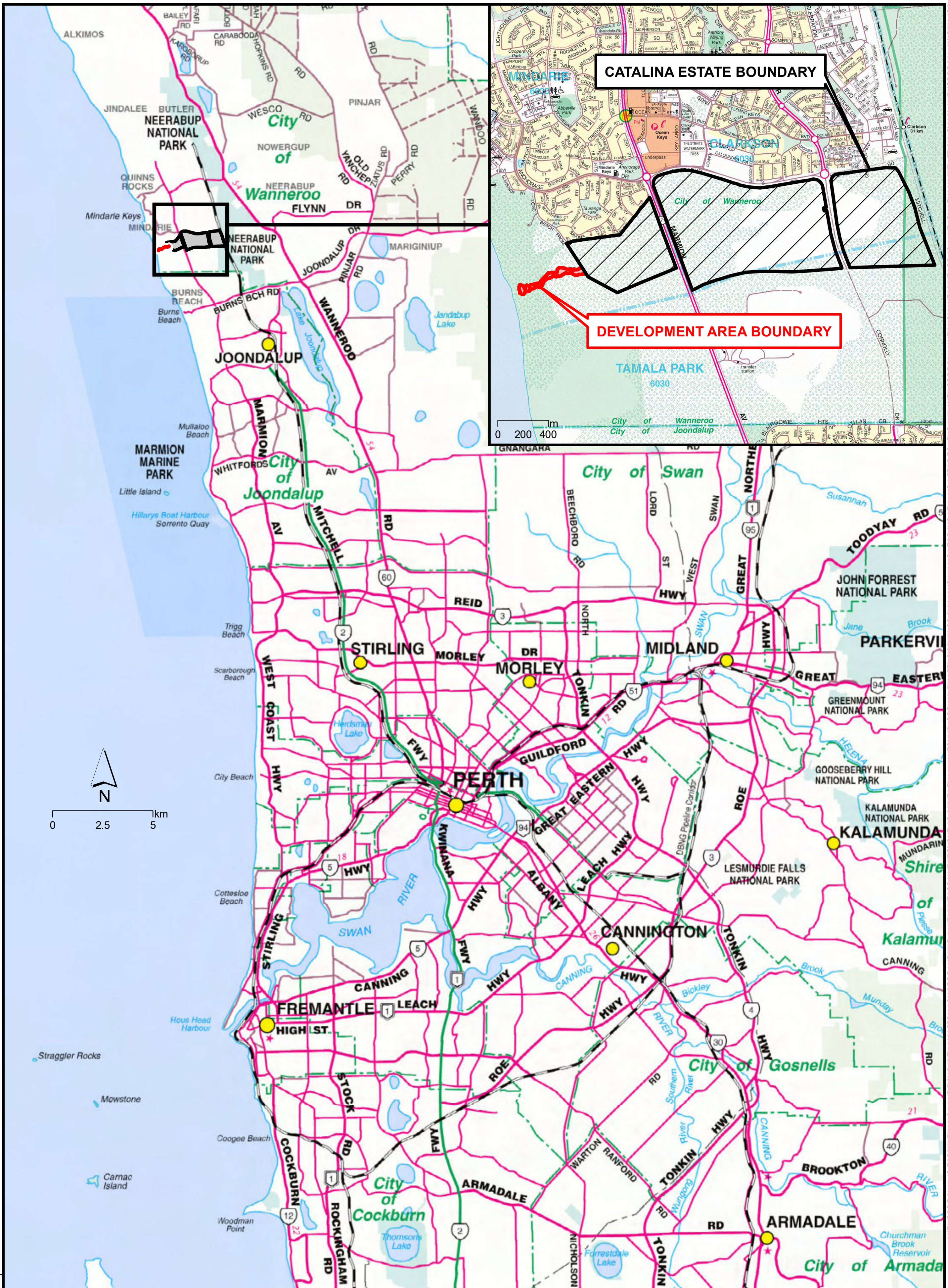
Appendix 9.1

Landscape Works	FYE 2018 Budget	Detailed Design	City of Wanneroo Approval	Proposed Construction Commencement	Proposed Completion	Comments
Stage 15 Landscaping	$315,000.00	Complete	August 2016	April 2017	September 17	Works commence on site in July and are programmed to be complete mid-September.
Stage 6 McAllister Boulevard Verge	$148,560.00	Complete	N/A	May 2017	August 17	Works have been completed and included the construction of stairs leading to the BCA path and batter landscaping
Stage 14B Landscaping	$268,000.00	Complete	August 2016	June 2017	September 17	Phase 1 works including Neerabup Road Stage 14 to Stage 18 has been awarded 30/03/17.
Catalina Beach Landscaping Works Separable Portion A, B and E		Complete	15 May 2017	August 2017	December 2017	Works commence on site in late August and are programmed to be complete early December.
Catalina Beach Landscaping Works Separable Portion C	$2,655,357.00	Complete	Pending Approval	November 2017	February 2017	Recommendation to award Package with TPRC.
Separable Portion D		Complete	15 May 2017	November 2017	March 2018	Works are to be staged with the southern section of the Marmion Avenue Verges to commence in November 2017 and the Norther section to be coordinated with the installation of the pressure main.
Aviator Boulevard Entry Statement	$116,667.00	Complete	28 March 2017	November 2017	December 2017	Phase 1 including 13 mature transplants has been completed. Phase 2 to be awarded and includes the installation of ground cover in entry (acasia salinga 'green mulch').
Stage 11 POS Phase 2	$750,000	Complete	12 April 2017	February 2018	May 2018	SPG have reviewed budget to bring the expenditure forward. TPRC have requested a review of the landscape design.
Biodiversity Conservation Area (South)	$331,325.00	Complete	15 April 16	March 2018	June 2018	Final components of the Southern BCA to be undertaken include path construction, minor revegetation works and installation of interpretive signage. SPG to provide recommendation to TPRC to commence works.
Biodiversity Conservation Area (North)	$116,147.00	Complete	Feb 2015	March 2018	June 2018	Final components of the Northern BCA to be undertaken include fence removal, revegetation and interpretive signage. SPG to provide recommendation to TPRC to commence works.



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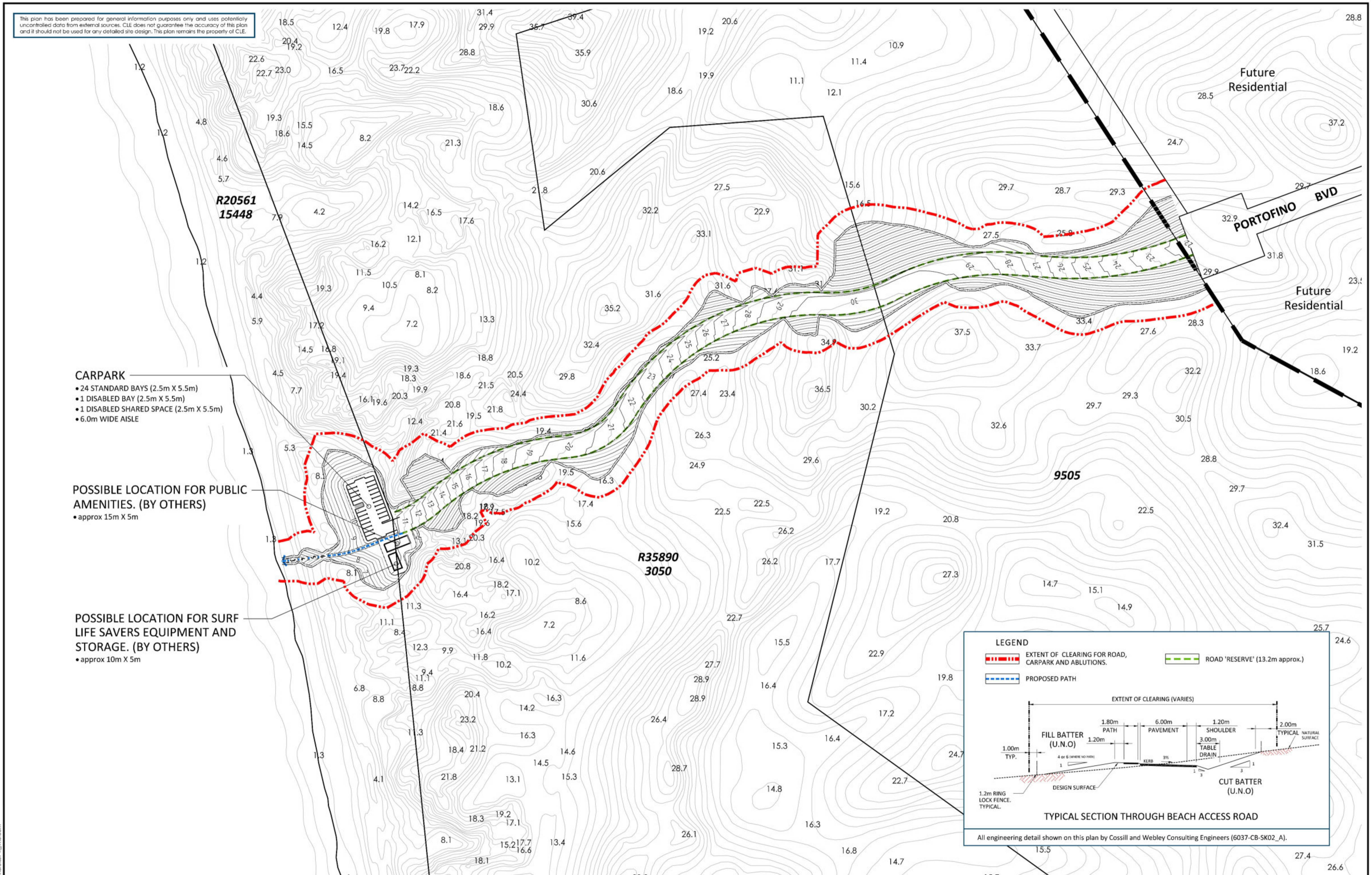
E: info@coterra.com.au

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

SITE LOCATION

Figure 1

C:\GIS\Jobs\CoTerra\SATCAT07b – Tamala Park, Foreshore Management Plan\Figures\SATCAT07B_F01 Site Location_170308.mxd



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

BEACH ACCESS INFRASTRUCTURE CONCEPT PLAN

Figure 2

Appendix 9.2

TAMALA PARK REGIONAL COUNCIL

MONTHLY STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 31 AUGUST 2017

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

Operating	NOTE	31 August 2017 Actual $	31 August 2017 Y-T-D Budget $	2017/18 Adopted Budget $	Variances Budget to Actual Y-T-D %
Revenues	1,2				
Interest Earnings		153,360	158,704	793,512	(3.37%)
Other Revenue		941	0	2,035	0.00%
		154,301	158,704	795,547	(2.77%)
Expenses	1,2				
Employee Costs		(93,835)	(121,939)	(751,838)	(23.05%)
Materials and Contracts Other		(32,951)	(72,435)	(482,916)	(54.51%)
Depreciation		0	0	(21,212)	0.00%
Utilities		0	(1,075)	(6,450)	0.00%
Insurance		(7,189)	(6,906)	(10,469)	4.10%
Other Expenditure		(38,913)	(44,357)	(181,955)	(12.27%)
		(172,888)	(246,712)	(1,454,840)	(29.92%)
Adjustments for Non-Cash (Revenue) and Expenditure					
Depreciation on Assets		0	0	21,212	0.00%
Capital Revenue and (Expenditure)					
Plant and Equipment	3	0	0	(26,250)	0.00%
LESS MEMBERS EQUITY					
Development of Land for Resale					
Income Sale of Lots - Subdivision		3,076,633	8,942,246	40,372,252	(65.59%)
Income other - Subdivision		0	0	1,761,500	100.00%
Development Costs - Subdivision		(3,451,270)	(10,886,807)	(55,659,496)	(68.30%)
Contribution Refund		0	0	(268,725)	0.00%
Profit Distributions		0	0	(4,000,000)	0.00%
Change in Contributed Equity	6	(374,637)	(1,944,561)	(17,794,469)	(80.73%)
Net Current Assets July 1 B/Fwd	7	39,246,178	39,260,668	39,260,668	(0.04%)
Net Current Assets Year to Date	7	38,852,954	37,228,099	20,801,868	

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

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

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

This statement comprises a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement presented below and have been consistently applied unless stated otherwise. They been prepared on on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Crtical Accounting Estimates

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

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. The Council does not hold any monies in trust.

(c) Rounding Off Figures

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

(d) Rates, Grants, Donations and Other Contributions

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

(e) Goods and Services Tax

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

(f) Cash and Cash Equivalents

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and Other Receivables

Trade Receiveables, 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.

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

(h) Inventories

General

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

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed to the buyer at this point. Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

(i) Fixed Assets

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local goverment 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.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Depreciation of Non-Current Assets

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

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

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

(k) Trade and Other Payables

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

(l) Employee Benefits

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

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

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Interest-bearing Loans and Borrowings

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

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

Borrowing Costs

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

(n) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(o) Current and Non-Current Classification

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

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 August 2017 Actual $**	**Adopted 2017/18 Budget $**
By Program		
Other Property and Services		
Motor Vehicle	0	26,250
	0	**26,250**
By Class		
Plant and Equipment	0	26,250
	0	**26,250**

4. DISPOSALS OF ASSETS

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

5. INFORMATION ON BORROWINGS

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

6. CONTRIBUTED EQUITY

	31 August 2017 Actual $	30 June 2017 Actual $
Town of Victoria Park	3,400,019	3,432,788
City of Perth	3,400,019	3,432,788
Town of Cambridge	3,400,019	3,432,788
City of Joondalup	6,800,040	6,865,577
City of Wanneroo	6,800,040	6,865,577
Town of Vincent	3,400,019	3,432,788
City of Stirling	13,600,079	13,731,154
TOTAL	40,800,236	41,193,460
Total Movement in equity	(393,224)	

Movement in Contributed Equity Represented by:

	Development Expenses 31 August 2017 $	Land Sales 31 August 2017 $	Return of Contribution 31 August 2017 $	Rates Equivalent 31 August 2017 $
Town of Victoria Park	(287,606)	256,386	0	0
City of Perth	(287,606)	256,386	0	0
Town of Cambridge	(287,606)	256,386	0	0
City of Joondalup	(575,211)	512,772	0	0
City of Wanneroo	(575,211)	512,772	0	0
Town of Vincent	(287,606)	256,386	0	0
City of Stirling	(1,150,424)	1,025,545	0	0
	(3,451,270)	3,076,633	0	0
Members Contributed Equity Movements	(374,637)			
TPRC Net Result	(18,587)			
Total Movement in equity	(393,224)			

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

7. NET CURRENT ASSETS

Composition of Estimated Net Current Asset Position	31 August 2017 Actual $	Brought Forward 1-Jul $
CURRENT ASSETS		
Cash - Unrestricted	38,667,140	39,213,368
Receivables	457,963	306,092
Settlement Bonds	6,700	4,800
	39,131,803	39,524,260
LESS: CURRENT LIABILITIES		
Payables and Provisions	(278,851)	(278,082)
NET CURRENT ASSET POSITION	38,852,952	39,246,178
NET CURRENT ASSET POSITION	38,852,952	39,246,178

8. RATING INFORMATION

The Regional Council does not levy rates on property.

