELIGIBILITY

An assessment of Sponsorship Eligibility is included in the table below.

| Criteria | Comment |
|---|---|
| Should be Not for Profit | Criteria met. |
| Should be located within Clarkson or any adjoining suburb. | Event is being held at Wanneroo Showgrounds but is available to Clarkson residents. |
| Must have no outstanding sponsorship acquittal with TPRC | Criteria met. |
| No group should make a financial gain. | Criteria met. |
| Must not be for an individual pursuing personal activities. | Criteria met. |
| Must not be for a political campaign or lobbying group. | Criteria met. |
| Must not be for religious organisations for religious purposes. | Criteria met as sponsorship is not for religious purposes. |
| Must not for retrospective sponsorship. | Criteria met. |
| Must not be to cover a shortfall in revenue. | Criteria met. |
| Must not be ongoing or recurrent sponsorship. | Criteria met. |

The assessment carried out shows that all criteria were met. In regard to location it is noted that residents in Clarkson and surrounding suburbs are eligible to register for the lunch as a guest or to volunteer to assist with the lunch. The event could be promoted through an EDM or letterbox drop to Catalina residents to encourage their involvement.

TPRC FINANCIAL IMPLICATIONS

The maximum amount of sponsorship under the proposed TPRC Sponsorship Policy for Community Sponsorship is \$1,000.

ASSESSMENT CRITERIA

The proposed Sponsorship Policy includes four assessment criteria. As the Policy has not been adopted by the TPRC, it was not made available to the Applicant and therefore the Applicant has not had the opportunity to address the criteria.

RECOMMENDATION

Based on the above it is recommended that the TPRC approve a 'Community Sponsorship' of up to \$1,000 on the basis that the Wanneroo Christmas Lunch Committee complete a Sponsorship Application Form and address the selection criteria to the satisfaction of the TPRC by 16 December 2014.

Should you have any queries please contact the undersigned.

Yours sincerely



BRENTON DOWNING
PROJECT DIRECTOR

Appendix 9.18

CONFIDENTIAL

Appendix 9.19

CONFIDENTIAL