9. TRUST FUNDS

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

TAMALA PARK REGIONAL COUNCIL

MONTHLY STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 31 JULY 2017

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Operating	NOTE	31 July 2017 Actual $	31 July 2017 Y-T-D Budget $	2017/18 Adopted Budget $	Variances Budget to Actual Y-T-D %
Revenues	1,2				
Interest Earnings		74,848	79,352	793,512	(5.68%)
Other Revenue		941	0	2,035	0.00%
		75,789	79,352	795,547	(4.49%)
Expenses	1,2				
Employee Costs		(33,787)	(51,618)	(751,839)	(34.54%)
Materials and Contracts Other		(2,688)	(33,801)	(482,915)	(92.05%)
Depreciation		0	0	(21,212)	0.00%
Utilities		0	0	(6,450)	0.00%
Insurance		(6,764)	(6,905)	(10,469)	(2.04%)
Other Expenditure		(28)	(716)	(181,955)	(96.09%)
		(43,267)	(93,040)	(1,454,840)	(53.50%)
Adjustments for Non-Cash (Revenue) and Expenditure					
Depreciation on Assets		0	0	21,212	0.00%
Capital Revenue and (Expenditure)					
Plant and Equipment	3	0	0	(26,250)	0.00%
LESS MEMBERS EQUITY					
Development of Land for Resale					
Income Sale of Lots - Subdivision		1,855,605	1,672,095	40,372,252	10.97%
Income other - Subdivision		0	0	1,761,500	100.00%
Development Costs - Subdivision		(1,361,999)	(4,257,440)	(55,659,496)	(68.01%)
Contribution Refund		0	0	(268,725)	0.00%
Profit Distributions		0	0	(4,000,000)	0.00%
Change in Contributed Equity	6	493,606	(2,585,345)	(17,794,469)	(119.09%)
Net Current Assets July 1 B/Fwd	7	39,246,178	39,260,668	39,260,668	(0.04%)
Net Current Assets Year to Date	7	39,772,306	36,661,635	20,801,868	

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(d) Rates, Grants, Donations and Other Contributions

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(e) Goods and Services Tax

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

(f) Cash and Cash Equivalents

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and Other Receivables

Trade Receiveables, 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.

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

(h) Inventories

General

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

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed to the buyer at this point. Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

(i) Fixed Assets

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local goverment 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.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Depreciation of Non-Current Assets

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

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

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

(k) Trade and Other Payables

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

(l) Employee Benefits

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Interest-bearing Loans and Borrowings

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

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

Borrowing Costs

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

(n) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(o) Current and Non-Current Classification

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

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

4. DISPOSALS OF ASSETS

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

5. INFORMATION ON BORROWINGS

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2016-17 financial year.

6. CONTRIBUTED EQUITY

	31 July 2017 Actual $	30 June 2017 Actual $
Town of Victoria Park	3,476,632	3,432,788
City of Perth	3,476,632	3,432,788
Town of Cambridge	3,476,632	3,432,788
City of Joondalup	6,953,265	6,865,577
City of Wanneroo	6,953,265	6,865,577
Town of Vincent	3,476,632	3,432,788
City of Stirling	13,906,530	13,731,154
TOTAL	41,719,588	41,193,460
Total Movement in equity	526,128	

Movement in Contributed Equity Represented by:

	Development Expenses 31 July 2017 $	Land Sales 31 July 2017 $	Return of Contribution 31 July 2017 $	Rates Equivalent 31 July 2017 $
Town of Victoria Park	(113,500)	154,634	0	0
City of Perth	(113,500)	154,634	0	0
Town of Cambridge	(113,500)	154,634	0	0
City of Joondalup	(227,000)	309,267	0	0
City of Wanneroo	(227,000)	309,267	0	0
Town of Vincent	(113,500)	154,634	0	0
City of Stirling	(453,999)	618,535	0	0
	(1,361,999)	1,855,605	0	0
Members Contributed Equity Movements	493,606			
TPRC Net Result	32,522			
Total Movement in equity	526,128			

7. NET CURRENT ASSETS

Composition of Estimated Net Current Asset Position	31 July 2017 Actual $	Brought Forward 1-Jul $
CURRENT ASSETS		
Cash - Unrestricted	39,769,928	39,213,368
Receivables	274,962	306,092
Settlement Bonds	6,600	4,800
	40,051,490	39,524,260
LESS: CURRENT LIABILITIES		
Payables and Provisions	(279,184)	(278,082)
NET CURRENT ASSET POSITION	39,772,306	39,246,178
NET CURRENT ASSET POSITION	39,772,306	39,246,178

8. RATING INFORMATION

The Regional Council does not levy rates on property.

9. TRUST FUNDS

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

Appendix 9.3

Tamala Park Regional Council
Cheque Detail List
July - August 2017

Type	Num	Date	Name	Description	Amount
Bill Pmt -Cheque	CH-200542	31/07/2017	City of Wanneroo	Stage 18B Decorative Street Lighting Fee	-2,659.54
Bill Pmt -Cheque	CH-200543	17/08/2017	Davidson, Janet	Elected member attendance fee 20 April - 19 July 2017	-2,613.75
Total					**-5,273.29**

Tamala Park Regional Council

Summary Payment List

August 2017

Date	Num	Name	Description	Amount
1/08/2017	CON-99	City of Wanneroo - Supplier	GST owing June 2017	-2,001.35
2/08/2017	ET-4310	B Bhabra Investment Trust	Lot 173 (18th instalment over a 5 year period)	-2,887.50
2/08/2017	ET-4311	Steel Test Pty Ltd	Lot 169 (18th instalment over a 5 year period)	-2,887.50
3/08/2017	ET-4294	Australian Taxation Office	IAS July 2017	-14,208.00
3/08/2017		Employee Costs	Wages for period 20/07/17 - 02/08/17	-11,137.67
3/08/2017		Action Couriers	Courier charges for period 13/07/17 - 23/07/17	-58.22
3/08/2017		BGC Residential	Early Construction Rebate (Lot 72)	-8,000.00
3/08/2017		Burgess Rawson	Valuation services	-330.00
3/08/2017		Calvin's Plumbing & Gas	Sales Office blocked toilet	-350.00
3/08/2017		City of Stirling	Rent x 3 & recycle bin fee	-10,996.22
3/08/2017		Content Living	Inv 829, 839 & 867	-2,475.00
3/08/2017		Delron Cleaning	Sales Office cleaning (May 2017)	-511.50
3/08/2017		Docushred	Security bin	-51.70
3/08/2017		Emerge Associates	Landscape design	-3,597.00
3/08/2017		Homebuyers Centre	Waste Rebate (Lot 893)	-825.00
3/08/2017		Kyocera Mita	Printing (July 2017)	-53.44
3/08/2017		LD Total	Landscaping	-689,864.66
3/08/2017		Marketforce	Statutory advertising	-781.21
3/08/2017		R J Vincent & Co	Civil works	-328,010.91
3/08/2017		Thompson Sustainable Homes	Early Construction Rebate (Lot 295)	-8,000.00
3/08/2017		Town of Victoria Park	GST June 2017	-1,001.00
3/08/2017		WALGA	2017/18 Subscription Fees (Membership & Councils Connect)	-4,644.61
3/08/2017	ET-4295	Water Corporation	Sales Office water charges for period 18/05/17 - 20/07/17	-884.03
3/08/2017	ET-4297	Australian Super	Superannuation for period 20/07/17 - 02/08/17	-591.18
3/08/2017	ET-4298	National Australia Bank	Superannuation for period 20/07/17 - 02/08/17	-1,141.77
3/08/2017	ET-4312	Paxman, James & Melissa	Lot 168 (18th instalment over a 5 year period)	-3,281.25
8/08/2017	ET-4296	LGIS Insurance Broking	Personal accident insurance for period June 2017 - June 2018	-467.50
14/08/2017	ET-4309	Westpac Bank	Payment of credit card charges (CEO & EA) - August 2017	-1,527.58
17/08/2017		Employee Costs	Wages for period 03/08/17 - 16/08/17	-11,137.67
17/08/2017	ET-4299	Australian Super	Superannuation for period 03/08/17 - 16/08/17	-591.18
17/08/2017	ET-4300	National Australia Bank	Superannuation for period 03/08/17 - 16/08/17	-1,141.77
17/08/2017	CH-200543	Davidson, Janet	Elected member attendance fee 20 April - 19 July 2017	-2,613.75
17/08/2017		Action Couriers	Courier charges for period 25/07/17 - 06/08/17	-47.36
17/08/2017		Butler Settineri	Fee for interim audit for FYE 2017	-3,872.81
17/08/2017		Byatt, Phillip & Kerrie	Solar Panel Rebate (Lot 882)	-2,000.00
17/08/2017		Caddy, Karen	Elected member attendance fee 20 April - 19 July 2017	-2,613.75
17/08/2017		Carr, Louis	Elected member attendance fee 20 April - 19 July 2017	-2,613.75
17/08/2017		Chester, John	Elected member attendance fee 20 April - 19 July 2017	-2,613.75
17/08/2017		City of Stirling	GST June 2017 & IT services	-5,488.18
17/08/2017		City of Wanneroo	Rates 2017/2018	-27,728.43
17/08/2017		Cocktail Gastronomy	Welcome event (29 June 2017)	-1,820.46

17/08/2017		Cole, Emma	Elected member attendance fee 20 April - 19 July 2017	-2,613.75
17/08/2017		Cossill & Webley	Engineering services	-69,518.70
17/08/2017		Emerge Associates	Landscaping design	-25,260.20
17/08/2017		Guise, Dianne	Deputy Chairman allowance 20 April - 19 July2017	-3,855.25
17/08/2017		Hayes, Keith	Elected member attendance fee 20 April - 19 July 2017	-2,613.75
17/08/2017		Henriques, Andrea	Solar Panel Rebate (Lot 888)	-2,000.00
17/08/2017		Hollywood, Kerry	Elected member attendance fee 20 April - 19 July 2017	-2,613.75
17/08/2017		Imagesource	Meet & Greet posters	-159.50
17/08/2017		Italiano, Giovanni	Chairman allowance 20 April - 19 July 2017	-8,886.50
17/08/2017		LD Total	Landscaping	-137,902.03
17/08/2017		Mandal, Tanmoy	Solar Panel Rebate (Lot 833)	-2,000.00
17/08/2017		Marr, S. & Pangan, C.	Solar Panel Rebate (Lot 819)	-2,000.00
17/08/2017		McLeods Barristers & Solicitors	School Site Earthworks Agreement Review	-832.71
17/08/2017		McMullen Nolan Group	Surveying	-1,716.00
17/08/2017		Moore Stephens	Accounting services (June 2017)	-10,830.60
17/08/2017		Neverfail	Bottled water x 4	-55.25
17/08/2017		New Living Cleaning	Sales Office Cleaning (July 2017)	-495.00
17/08/2017		Officeworks	Office supplies	-222.08
17/08/2017		R J Vincent & Co	WWPS Forward Works (Cert 2)	-242,950.69
17/08/2017		Rare Pty Ltd	Catalina Brand - vision brochure (part 2)	-4,919.20
17/08/2017		Realestate.com.au	Project Profile (July 2017)	-3,948.75
17/08/2017		Sargent, Keith	Elected member attendance fee 20 April - 19 July 2017	-2,613.75
17/08/2017		Treacy Fencing	Fencing services	-15,551.91
17/08/2017		Treby, Brett	Elected member attendance fee 20 April - 19 July 2017	-2,613.75
17/08/2017		Willox, Rod	Elected member attendance fee 20 April - 19 July 2017	-2,613.75
17/08/2017		Zajitz, Deborah	Solar Panel Rebte (Lot 912)	-2,000.00
29/08/2017	ET-4313	Yang, Shan-Hao & Xiuying Che	Lot 172 (18th instalment over a 5 year period)	-2,887.50
31/08/2017		Employee Costs	Wages for period 17/08/17 - 30/08/17	-11,137.67
31/08/2017	ET-4301	Australian Super	Superannuation for period 17/08/17 - 30/08/17	-591.18
31/08/2017	ET-4302	National Australia Bank	Superannuation for period 17/08/17 - 30/08/17	-1,141.77
31/08/2017		Arbor Logic	Arborist survey	-5,527.50
31/08/2017		Chappell Lambert Everett	Agreed planning fee (February - June 2017)	-96,250.00
31/08/2017		City of Stirling	GST July 2017	-6,798.36
31/08/2017		City of Vincent	GST June 2017	-1,001.00
31/08/2017		Emerge Associates	Landscape design	-107,825.83
31/08/2017		EventPro Perth	Residents' Welcome Event	-1,743.50
31/08/2017		Harris, Ken & Sandy	Solar Panel Rebate (Lot 288)	-2,000.00
31/08/2017		Homebuyers Centre	Waste rebates	-1,650.00
31/08/2017		Homezone Building Pty Ltd	Early Construction Rebate (Lot 755)	-8,000.00
31/08/2017		Khalaf, Gamal	Solar Panel Rebate (Lot 798)	-2,000.00
31/08/2017		LD Total	Landscaping	-175,475.15
31/08/2017		Lloyd George Acoustics	Display Village 3 Assessment	-7,150.00
31/08/2017		Maihi-Taniora, C. & Kelley, M.	Solar Panel Rebate (Lot 925)	-2,000.00
31/08/2017		Neverfail	Bottled water x 2	-28.25
31/08/2017		R J Vincent & Co	Civil works	-218,720.77
31/08/2017		Steps Co Pty Ltd	Free 6 week fitness program	-1,155.00

31/08/2017		Strategen	Stage 25 BAL assessment report	-804.38
31/08/2017		Tranen Revegetation Systems	Tree planting day	-2,750.11
31/08/2017	ET-4303	Telstra	Mobile Phones (CEO & PC) for period 14/08/17 - 13/09/17	-110.00
31/08/2017	CON-100	City of Wanneroo	GST owing July 2017	-3,399.17
Total				**-2,375,782.67**

Tamala Park Regional Council
Summary Payment List
July 2017

Date	Num	Name	Description	Amount
6/07/2017		Employee costs	Wages for period 22/06/2017 - 05/07/2017	-11,137.67
6/07/2017	ET-4285	Australian Super	Superannuation for period 22/06/2017 - 05/07/2017	-591.18
6/07/2017	ET-4287	National Australia Bank	Superannuation for period 22/06/2017 - 05/07/2017	-1,141.77
6/07/2017		All Flags Signs & Banners	Banner mesh	-9,325.80
6/07/2017		Arias, T	Parking (CEO)	-10.40
6/07/2017		Carat Australia Media Services	Online advertising	-4,080.46
6/07/2017		Cocktail Gastronomy	Welcome event (29/06/2017)	-1,875.00
6/07/2017		Cossill & Webley	Engineering services	-64,481.18
6/07/2017		Emerge Associates	Landscape design	-1,870.00
6/07/2017		Gleason, Jureerat & Riley	Solar Panel Rebate (Lot 845)	-2,000.00
6/07/2017		Jobanputra, Nick & Urvashi	Solar Panel Rebate (Lot 923)	-2,000.00
6/07/2017		LD Total	Landscaping	-242,751.72
6/07/2017		Moore Stephens	Accounting services (May 2017)	-2,062.50
6/07/2017		R J Vincent & Co	Stage 25 Civil Works (Cert 8)	-841,607.32
6/07/2017		Reeves Steel Fabrication	Dog bag dispensers	-2,640.00
6/07/2017		Signs & Lines	Stage 25 Lot Signs	-2,412.69
6/07/2017		Steps Co Pty Ltd	Free 6 week fitness program	-1,254.00
12/07/2017	ET-4288	Westpac Bank	Payment of credit card charges (CEO & EA) - July 2017	-2,577.27
14/07/2017	CH-200540	City of Wanneroo	Stage 25 POS Early Clearance Bond (WAPC 153330)	-142,625.00
14/07/2017	CH-200541	City of Wanneroo	Stage 25 POS Administration Bonding Fee	-1,100.00
20/07/2017		Employee costs	Wages for period 06/07/17 - 19/07/17	-11,137.67
20/07/2017	ET-4289	Australian Super	Superannuation for period 06/07/17 - 19/07/17	-591.18
20/07/2017	ET-4290	National Australia Bank	Superannuation for period 06/07/17 - 19/07/17	-1,141.77
20/07/2017		Action Couriers	Courier charges for period 26/06/17 - 09/07/17	-53.38
20/07/2017		Araujo, R & Martin, E.D.	Solar Panel Rebate (Lot 827)	-2,000.00
20/07/2017		Dominic Carbone & Assoc	Accounting services (June 2017)	-462.00
20/07/2017		Great Living Homes	Early Construction Rebate (Lot 757)	-8,000.00
20/07/2017		Imagesource	Welcome flyers	-207.90
20/07/2017		Kyocera Mita	Printing (June 2017)	-81.67
20/07/2017		LD Total	Lanscaping	-35,718.42
20/07/2017		LGIS Insurance Broking	Various insurances	-4,638.70
20/07/2017		LGIS Liability	Liability insurance for period June 2017 - June 2018 (Instalment 1)	-1,456.95
20/07/2017		LGIS Property	Property insurance for period 30/06/17 - 30/06/18 (Instalment 1)	-2,307.04
20/07/2017		LGIS Workcare	Workers compensation insurance for period June 2017 - June 2018 (Instalment 1)	-4,950.00
20/07/2017		Little Pallet Co.	Welcome event furniture hire	-470.00
20/07/2017		McLeods Barristers & Solicitors	Legal services (June 2017)	-1,323.62
20/07/2017		McMullen Nolan Group	Surveying services	-12,738.00
20/07/2017		McShane, Joseph & Isabella	Solar Panel Rebate (Lot 124)	-2,000.00
20/07/2017		Neverfail	Water bottles x 2	-28.25
20/07/2017		New Great Cleaning Service	Cleaning of TPRC offices (June 2017)	-143.00
20/07/2017		Realestate.com.au	Project Profile Signature	-3,948.75

20/07/2017		Stantons International	Probity auditing services (June 2017)	-682.00
20/07/2017	ET-4291	Department of Transport	Registration for CEO vehicle for period 16/08/2017 to 15/08/2018	-813.20
20/07/2017	ET-4292	Telstra	Mobile phone charges for period to 13 August 2017	-110.00
24/07/2017	ET-4293	Australian Taxation Office	BAS for quarter April - June 2017	-13,225.00
28/07/2017	CON-97	City of Wanneroo	GST May 2017	-3,154.19
31/07/2017	CH-200542	City of Wanneroo	Stage 18B Decorative Street Lighting Fee	-2,659.54
31/07/2017	CON-98	City of Perth	GST owing June 2017	-1,000.67
Total				**-1,452,586.86**

Appendix 9.4

SATTERLEY

26 September 2017

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

Dear Tony

Catalina Financial Report for August 2017

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

Residential settlement revenue for the financial year to 31 August 2017 is $3.1m which is $4.2m behind the approved 'August 2017' budget with 12 less residential settlements for the year.

Sales for FYE2018 are $8.6m unfavourable to budget due to 27 less residential lot sales for the year. We note, 15 of the budgeted sales were display builder lots which were delayed slightly due to the resolution of acoustic requirements with the builders.

Overall FYE2018 expenditure is $2.5m under budget per the approved 'August 2017' budget, with $3.2m spent compared to a budget of $5.7m. The main areas of variances are summarised below:

- Lot Production $1.4m under budget, with invoices yet to be received for works undertaken within FYE18.
  - Stage 18A $0.5m under budget due to savings on rates;
  - Stage 18B $0.3m under budget due to minor works still to be completed;
  - Stage 25 ($0.5m) over budget due to timing of receiving invoices for payment.
- Landscaping $662k under budget, with invoice yet to be received for works undertaken within FYE18.
  - Stage 25 Greenlink Landscaping $779k under budget (due to timing, works commenced);
  - Stage 11 Landscaping Phase 2 $375k under budget (currently under review);
  - Central Landscape Upgrade ($523k) over budget (due to timing of payment);
- P&L expenditure - $373k under budget
  - Marketing $106k under budget with $27k spent against YTD budget of $132k;
  - Contingency $212k not required.

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

Yours faithfully

Ross Carmichael
General Manager - Finance

CATALINA
FINANCE REPORT
AUGUST 2017

1.0 Management Accounts

1.1 *KEY STATISTICS*

1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS

	Lots Produced (titles)		Sales		Settlements		Distributions	
	Actual	*Budget*	*Actual*	*Budget*	*Actual*	*Budget*	*Actual*	*Budget*
Prior Years	872	872	848	848	815	815	67,000,000	67,000,000
Jul-2017	-	57	8	13	7	6	-	-
Aug-2017	58	-	-	22	4	17	-	-
Sep-2017		-		13		9		-
Sep-17 Qtr	**58**	**57**	**8**	**48**	**11**	**32**	**-**	**-**
Oct-2017		-		6		9		-
Nov-2017		-		8		12		-
Dec-2017		-		5		18		-
Dec-17 Qtr	**-**	**-**	**-**	**19**	**-**	**39**	**-**	**-**
Jan-2018		-		8		11		-
Feb-2018		-		9		4		-
Mar-2018		38		8		7		-
Mar-18 Qtr	**-**	**38**	**-**	**25**	**-**	**22**	**-**	**-**
Apr-2018		36		9		10		-
May-2018		-		8		10		-
Jun-2018		-		9		14		4,000,000
Jun-18 Qtr	**-**	**36**	**-**	**26**	**-**	**34**	**-**	**4,000,000**
PTD	**930**	**929**	**856**	**861**	**826**	**821**	**67,000,000**	**67,000,000**
Full 2017/18 Year	**58**	**131**	**8**	**118**	**11**	**127**	**-**	**4,000,000**
2018/19		**105**		**152**		**96**		**2,000,000**
2019/20		**136**		**171**		**176**		**27,000,000**

- 4 residential lots settled in August comprising:

	Lots
Stage 14B	1
Stage 15	1
Stage 18B	1
Stage 25	1

1.2 *Sales & Settlements*

	MTH Act	MTH Bgt	YTD Act	YTD Bgt	PTD Act	PTD Bgt
Residential						
- Sales #	-	22	8	35	856	883
- Sales $	53,000	7,182,303	2,676,000	11,307,541	218,834,500	227,466,041
- Sales $/lot	-	326,468	334,500	323,073	255,648	257,606
- Settlements #	4	17	11	23	826	838
- Settlements $	1,235,000	5,598,056	3,109,000	7,270,151	209,386,500	213,547,651
- Settlements $/lot	308,750	329,297	282,636	316,094	253,495	254,830
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 #	31		Unconditional	2	Titled	
- Unsettled sales $	9,448,000		Conditional	29	935 *incl. Spec sites*	
- Unsettled sales $/lot	304,774					

1.3 *Cashflow - MTD Actuals to budget*

	MTD Act	MTD Bgt	Variance
Income			
Settlement Revenue	1,235,000	5,598,056	(4,363,056)
Margin GST	(13,971)	(77,273)	63,302
Direct selling costs	(55,183)	(250,315)	195,132
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(129,516)	(278,727)	149,211
	1,036,329	4,991,741	(3,955,411)
Development costs			
Lot production	395,604	391,337	(4,267)
Landscaping	924,103	877,975	(46,128)
Consultants	98,731	72,783	(25,949)
Infrastructure	383,048	197,021	(186,027)
Sales office building	-	-	-
	1,801,486	1,539,116	(262,371)
Overheads			
Sales & marketing	8,772	66,250	57,478
Community Develop.	6,935	16,042	9,107
Administration	69,215	54,217	(14,998)
Finance/Contingency	17,788	85,186	67,397
	102,710	221,694	118,983
Net Cashflow	**(867,868)**	**3,230,931**	**(4,098,798)**

- Current month net cashflow $4.1m under budget due to unfavourable settlements of 13 lots.

1.4 *Cashflow - YTD Actuals to budget*

	YTD Act	YTD Bgt	Variance
Income			
Settlement Revenue	3,109,000	7,270,151	(4,161,151)
Margin GST	(34,184)	(104,545)	70,361
Direct selling costs	(139,259)	(325,452)	186,193
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(160,649)	(549,555)	388,906
	2,774,908	6,290,600	(3,515,692)
Development costs			
Lot production	1,346,444	2,735,925	1,389,482
Landscaping	1,136,276	1,798,553	662,277
Consultants	106,893	144,968	38,075
Infrastructure	406,768	394,043	(12,725)
Sales office building	-	49,657	49,657
	2,996,380	5,123,146	2,126,766
Overheads			
Sales & marketing	26,743	132,500	105,757
Community Develop.	10,439	32,083	21,645
Administration	91,455	125,196	33,742
Finance/Contingency	25,811	237,496	211,685
	154,447	527,276	372,829
Net Cashflow	**(375,919)**	**640,178**	**(1,016,097)**

The YTD revenue variance comprises:

- Settlement revenue is $4.2m unfavourable to budget on 12 less residential settlements than the budget for FY2018.

1.5 *Bonds*

	Last Year	Last Month	This Month
City of Wanneroo	539,029	681,654	681,654
	539,029	681,654	681,654

Bonds relate to the waste water pump station, and stages 18B & 25 early clearances.

CATALINA
FINANCE REPORT
AUGUST 2017

2.0 PROFIT & LOSS

	MTH Act	MTH Bgt	Var	YTD Act	YTD Bgt	Var	PTD Act	PTD Bgt
- Revenue $ (Stlmts)	1,235,000	5,598,056	(4,363,056)	3,109,000	7,270,151	(4,161,151)	209,386,500	213,547,651
- Revenue $/lot	*308,750*	*329,297*		*282,636*	*316,094*		*253,495*	*254,830*
- Selling & GST $	116,654	515,051	398,397	306,466	683,623	377,157	21,751,134	22,128,291
- Selling & GST $/lot	*29,164*	*30,297*		*27,861*	*29,723*		*26,333*	*26,406*
- Cost of sales $	399,059	2,025,104	1,626,045	960,645	2,565,740	1,605,095	77,186,286	78,791,381
- Cost of sales $/lot	*99,765*	*119,124*		*87,331*	*111,554*		*93,446*	*94,023*
- Gross profit $	719,287	3,057,901	(2,338,615)	1,841,889	4,020,788	(2,178,899)	110,449,080	112,627,979
- Gross profit $/lot	*179,822*	*179,877*		*167,444*	*174,817*		*133,716*	*134,401*
- Gross profit Mgn %	*58.24%*	*54.62%*		*59.24%*	*55.31%*		*52.75%*	*52.74%*
- Special Sites $	-	-	-	-	-	-	1,284,073	1,284,073
- Other income $	-	-	-	-	-	-	230,717	230,717
- Sales & Marketing $	5,010	86,019	81,009	16,825	172,038	155,213	1,542,108	1,697,322
- Administration $	69,822	78,213	8,391	83,051	172,908	89,857	2,496,813	2,586,671
- Finance $	-	-	-	-	-	-	-	-
- Contingency $	-	85,220	85,220	-	237,584	237,584	20,364	257,948
- Net profit $	**644,455**	**2,808,449**	**(2,163,995)**	**1,742,013**	**3,438,258**	**(1,696,244)**	**107,904,584**	**109,600,828**
- Net profit $/lot	*161,114*	*165,203*		*158,365*	*149,489*		*130,635*	*130,789*

- FY18 Gross profit is $2.2m behind budget due to 12 unfavourable settlements.
- FY18 Marketing costs are $155k below budget due to Signage $39k below budget (Strategy & authority approval delays) and lower general marketing activity and advertising $86k.
- FY18 net profit is unfavourable against budget by $1.7m, due to the unfavourable gross profit variance $2.2m, partly offset by unused contingency $238k and favourable marketing and admin costs of $245k.

YEAR TO DATE VERSUS FULL YEAR BUDGET

	YTD Act	FY18 Full Year Bgt	Var
- Revenue $ (Stlmts)	3,109,000	40,372,249	(37,263,249)
- Revenue $/lot	*282,636*	*317,892*	
- Selling & GST $	306,466	4,003,705	3,697,239
- Selling & GST $/lot	*27,861*	*31,525*	
- Cost of sales $	960,645	14,887,619	13,926,974
- Cost of sales $/lot	*87,331*	*117,225*	
- Gross profit $	1,841,889	21,480,925	(19,639,037)
- Gross profit $/lot	*167,444*	*169,141*	
- Gross profit Mgn %	*59.24%*	*53.21%*	
- Special Sites $	-	869,645	(869,645)
- Other income $	-	-	-
- Sales & Marketing $	16,825	1,032,228	1,015,403
- Administration $	83,051	1,074,618	991,567
- Finance $	-	-	-
- Contingency $	-	2,461,148	2,461,148
- Net profit $	**1,742,013**	**17,782,576**	**(16,040,563)**
- Net profit $/lot	*158,365*	*140,020*	

2.1 GROSS PROFIT ANALYSIS

Actual

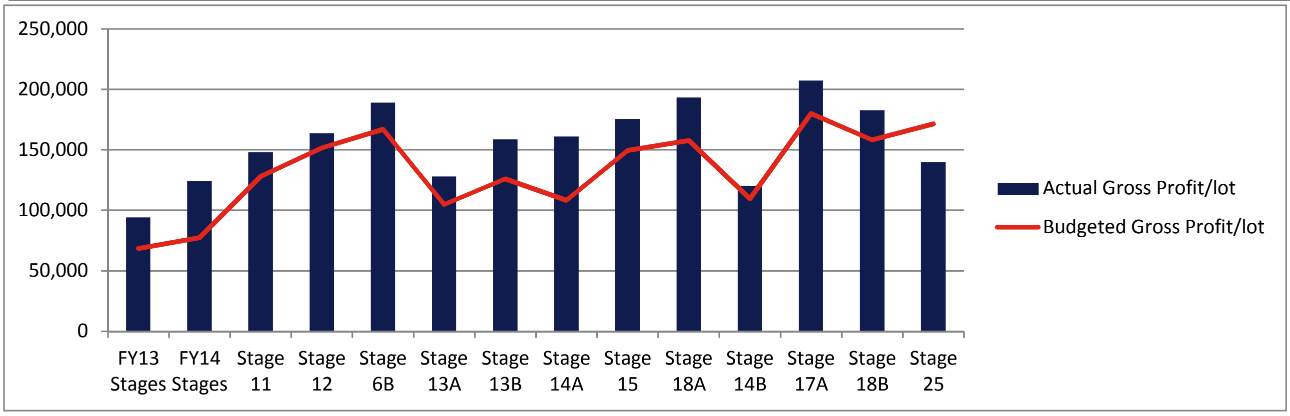
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Actual Gross Profit	Actual Gross Profit/lot	Actual Gross Margin %
FY13 Stages	2012 / 2013	51,375,500	220,496	29,448,888	126,390	21,926,612	94,106	42.68%
FY14 Stages	2013 / 2014	50,325,000	243,116	24,635,745	119,013	25,689,255	124,103	51.05%
Stage 11	1-Oct-14	17,611,000	275,172	8,143,826	127,247	9,467,174	147,925	53.76%
Stage 12	3-Dec-14	13,768,000	286,833	5,922,162	123,378	7,845,838	163,455	56.99%
Stage 6B	19-Jan-15	7,452,000	310,500	2,916,524	121,522	4,535,476	188,978	60.86%
Stage 13A	30-Mar-15	9,675,000	261,486	4,947,835	133,725	4,727,165	127,761	48.86%
Stage 13B	11-May-15	11,893,000	270,295	4,922,480	111,875	6,970,520	158,421	58.61%
Stage 14A	4-Jun-15	16,784,000	266,413	6,653,009	105,603	10,130,991	160,809	60.36%
Stage 15	15-Dec-15	14,866,000	280,491	5,572,887	105,149	9,293,113	175,342	62.51%
Stage 18A	27-May-16	7,731,000	297,346	2,709,553	104,214	5,021,447	193,133	64.95%
Stage 14B	28-Oct-16	1,733,000	247,571	892,565	127,509	840,435	120,062	48.50%
Stage 17A	20-Feb-17	5,015,000	313,438	1,701,647	106,353	3,313,353	207,085	66.07%
Stage 18B	13-Jun-17	838,000	279,333	290,144	96,715	547,856	182,619	65.38%
Stage 25	8-Aug-17	320,000	320,000	180,155	180,155	139,845	139,845	43.70%
		209,386,500		98,937,420		110,449,080		

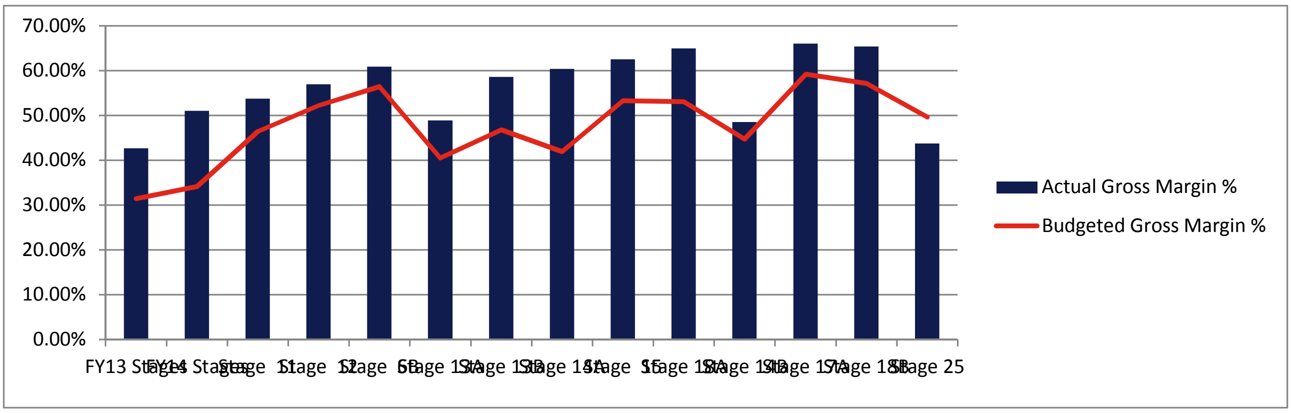
- Values for actuals are based on **'settled lots only'** for the relevant stages.

Budget

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Budgeted Gross Profit	Budgeted Gross Profit/lot	Budgeted Gross Margin %
FY13 Stages	May-12	51,358,953	217,623	35,200,675	149,155	16,158,278	68,467	31.46%
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421	149,360	16,014,514	77,365	34.12%
Stage 11	Aug-14	17,645,281	275,708	9,444,658	147,573	8,200,623	128,135	46.47%
Stage 12	Aug-14	14,221,581	290,236	6,787,551	138,521	7,434,030	151,715	52.27%
Stage 6B	Aug-14	7,098,672	295,778	3,089,032	128,710	4,009,640	167,068	56.48%
Stage 13A	Aug-14	9,585,882	259,078	5,703,355	154,145	3,882,527	104,933	40.50%
Stage 13B	Aug-14	12,111,408	269,142	6,443,000	143,178	5,668,408	125,965	46.80%
Stage 14A	Aug-14	15,504,265	258,404	9,001,574	150,026	6,502,690	108,378	41.94%
Stage 15	Aug-15	15,433,000	280,600	7,203,599	130,975	8,229,401	149,625	53.32%
Stage 18A	Jun-16	8,626,000	297,448	4,048,854	139,616	4,577,146	157,833	53.06%
Stage 14B	Jun-16	2,448,087	244,809	1,352,232	135,223	1,095,855	109,585	44.76%
Stage 17A	Jun-16	9,427,756	304,121	3,845,430	124,046	5,582,326	180,075	59.21%
Stage 18B	Jun-16	8,584,690	276,925	3,677,414	118,626	4,907,276	158,299	57.16%
Stage 25	Aug-17	19,696,448	345,552	9,915,141	173,950	9,781,307	171,602	49.66%
		238,673,958		136,629,937		102,044,021		

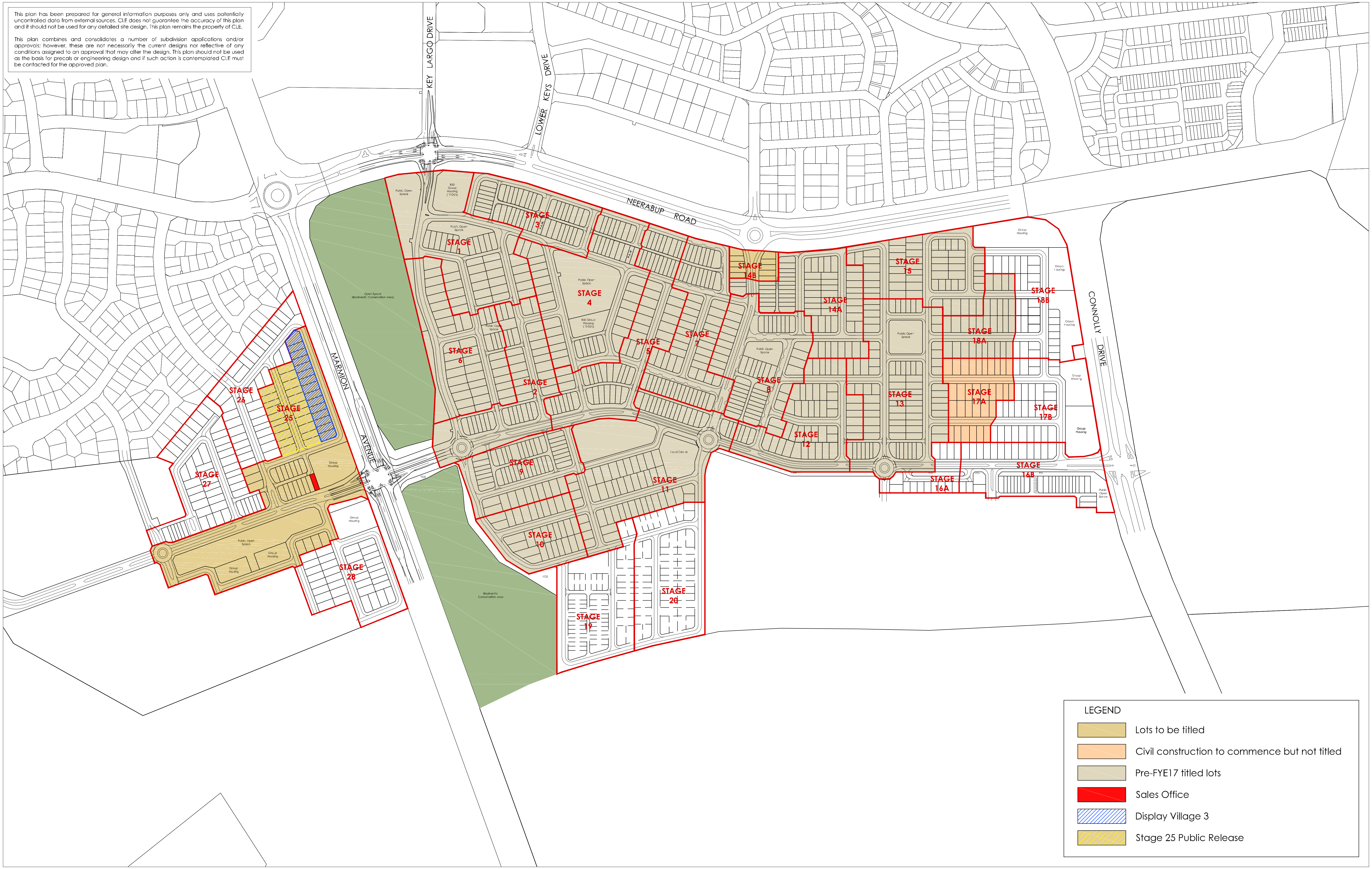
- Values for budget are based on **'total lots'** for the relevant stages.





- Stage 25 project to date gross profit is $32k below budget primarily due to lot mix of the 1 settlement to date (revenue/lot $25k under budget)

Appendix 9.5



CATALINA FYE 2017 OPERATIONS

Catalina Estate, Tamala Park
City of Wanneroo

TAMALA PARK Regional Council

Satterley

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

CLE TOWN PLANNING + DESIGN

Appendix 9.6

Catalina Central Narrow Lot Product:

Stage 16 (A&B)

Prepared: August 2017
Committee: 14th September 2017
Council: 12th October 2017

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Background

A narrow lot product may be defined as a green title lot with a narrow frontage of 4.5 metres to six metres. The built form constructed on this lot typology typically results in two or three bedroom, two bathroom dwelling with terrace style façade.

Narrow lot products are gaining popularity within the Perth Metropolitan Area proving an attractive, cost comparable alternative to an apartment or strata dwellings. Competing estates trialling small lot products include:

- Innovo at Ellenbrook;
- Dalyellup; and
- The Hales at Forrestfield

In 2016, the Chief Executive Officer and Chairman of the TPRC travelled to Lightsview in South Australia whilst attending the UDIA national conference to view microlot product (lots with an area less than 100m2) and narrow lot products. Lightsview is an infill land development project located 8 kilometres from Adelaide's Central Business Area. Lightsview has attracted accolades within the industry for their innovation, sustainability initiatives and urban design. Lightsview has won national UDIA awards in recognition of the innovative design of the Estate including lot diversity.

Following the aforementioned study tour the TPRC and SPG met with the project town planners CLE to discuss opportunities for the inclusion of microlots and narrow lot products within the Catalina Estate. The project team concluded that the optimal location for microlot product was closer to the amenities to be provided within Catalina Grove including the Clarkson Train Station and Neighbourhood Centre and that Stages 16A and 16B would provide a well located area for a trial of smaller lot products and an introduction to microlots.

The Annual Plan and Housing Strategy prepared by SPG for FYE 17 and FYE 18 and approved by the TPRC have committed to the delivery of narrow lot product within Stages 16A and 16B.

In August 2017, the Business Report considered by the Tamala Park Regional Council provided a brief update regarding the status of the report proposing the trial of narrow lot products within Stages 16A and 16B.

On the 21st September 2017, the Tamala Park Regional Council Management Committee considered the *Catalina Central Stages 16A and 16B Narrow Lot Product* report prepared by SPG proposing the trial of narrow lot products within stages 16A and 16B and resolved as follows:

ADVISES the Satterley Property Group that Council agrees that the small lot housing proposal could achieve the Council's objective of providing medium density housing, housing innovation and diversity. However, prior to the Council agreeing to proceed with a Tender to builders for the small lot housing proposal it requires the Satterley Property Group to provide detailed information for Council's consideration on the following:

- *A feasibility on the construction and sale of the small lot housing proposal and potential impacts on the Project Budget FYE 2018;*
- *The full commercial terms for inclusion in the tender/sales contracts, including any commitments by the Council;*
- *The terms and conditions of the exclusive allocation arrangements recommended;*
- *The building design, streetscape and sustainability requirements to be included in the Tender;*
- *Clear outline of risks to Council in proceeding with the small lot housing proposal, and risk mitigation measures to be applied;*
- *Advice from the City of Wanneroo on the small lot housing proposal; and*
- *Recommended staging of the small lot housing proposal.*

The following report seeks to provide the supplementary information requested by the Management Committee.

Introduction

The Tamala Park Regional Council (TPRC) is developing the Catalina Estate, a master planned urban development in the suburbs of Clarkson and Mindarie within Perth's north coast corridor.

The Catalina subdivision and development is positioned as a market leader in Perth's northern corridor, leveraging on its unique urban infill position, located close to existing community facilities in retail/shopping, health, education and transport.

The Catalina Estate will comprise around 2,400 lots, and is anticipated to be developed at a rate of approximately 100-150 lots per annum.

Construction of Stages 1-15, Stages 17 – 18 (Catalina Central) and Stage 25 (Catalina Beach) has been completed comprising some 900 residential lots. The Catalina Central development includes a range of lot sizes from 225m^2 rear loaded lots to 510m^2 traditional lots. Prices generally range from $205,000 to $380,000 for standard residential lots.

SPG has investigated opportunities to redesign Stage 16 within Catalina Central to an "Innovation Precinct" providing narrow lot product (with areas less than 200m^2) within the Catalina Estate. The proposed lot typoloigies within Stage 16 may facilitate the following objectives:

- Diversified product mix and market.
- Opportunities for affordable housing.
- Opportunities for alternative, sustainable construction methodologies.

Catalina Central – Opportunity

Purpose

To provide housing product that meets an affordable price point, relative to Catalina, without competing against standard lot product, that is innovative and adaptable in the current market place. Providing for an increase in product mix therefore assisting in achieving Councils objectives of providing innovative, adaptable and diverse product.

Stage 16A in Catalina Central has been designed to accommodate the introduction of narrow lot product in conjunction with traditional lots. The opportunity to deliver a new standard of product on 28 narrow lots and 17 traditional lots overlooking the Greenlink, fronting Aviator Boulevard creates an opportunity for diversification, affordability and innovation.

The lots will be offered via a tender for a builder release. Builders will be invited to submit a tender to partner for the construction and sale of high quality 2 storey residential dwellings on narrow lots at Catalina Central as shown on the attached plan (Refer Annexure A).

SPG will seek tenders for TPRC to partner with a Builder or multiple Builders to develop 2 storey residential dwellings on 21 x two storey and 3 x single storey lots within Stage 16A. The subject lots have local amenities, overlooking the greenlink and are in close proximity to Connolly Drive and the recently opened freeway. This is the first development of this kind at Catalina with further development opportunities expected in Catalina Beach and Catalina Grove from 2019.

The successful Builder/s will be responsible for the design and construction of the homes in accordance with Design Guidelines and Local Development Plan to be prepared for the narrow lot products. Traditional lot product is provided to the north of Aviator Boulevard to ensure supply of traditional lots to satisfy a broad spectrum of the market.

The Builder will be expected to adhere to the proposed Design Guidelines and Local Development Plan, and provide elevations / streetscape perspectives as part of their submission.

It is anticipated that the lots will have subdivision approval but not be Titled (this is to allow for any minor changes that may be offered to the TPRC at tender stage and prior to lodgment).

There will be a weighted Builder Selection Criteria that will be assessed by the Probity Adviser and lots will be allocated based on the scoring as advised by the Probity Adviser. The design of the home will be a heavily weighted criteria to ensure built form objectives are achieved.

Annual Plan

The Annual Plan prepared for the Catalina Estate FYE 2018 identifies SPG's commitment to deliver narrow lot products similar to Innovo at Ellenbrook. The Annual Plan supports innovation of lot sizes including higher density lots within Stages 16A and 16B with SPG required to undertake this trial in order to pass several Key Performance Indicators including a requirement to create a diverse lot mix throughout the Estate.

Housing Strategy

Recently, the TPRC considered the Housing Strategy prepared and updated for the Catalina Estate. The Housing Strategy identified a number of objectives for the Estate and initiative to facilitate achievement of the TPRC's vision for housing.

Included within the 2017 Housing Strategy Review was the recommendation to trial innovative smaller lot product in Stages 16A and 16B with lot areas starting from 135m^2. The proposed subdivision plan is consistent with the recommendations presented within the Housing Strategy.

Planning

The 6m and 4.5m wide product proposed at Catalina Central are both rear loaded housing options with garaging accessed by a rear lane. The homes provide a number of innovative outcomes which enhances the streetscape presentation and increases housing diversity within the estate as follows:

6.0m Product:

- Delivers 2 storey outcome which improves streetscapes;
- Provides 2 car parking bays;
- Provides 3 bedroom x 2 bath and 4 bed x 2 bathroom options;
- Provide a good interface to high volume traffic streets or direct interface with open space;
- Delivers medium density in a green title format;
- Turnkey product;
- Delivers a good design outcome where density is required around local centres and/or transit nodes; and
- Delivers density targets required by the Department of Planning without requiring apartment development.

4.5m Product:

- Delivers 2 storey outcome which improves streetscapes;
- Provides 1 car parking bay;
- Provides 3 bed x 2 bath, 2 bed x 2 bath and 2 bed x 1 bath options;
- Provide a good interface to high volume traffic streets or direct interface with open space;
- Delivers medium density in a green title format;
- Turnkey product;
- Delivers a good design outcome where density is required around local centres and/or transit nodes; and
- Helps to deliver density targets required by the Department of Planning without requiring apartment development.

Reduced lot sizes (approximately 126m^2) for the 4.5m frontage product improves affordability as a direct response to the land component.

Further innovation has been delivered in Lightsview (SA) and some of the Ellenbrook Innovo Precinct through the use of lightweight materials and framed construction techniques.

By planning for the above, it provides for a wider range of lot sizes in the future, and will assist in placing Catalina as the market leader in Perth's north-west corridor for higher density lots in Catalina Central, with the aim to provide further product at Catalina Grove and other future stages.

The current planning provides Stages 16A and 16B with 63 residential lots in the eastern side of the Catalina Central estate.

Based on the proposed revision of subdivision the revised plan allows for 72 residential lots in Stage 16.

SPG have met and discussed with several of Perth's builders seeking feedback on the concept design and to gauge interest of the builders' desire to participate and construct on the narrow lot product, including lightweight construction. This has been met in a positive light. Annexure E provides a summary of the builders' initial feedback. It is worth noting, that this feedback is preliminary in nature and further input into detailed costings / design outcomes will be better known once the Tender submissions are received.

The 'Innovation Precinct' has been refined as follows:

- Innovation Precinct located south of Aviator Boulevard.
- Possible lot packages, grouping of runs in each package with the intention of a single participant building out that particular run.
- In each instance the 4.5m product is flanked by 6m (or greater) lots within the same package.
- Additional width has been included in cell end lots to enable a double garage and provide width to accommodate side setbacks to road reserves/POS.
- A second car park is proposed at the easternmost end of the cottage lots to increase the number of visitor parking lots above the 1 bay per 2 lots typically required by CoW.

SPG believe there is opportunity to mandate built form controls to ensure an appropriate scale and built form outcome is delivered.

SPG have identified two strategies to progress the "Innovation Precinct" being:

1) Release tender to potential participants/market as a Concept Plan. This provides ultimate flexibility for participants to input into the lot typologies and layout of the Precinct and would enable ultimate flexibility (from the builders' perspective).
2) Release the tender to potential participants/market with an approved (but not constructed) subdivision. This would provide potential participants with the comfort that the lots are supported in this location by CoW and DoP and also demonstrate TPRC's commitment to the Precinct. The approved (but not constructed) subdivision approval would also provide a degree of flexibility through the revised subdivision plan process to undertake minor modifications to the layout if required.

SPG consider that the second strategy would provide a greater level of comfort to interested Builders and protection to TPRC.

The subdivision layout proposed caters for off street car parking.. The plan will require further input by the City of Wanneroo to confirm the total number of bays required.

Feasibility and Impact on the FYE 18 Budget

Please refer to the static feasibility assessment below prepared for Stages 16A and 16B:

Catalina Stage 16A & 16B Analysis

		APPROVED BUDGET FY18 ACTUALS UPDATE TOTAL	UPDATED FORECAST TOTAL	VARIANCE TOTAL
Residential lots (excl. group housing)		*63*	*72*	*9*
Residential saleable area		*14,595 m²*	*15,554 m²*	*959 m²*
Avg. resi lot size		*232 m²*	*216 m²*	*(16 m²)*
UNESCALATED GROSS REVENUE				
Residential income		13,115,614	14,174,233	1,058,619
TOTAL UNESCALATED GROSS REVENUE		**13,115,614**	**14,174,233**	**1,058,619**
DIRECT SELLING	*Input*			
GST	4,545	286,364	327,273	(40,909)
Selling commission	*2.10%*	275,428	297,659	(22,231)
Project management	*2.25%*	295,101	318,920	(23,819)
Settlement fees	*400*	25,200	28,800	(3,600)
Rebates	*11,250*	708,750	810,000	(101,250)
TOTAL DIRECT SELLING COSTS		**1,590,843**	**1,782,652**	**(191,809)**
DEVELOPMENT COSTS				
Lot production costs incl. bulk earthworks		5,038,700	5,036,892	1,808
TOTAL UNESCALATED DEVELOPMENT COSTS		**5,038,700**	**5,036,892**	**1,808**
UNESCALATED CASH CONTRIBUTION TO GROSS PROFIT		**6,486,072**	**7,354,690**	**1,248,620**

Notes

1. Other than the line items listed above, this analysis excludes any infrastructure, landscaping or other cashflow implications that may be triggered by production of stages 16A and 16B.
2. The above analysis does not take into consideration any apportionment of indirect costs such as infrastructure, landsacping, marketing, administration and finance costs that may be attributed to a stage under a Profitability Analysis. As such, this analysis cannot be relied upon as an indicator of overall net profit/(loss).
3. The approved budget figures shown in the analysis above have been adjusted to show the unescalated value of revenues and costs.

The static feasibility is in line with the 2017 Project Forecast and shows an increase in lots from 63 to 72 with an indicated gross profit increase of $1.2m.

Pricing

Based on competition and the price point that the narrow lot product is required to meet to remain competitive, outlined below is a summary of pricing on the 4.5metre (2x2) and 6metre (3x2) product type, assuming a land sales rate of $1,100m^2$ and $1,000m^2$ respectively.

Area	Depth	Frontage	Total Area	Rate/sqm	Lot Price	House Price (incl SW)	Total Package (incl Siteworks)
168	28	6	168	$1,000	$168,000	$235,000	$403,000
126	28	4.5	126	$1,100	$138,600	$235,000	$373,600

This price point provides an indication and will be dependent upon tenders received, but it is not unreasonable to assume that a house and land package for the 6m wide product would be priced at around $410,000 - $440,000 and the 4.5m product would be priced at around $380,000 - $410,000, competing with apartment product as opposed to standard house and land within the Estate. It is worth noting that this is the cost for a full turnkey product, including siteworks.

Catalina Estate Established Properties on the Market

Property Address	Land Size	Asking Price	Configuration
28 Vetter Road	473sqm	'All Offers Presented'	4x2x2 2 storey display
34 Vetter Road	450sqm	$895,000	4x2x2 2 storey display
26 Vetter Road*	458sqm	From $679,000	4x2x2 2 storey display
24 Vetter Road	450sqm	$829,999	4x2x2 2 storey display
22 Vetter Road	505sqm	From $899,000	4x3x2 2 storey display
32 Vetter Road	394sqm	From $775,000	4x3x2 2 storey display
5 Antares Street	193sqm	$349,000++	2x1x1 rear loader
3 Makassar Way	370sqm	Mid-High $400's	3x2x2
10 Pratt Lane (5 units)	171sqm	From $450,000	3x2x2 2 storey house
33 Pollock Way	240sqm	$399,000 - $409,000	3x2x2 rear loader
8 Felix Lane*	225sqm	Offers	3x2x2 display house
51 Pollock Way	259sqm	From $399,000	4x2x2

*Denotes Listing Under Contract

Catalina Estate Established Property Sales

Property Address	Land Size	Sale Price	Configuration
22 Bolitho Way	296sqm	$440,000	3x2x2
52 Commodore Ave	250sqm	$415,000	3x2x2
10 Koenig Way	375sqm	$428,000	3x2x2
9 Koenig Way	375sqm	$460,000	4x2x2
17 Pomelaa Way	375sqm	$430,000	3x2x2
1 Vetter Road	331sqm	$575,000	4x2x2 2 storey

Risk Assessment

SWOT Analysis

Strengths

- Infill land within near proximity to existing amenities and infrastructure;
- Market demand for smaller, affordable lot products;
- Proximity to the Greenlink providing amenity for residents and relief to the streetscape;
- 'On Trend' product with builders promoting housing suitable for construction on the proposed lot typologies ('Brown Stones', the 'Skinnies' etc).

Weaknesses

- Stage 16B is located within near proximity to the intersection of Connolly Drive and Aviator Boulevard (near a proposed group housing site), these factors may prove a deterrent for sale;
- Reduced primary street setback;
- Potential on-street parking issues; and
- Softened market conditions may result in a slower than anticipated uptake of narrow lot product.

Opportunities

- Creation of a framed, two storey entry to the Catalina Central Estate from Connolly Drive;
- Creation of an innovative product type that appeals to a new market;
- Creation of high quality, aesthetically appealing entry statement into the Catalina Central Estate from Connolly Drive;
- Creation of greater lot diversity with the following lot typologies proposed within Stage 16A:
    - 14 x 6 metres wide x 28 metres deep
    - 8 x 4.5 metres wide x 28 metres deep
    - 1 x 7 metres wide x 28 metres deep
    - 2 x 9 metres wide x 25 metres deep (excluding truncation)
    - 1 x 7 metres wide x 13 metres deep (excluding truncation)
    - 1 x 7.5 metres wide x 16 metres deep
    - 1 x 10.5 metres wide x 16 metres deep
    - 17 x regular lot product
- Creation of diversity in housing stock;
- Creation of affordable housing opportunities with house and land packages aiming to commencing from approximately $380,000 for a 4.5 metre frontage lot and from $410,000 for a six metre frontage lot; and
- Opportunities exist to create additional, similar lot product in Catalina Grove and within Catalina Beach.

Constraints

- Price sensitive market; and
- Prescriptive Design Requirements to ensure built form outcomes (driveway locations nominated).

Risk Assessment and Mitigation Strategy

Risk	Probability	Consequence	Mitigation Strategy
Stage 16A narrow lots are not favourably received by the market.	Moderate	The lots do not sell quickly resulting in delayed income to TPRC.	1. Narrow lot product may be amalgamated to create larger fronted lots with more conventional dimensions. These lots would be promoted as having duplex potential (for example, adjoining 6 and 4.5 metre lots amalgamated to create 10.5 metre fronted lot). 2. Staging the works to enable modifications to Stage 16B in the event that the first release being Stage 16A is not favourably received. 3. Production of traditional lot product (12.5 metres x 30 metres and 15 metres by 30 metres) on the northern side of Aviator Boulevard to provide product diversity, market tested product and more certain sales for the TPRC.
Built form outcome is undesirable and does not satisfy TPRC objectives	Low	The built form entry statement at the intersection off Connolly Drive along aviator Boulevard is not aesthetically appealing and results in a cheap looking, inferior product.	1. TPRC to commit to high quality landscaping along the Stage 16 Greenlink and POS to provide potential screening and higher amenity for residents. 2. Design Guidelines be structured to optimise the quality of the Built Form Outcomes. 3. Tender for exclusive lot allocations to include heavily weighted selection criteria for house design. 4. If required, LDP to be created for the Stage nominating cross over locations, garage locations etc.
Non-Contiguous Development	Moderate	Narrow lots that are difficult to build on being constrained on both side boundaries.	1. Builders to be required to undertake contiguous development within their lot allocation to minimise this event arising.

			2. In the event that a builder is not able to exhaust their allocation and a single lot remains available: the adjoining builder within the run would be offered the lot to gain construction efficiencies.

Commercial Terms

Standard land contract with the buyer entering into a contract with the TPRC to purchase the land and the builder for construction.

The TPRC would commit to providing the following rebates:

- Solar Rebate ($2,000)
- Boundary fencing (noting the probable use of parapet walls) including cottage lot walls and open rail fencing

Front landscaping packages have been excluded from the contracts due to the limited area (approximately 5m^2 to 12m^2) to be treated. The Builder shall be required to undertake verge landscaping on behalf of the purchaser.

SPG propose that the TPRC offer a $5,000 rebate to purchasers who buy their lots within 10 weeks of the release of Stage 16A as an alternative to front landscaping where following conditions are satisfied:

- Settle lot in accordance with contractual requirements;
- Pay the deposit for lot in accordance with contract for sale; and
- Slab down within 6 months of settlement.

In addition to the above, the TPRC have been requested to consider the following to support and promote Stages 16A / 16B (as previously referenced):

- Create a personalised marketing page within the Estate website to promote the house and land packages (approximately $10,000);
- Engage a creative agency to establish a unique brand identity specific to the packages and the products (approximately $40,000);
- Provide and install co-branded banner mesh upon Practical Completion of civil works (approximately $21 / lineal metre);
- Produce co-branded collateral including brochures, H&L Packages (approximately $20,000)

The above described marketing expenditure is not included within the current budget however, if supported by Council, future budgets will be updated to capture these costs.

TPRC may wish to consider alternative commercial terms including:

- The homes being built on a speculative basis with construction funding by the Builder and land supplied by the Developer;
- Joint funding model proposed by the Builder;
- Put Option (not currently favoured by Builders in this market).

Terms and Conditions of the Allocation Method

Allocation Method

SPG consider that the Stage 16A and 16B lots should be subject to the tender process approved by the Tamala Park Regional Council for medium density builder allocations.

This process requires suitably qualified building companies tender for packages of medium density lots (in this instance, narrow lot product), with builders being ranked in accordance with the approved selection criteria with the highest ranked builder receiving the first selection. The tender procedure represents a fair and efficient methodology for the sale of medium density lots and has yielded sound results to date.

The process will achieve a uniform streetscape within the Stage 16A and 16B precincts, capitalises on the cost efficiencies of constructing multiple dwellings, leading to improved affordability to end users and to assist in the marketing and sale of lots at Catalina.

If lots are not sold via the builder hold allocation process they are to be placed on the market via the public release process.

Hold Allocations

The Hold Allocation procedure consists of the TPRC placing a parcel of lots on hold for a builder for an agreed period of time. Placing the lots on hold for a builder provides the builder sufficient confidence to prepare detailed house and land costings and actively market the house and land packages to the public.

Builders are incentivised to actively market the house and land packages by being offered additional allocations (if available) once all of the lots in their allocation are sold. If a builder is not successful in selling the proposed houses in their allocation then the remaining lots will be allocated to the next highest ranked builder who is yet to receive an allocation.

SPG recommends that the TPRC allocate the lots via an exclusive hold allocation to builders.

The following summarises the proposed allocation terms:

Exclusive Allocation Term:	16 weeks from date of allocation
Extension Term:	4 weeks (at the discretion of the TPRC)
Finance Approval:	45 days from contract acceptance
Period for finance extensions	28 days
Settlement:	21 days post issue of titles or acceptance of contract

Terms

The offer of lot parcels to the successful builders will be by way of exclusive allocation. There are 6 packages comprising between three lots and six lots to be offered to builders. Details of the allocation parcels are contained in the Allocation Plan attached as Annexure B.

The exclusive allocation offered to the successful builders will be for 16 weeks. If the tenderer (builder) does not secure a buyer/s for the allocated lots within the allocated time, lots unsold can be granted an extension of time or reallocated to an alternate builder at the absolute discretion of the TPRC.

Each lot will be sold as a house and land package. TPRC is responsible for the sale of the land only. A buyer wishing to purchase a house and land package is required to sign TPRC's Standard Sale Contract (including a provision for a building contract with a specific builder) and a separate contract with the relevant builder for construction of the home (building contract).

It should be noted that the lots associated with this tender document shall be sold to private purchasers only and can not be sold to any statutory, government or other public entity.

The tender will request that builders nominate if a 'spec home' will be constructed within their allocation. Builders who advise they will commit to a 'spec home' will score a maximum score against this criteria.

Builders would be required to commit to the Catalina Instant Waste Management Recycling program and undertake verge landscaping on behalf of the purchaser.

All allocations shall be offered in accordance with the Australian Competition and Consumer Commission.

The following rebates will be available, subject to meeting certain criteria, to purchasers of the house and land package: solar, waste recycling, fencing and Construction rebate.

Tender Proposal

Upon receipt of the subdivision plan, SPG will prepare a tender document on behalf of the TPRC that allows flexibility in its review, seeking to push the boundaries on sustainability and innovation. Upon receipt of suitable tender submissions, TPRC may enter into an agreement with a builder/s to construct two to three tranches of product in cells to provide a well designed built form outcome that addresses the street and each adjoining lot in an informed manner and to also provide the builder ease of construction over a run of small frontages.

It is proposed that a tender will be prepared and released to the market in January 2018, based on the conditions as outlined below:

Conditions of Allocation

- The exclusive allocation is provided over specific lots in a contiguous run, as per the attached plan.
- The builder will commence marketing the packages in conjunction with Satterley/TPRC from the commencement of the exclusive allocation period, unless agreed otherwise.
- The builder agrees to provide the following marketing and package details:
  - Detailed home designs for each allocated lot;
  - 360 degree photo tours;
  - 3D high spec front renders;
  - Full colour floor plans and elevation for each design;
  - Specification and inclusions;
  - Lump sum contract price (breakdown of siteworks, construction and upgrades to be provided);
  - The builder is aware that final designs must be approved by SPG prior to the packages being advertised;
  - The builder agrees to provide package prices for all lots on or before commencement of exclusive allocation period.

TPRC Commitments

- Create a personalised marketing page within the estate website to promote the house and land packages;
- Engage a creative agency to establish a unique brand identity specific to the packages and the products;
- Provide and install co-branded banner mesh upon Practical Completion of civil works;
- Produce co-branded collateral including brochures, H&L package templates and website assets;
- Should the successful builder sell 80% of their allocated lots in the first stage within 16 weeks, TPRC will agree to provide the successful builder with an additional allocation, if and when available, via exclusive allocation. The allocation will commence at TPRC's discretion and will remain in place for 4 months following the issue of titles.

Design Guidelines

To optimise the built form outcome for Stages 16A and 16B, SPG recommends that the TPRC appoint a built form design specialist to prepare custom Design Guidelines for Stages 16A and 16B.

The Catalina Central: Stage 16A and 16B Design Guidelines will establish the vision for Stages 16A and 16B and define the mandatory requirements for housing construction within this Stage. The final design of each house will be required to comply with the City of Wanneroo's District Planning Scheme, R-Codes and any relevant policies. In addition to this, the Tamala Park Regional Council shall be required to approve the design of each dwelling prior to the commencement of works onsite.

The Catalina Central: Stage 16A and 16B Design Guidelines will facilitate the TPRC's vision for Catalina Central as follows:

- An environment that is safe and secure;
- Variety of lot types to satisfy the requirements of different household structures;
- Built form outcomes that address the primary street (Aviator Boulevard) and the laneway servicing the lots;
- Provisions for utilities and storage (including bin storage);
- Character Development for Single Dwelling Lots;
- Landmark minimum two storey development addressing the public realm;
- Minimum 6 star energy efficiency rating;
- Passive solar design;
- Installation of photovoltaic panels;
- 32c ceilings to the ground floor, 30c upper level;
- Other sustainability initiatives (water wise gardens, etc); and
- Alternative construction methodologies.

Stage 16A and 16 B will facilitate the vision by:

- Responding to climate and conditions;
- Including high quality design detailing to create an attractive character and contemporary façade;
- Incorporate principles of environmental design and energy and water conservation;
- Contribute to community safety and security through the creation of active frontages providing passive street surveillance;
- Facilitate active pedestrian links and cycle networks, especially along Aviator Boulevard;

Prior to construction commencing on site, SPG will review each house design for lots within Stages 16A and 16B to ensure that the mandatory design requirements have been satisfied.

Each Builder will be required to submit a development proposal for SPG's approval prior to lodging an application for statutory approval with the City of Wanneroo. The proposal shall be designed to meet all other relevant statutory planning and building construction requirements.

The steps in the Developer's Approval process are:

1. The applicant send the building documentation to the Development Manager;
2. The Development Manager assesses the documentation for compliance with the Mandatory Requirements of Design Guidelines. The proposal either:
    - Fully complies with the Mandatory Requirements of Design Guidelines; or

- Requires modification or additional detail to fully comply with the Mandatory Requirements of Design Guidelines. The Development Manager will advise the Applicant who shall then revise and send the updated documentation for reassessment by the Development Manager.

3. Subject to compliance with the Mandatory Requirements of the Design Guidelines, the Development Manager approves the proposal and returns one 'approved' set and a confirmation letter to the applicant. The Developer retains one set on file for records.
4. The applicant submits the 'approved' set and confirmation letter and all other required information to the City of Wanneroo to obtain statutory approvals.

The Development Manager may consider a proposal that varies from the mandatory requirements of these Design Guidelines on the basis of architectural merit.

Note: The Project Manager Approval shall not imply or guarantee a statutory approval by the City of Wanneroo. The City of Wanneroo will consider the Developer's Approval as a supporting advice included in a statutory approval process.

The following mandatory requirements will be included within the Design Guidelines for Stage 16A and 16B:

- Orientation to public streets;
- Design aesthetic to address the laneway;
- Provision for onsite storage including bin store;
- Provides a built form that addresses Aviator Boulevard;
- Elevations facing public streets shall include a minimum of two different materials;
- Installation of roof mounted photo voltaic cells (these panels may be visible from the public realm).
- Installation of high star-rated water using appliances (such as toilet, taps, shower head etc.)

The following are recommended requirements for the design in Stages 16A and 16B.

- Outdoor living areas that promote outdoor entertaining;
- Attractive interface between the public and private realm including all elevations to be articulated such that the mass of buildings is minimised by variations in walls, materials, openings and roof lines;
- Consider the internal layout of the dwelling and the capacity to create natural breezeways;
- Incorporate additional shade devices that allow northern winter sun in to living areas and the outdoor living area and prevent summer sun access. Shade devices include pergolas, deciduous vegetation and awnings;
- Install a heat pump or roof mounted solar hot water system.

The Design Guidelines will be progressed and developed in consultation with the nominated specialist.

City of Wanneroo Consultation

SPG and the TPRC have met with the Director of Planning and Infrastructure at the City of Wanneroo on multiple occasions to discuss the option of providing narrow lot product within the Catalina Estate including Stage 16A and 16B. Dialogue with the City commenced in October 2016 and has continued into 2017 .

The City of Wanneroo has provided in principle support for the narrow lot product proposed in Stages 16A and 16B. The City has encouraged enhanced landscaping along the Greenlink to off set the loss of private open space and create local opportunities for engagement, interaction and amenity.

SPG scheduled and met with the Director of Planning and Infrastructure upon his return from leave to further discuss the Stage 16A and 16B proposed subdivision design. The City of Wanneroo's position has not changed and in principle support is still maintained.

Staging

It is proposed that the narrow lot product be delivered across two stages being Stages 16A and 16B. Stage 16A forecast to commence construction from April 2018 with lots to be released to the market in February/March 2018. Refer Annexure C for a staging Plan.

Based on achieving sales, it is forecast that Stage 16B will commence construction in November 2018. With a release to the market proposed in April 2019 (being one month before PC achieved for the civil works).

A Concept Plan has been included as Annexure D.

Program

The timing and delivery of Stage 16 is based on the budget and outlined below:

Task	Delivery Date
Lodge Subdivision Plan / LDP	October 2017
Tender	January 2018
Award Allocations	February 2018
Market	March 2018
Commence Civil Construction	April 2018
PC	August 2018
Titles	September 2018
Commence Building Construction	October 2018

The proposed staging boundaries are outlined in Annexure C. Stage 16A consists of standard product on the northern side of Aviator Boulevard, and narrow lot product on the southern side of Aviator Boulevard. The narrow lot product will be buffered by the Green Link which will offer relief between the road and the built form interface. The Builder will be required to construct homes contiguously.

Recommendation

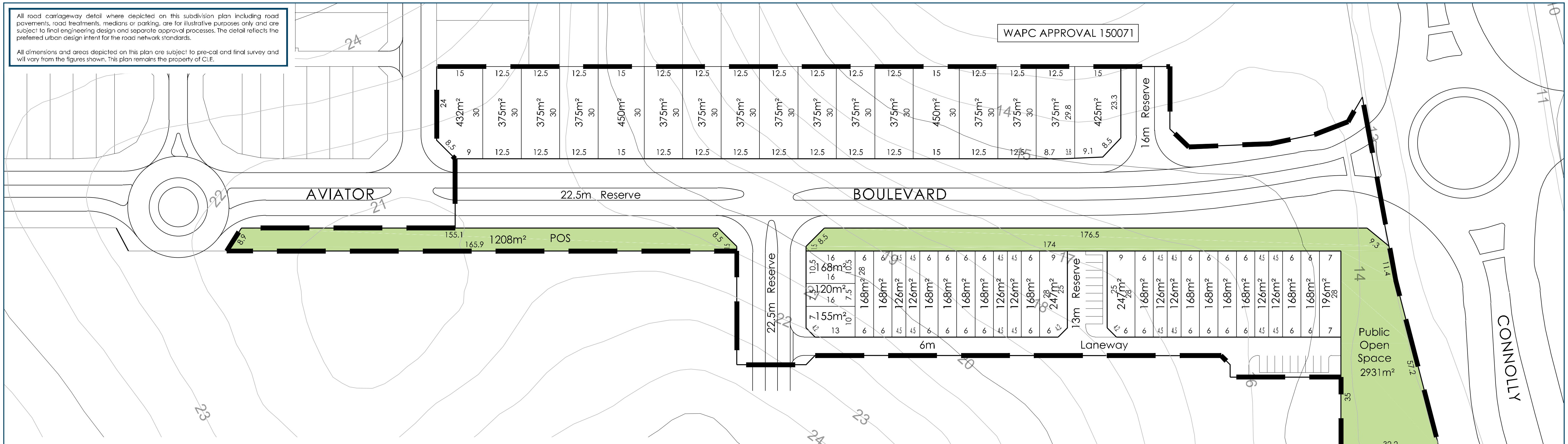
The Satterley Property Group recommend that the Tamala Park Regional Council:

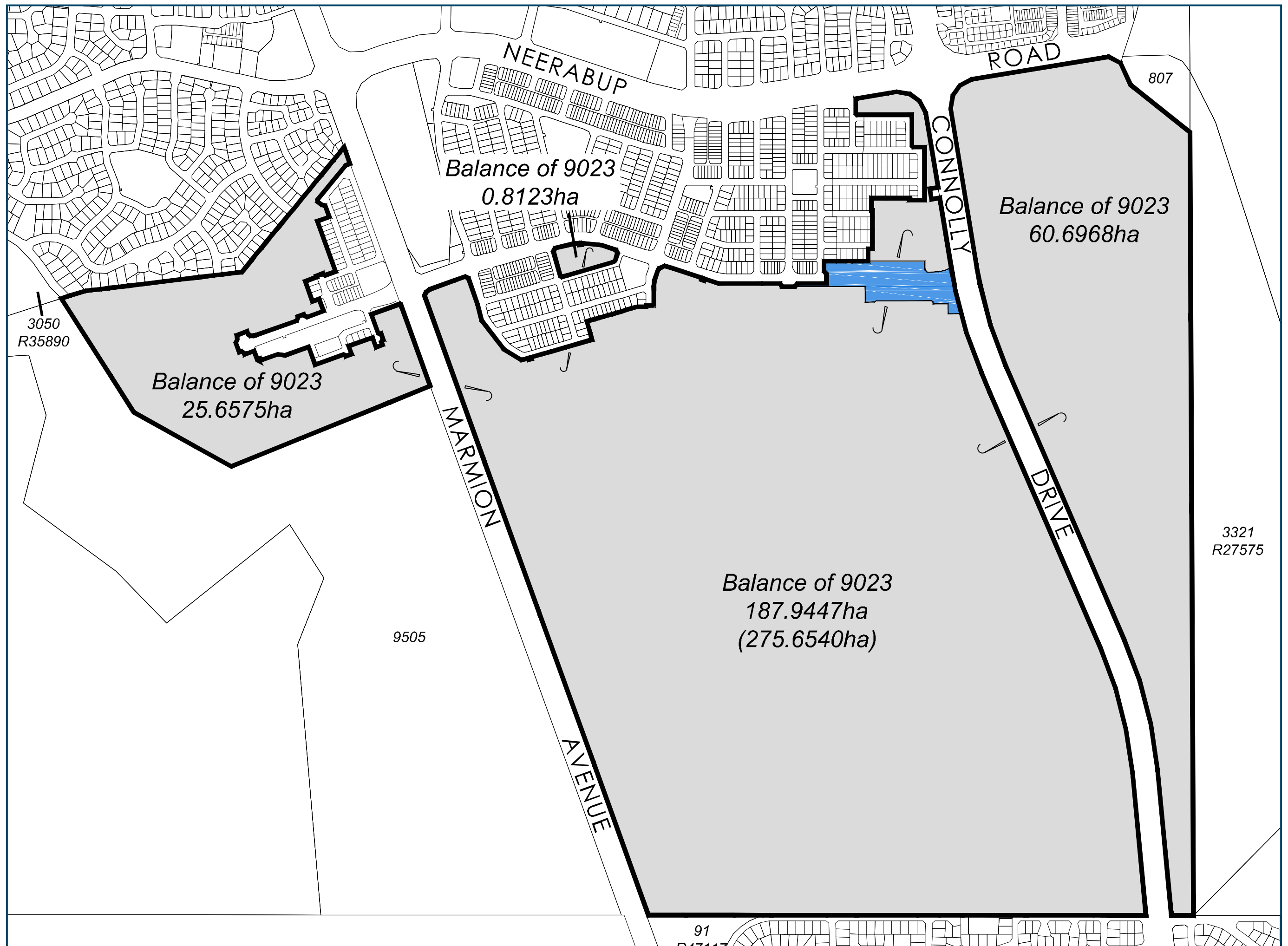
1. Agree to the Stage 16A Innovation Precinct to trial narrow lot products.
2. Provide consent for the Satterley Property Group to prepare and advertise a tender for builders allocation to be awarded under the delegation of CEO.
3. Agree to the appointment of a specialist to prepare Design Guidelines and Local Development Plan for Stages 16A and 16B.
4. Approve the lodgement of a subdivision application for Stages 16A.
5. Provide the CEO with delegation to award lot allocations.

Annexure A - Subdivision Plan

All road carriageway detail where depicted on this subdivision plan including road pavements, road treatments, medians or parking, are for illustrative purposes only and are subject to final engineering design and separate approval processes. The detail reflects the preferred urban design intent for the road network standards.

All dimensions and areas depicted on this plan are subject to pre-cal and final survey and will vary from the figures shown. This plan remains the property of CLE.





BALANCE LOT (nts)

Lot 9023 - 286.4006ha

Subject Area - 2.5747ha

Balance of Lot 9023 - 275.6540ha

Yield		
Residential	-	45 lots
Balance	-	1 lot
Total	-	46 lots

All road carriageway detail depicted on this subdivision plan including road pavements, road treatments, medians or parking, are for illustrative purposes only and are subject to final engineering design and separate approval processes. The detail reflects the preferred urban design intent for the road network standards.

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CLE
TOWN PLANNING + DESIGN

PROPOSED FREEHOLD SUBDIVISION

Lot 9023 Connolly Drive
Clarkson

plan no: **2228-489D-01**
date: 19 September 2017
scale: 1:1,250 @A3

Annexure B - Allocation Plan

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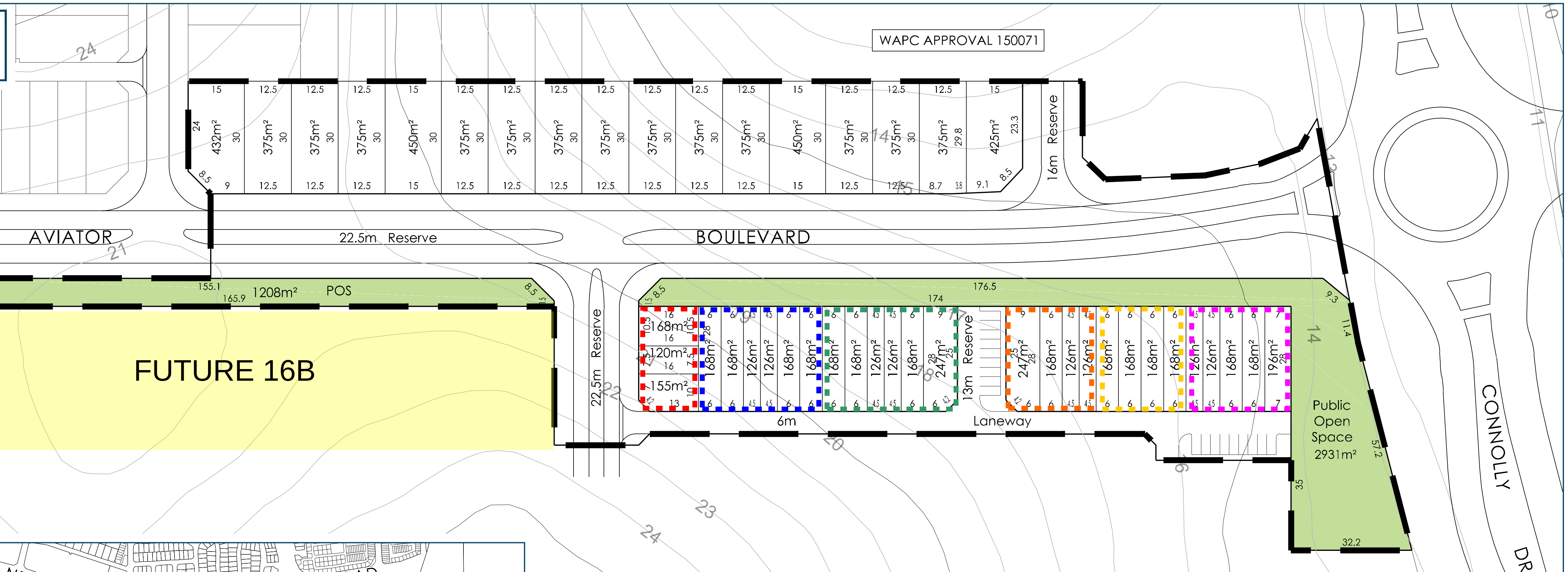

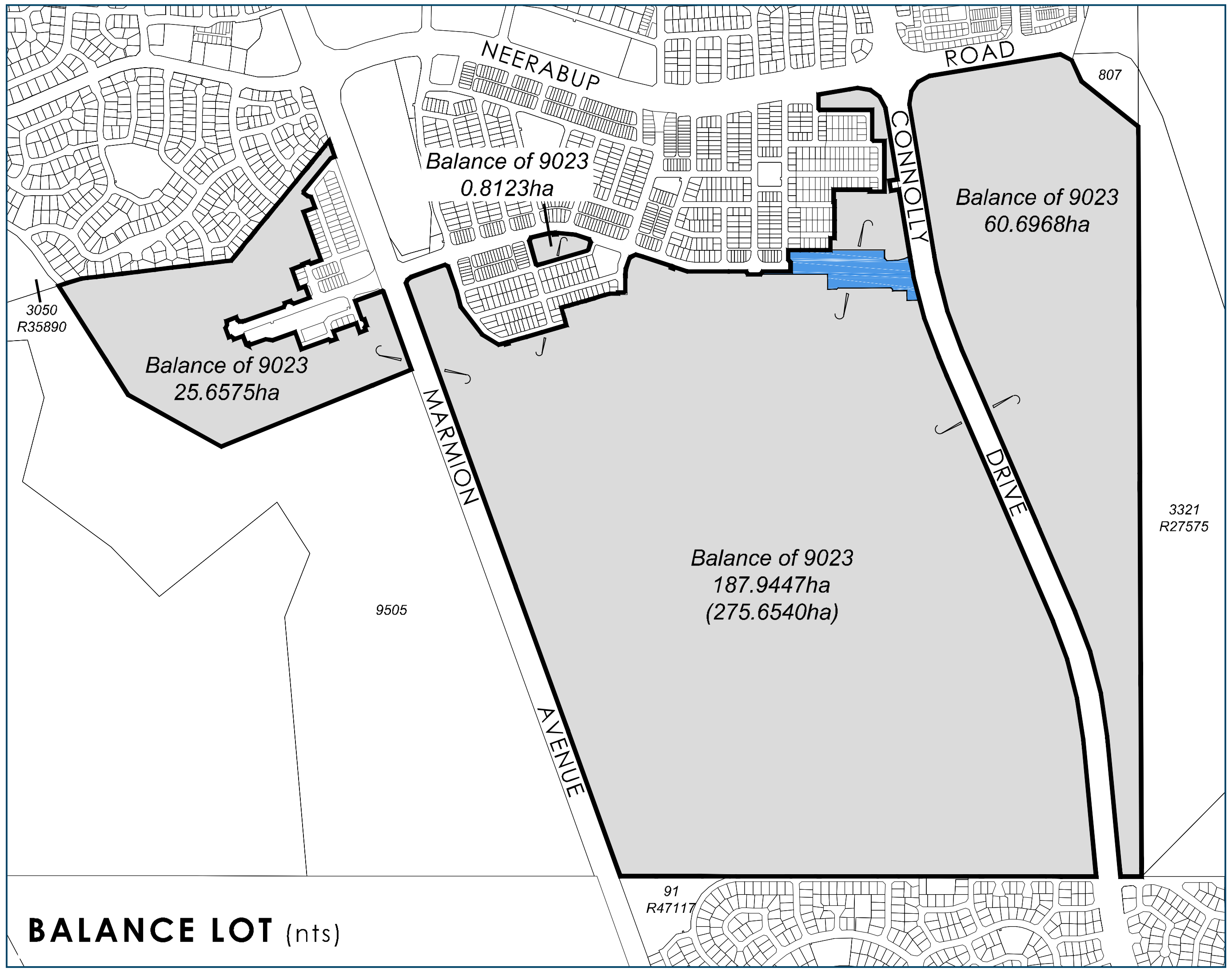

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CLE TOWN PLANNING + DESIGN

PROPOSED FREEHOLD SUBDIVISION

Lot 9023 Connolly Drive
Clarkson

0 10 20 30 40 50 60 70 80 90 100m

plan no: **2228-489D-01**
date: 19 September 2017
scale: 1:1,250 @A3

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

Annexure C – Staging Plan

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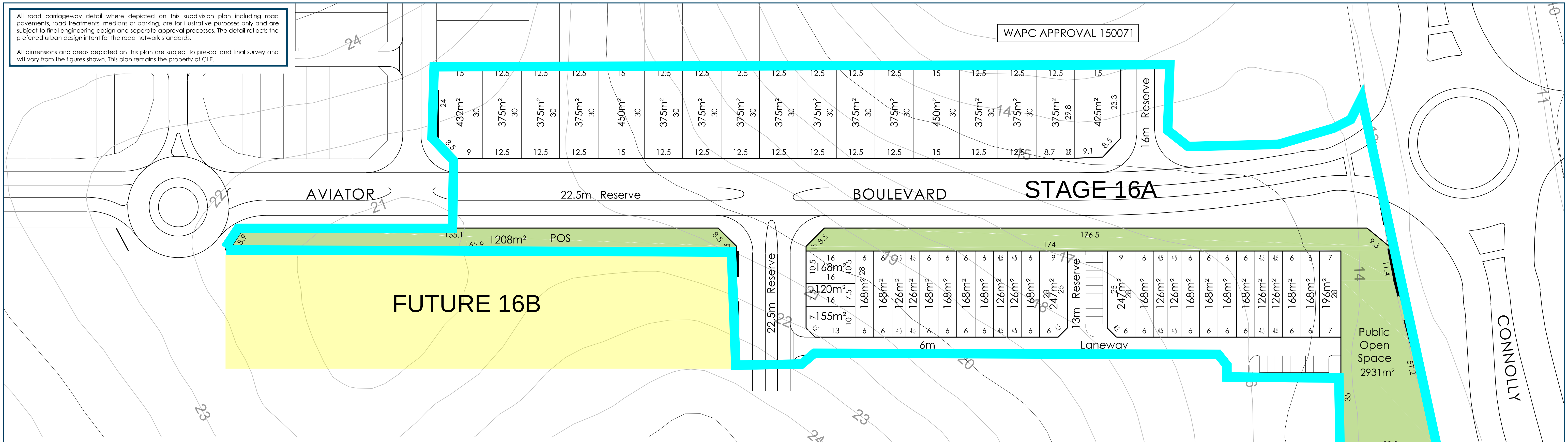

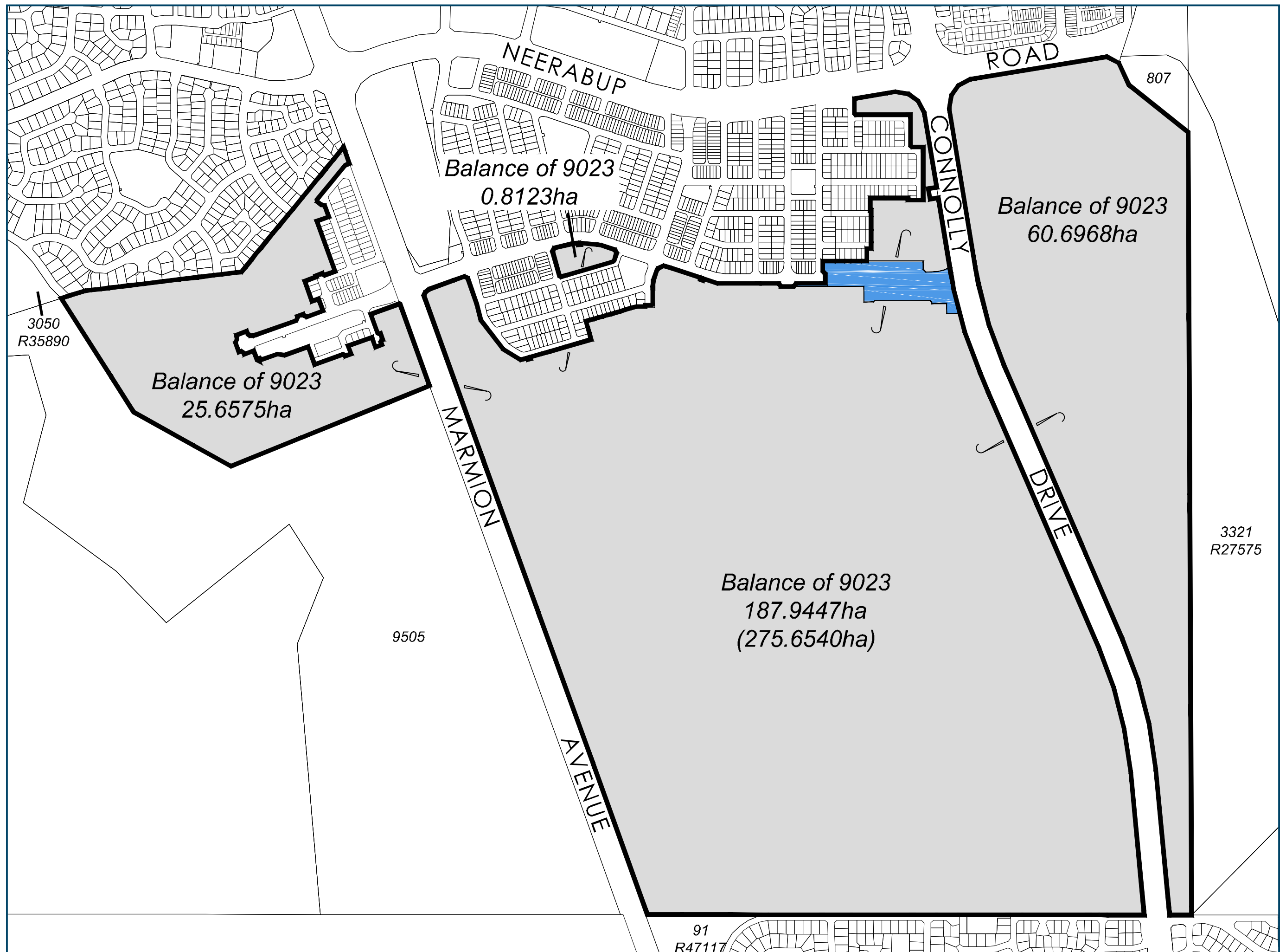

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Subject Area - 2.5747ha

Balance of Lot 9023 - 275.6540ha

Yield		
Residential	-	45 lots
Balance	-	1 lot
Total	-	46 lots

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CLE TOWN PLANNING + DESIGN

PROPOSED FREEHOLD SUBDIVISION

Lot 9023 Connolly Drive
Clarkson

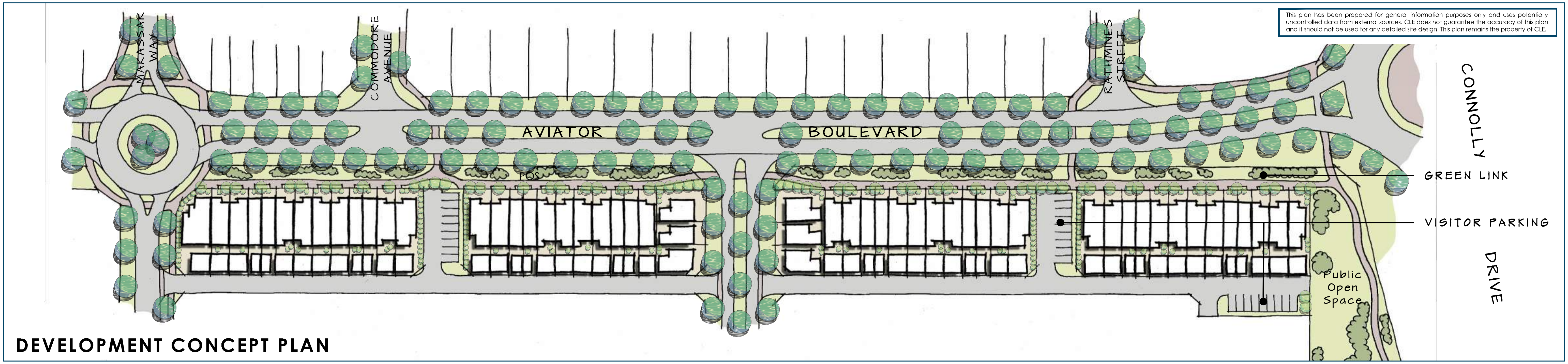
0 10 20 30 40 50 60 70 80 90 100m

plan no: **2228-489D-01**
date: 19 September 2017
scale: 1:1,250 @A3

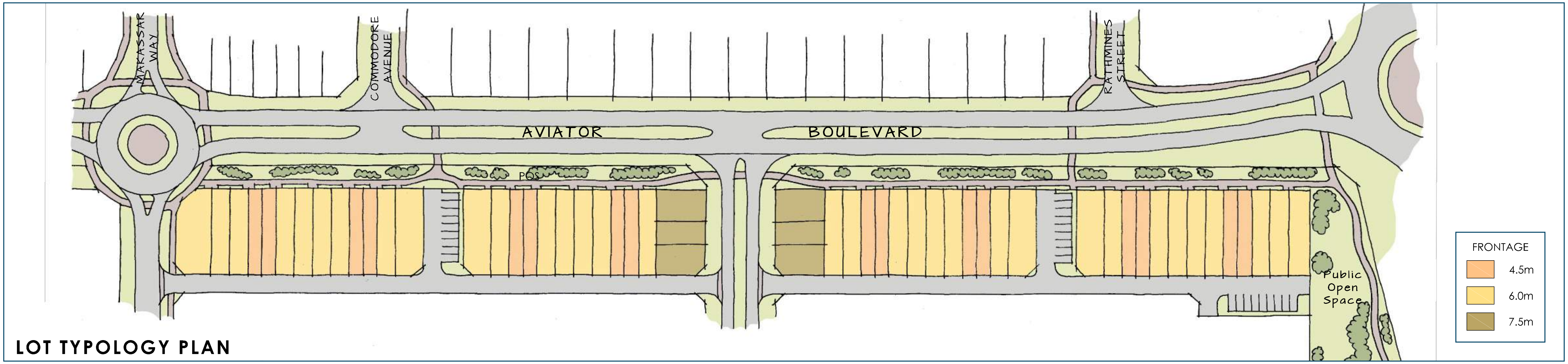
This plan is current at the revised date & subject to approval, survey & engineering detail. This plan remains the property of CLE © www.cleplan.com.au

Annexure D – Concept Plan

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



DEVELOPMENT CONCEPT PLAN



LOT TYPOLOGY PLAN

Source: Aveling

Source: Lightsview - CIC/PEET SA.

TYPICAL ELEVATION - 4.5m FRONTAGE

Source: The Hales Park Terrace

TYPICAL ELEVATION - 6.0m FRONTAGE

Source: Homebuyers Centre

TYPICAL ELEVATION - 7.5m FRONTAGE

CLE TOWN PLANNING + DESIGN

CONCEPT PLAN
Stage 16A + 16B, Aviator Boulevard
Catalina Estate

DRAFT

0 10 20 30 40 50 60 70 80 90 100m

N

plan no: **2228-516A-01**
date: 14 September 2017
scale: 1:1,250 @A3

Annexure E – Builder Feedback

ORGANISATION	PERSONNEL	COMMENTS
Homebuyers (ABN Group)	Eloise Healy ABN Retail	Two medium density lot typologies favoured: • 6 x 25m rear load • Happy with the 7.5 x 16m front load • Do not deliver the 4.5m rear load. • Like the front GreenLink (public open space) out the front.
		6 x 28m (168m^2) rear load • Two storey • Brick veneer construction • 4 bed, 2 bath, 2 bay garage • Can increase module depth up to 30m (no impact to build cost, only underlying land cost) • Prefer to deliver in runs up to 8 – 9 • 6 x 30m product completed in Vale, Aveley by APG Homes (6 x 25m design based on this product)
		7.5 x 15m/16m front load • Two storey • Fully framed construction • 3 bed, 2 bath, 2 car bays (1 in garage, 1 in tandem) • Can increase module depth to 16m+ (120m^2+) to suit R60 density coding • Prefer to deliver in runs up to 8 – 9

ORGANISATION	PERSONNEL	COMMENTS

Terrace (formerley
 	
Now Living (BGC))
	Paul Spadanuda
	
	Operations/ Manager
	
	Jessica Reid
	
	Project Manager
		• Keen to be part of innovation and noted builder/developer relationship critical to delivering medium density outcomes.
		• Happy to provide informal review and input from builder perspective as plan evolves
		• Participated in Ellenbrook's Innovo Development to deliver two lot typologies:
		  ◦ 6 x 28m (168m^2) rear load
		  ◦ 4.5 x 28m (126m^2) rear load
		• Typically do not favour single garage, front load product

		6 x 28m (168m^2) rear load • Two storey • 'Traditional' double brick construction • 3/4 bed, 2 bath, 2 bays
		4.5 x 28m (126m^2) rear load • Two storey • 'Traditional' double brick construction • 2/3 bed, 1/2 bath, 1 bay

ORGANISATION	PERSONNEL	COMMENTS
Express Two Storey	Piran Holloway General Manager	• Like the narrow lot product. Can deliver on 6 x 25 if cost is a factor. • Affordability in 4.5m rear load. Could reduce down to 25m depth. • Good opportunity to introduce 2 bed product at lower price point.
		6 x 28m (168m^2) rear load • Two storey • Double brick construction • 3/4 bed, 2 bath, 2 bays
		4.5 x 28m (126m^2) rear load • Two storey • Double brick construction • 2 bed, 1/2 bath, 1 bay

Feedback received late 2016 on previous revisions of the concept plan.

ORGANISATION	PERSONNEL	COMMENTS
Thompsons	Ian Holloway	Two key typologies: • 6/7.5 x 30m (180 – 225m^2) rear load • 4.5 x 28 – 30m (126 – 135m^2) rear load
		6/7.5 x 30m (180 – 225m^2) rear load • Retrofitting existing 7.5m wide product • Two storey • Fully framed construction • 3 bed, 2 bath, 2 bays plus study • Approximately $240K build cost
		4.5 x 28 – 30m (126 – 135m^2) rear load • Favoured lot typology • Two storey • Fully framed construction • 2/3 bed, 1/1.5 bath, 1 – 2 car bays • Approximately $200 – 220k built cost • Prefer to deliver in runs up to 8 – 9 • Construction to commence shortly in Ellenbrook Drummond Precinct (anticipate July 2016)
		Delivery model for demonstration precinct • Incentives for builders – exclusivity/allocation on future lot release • Deferred settlements not an incentive for builders

ORGANISATION	PERSONNEL	COMMENTS
Summit	Tony Harvie *General Manager* Peter Wilkinson *Design Manager*	• Primarily focused on single storey • Generally reluctant to provide two storey 'on spec' • Interested to be part of a demonstration precinct if partnership model can work • Summit have an on-site factory to explore innovations in materials, including lightweight and modular construction
		Variety of product available within typical 'medium density' typologies and sizes: • 7.5 x 25m (187.5m^2) – front load, single storey • 8.5 x 25m (212.5m^2) – front load, single storey • 6 x 30m (180m^2) – rear load, single storey (constructed at Trinity, Alkimos) • 3 bed, walk up (Parkland Heights) • 15 x 20m (300m^2) – front load, loft (constructed at Honeywood, Wandi) • 8.5m – rear load, single storey (constructed at Queens Park)

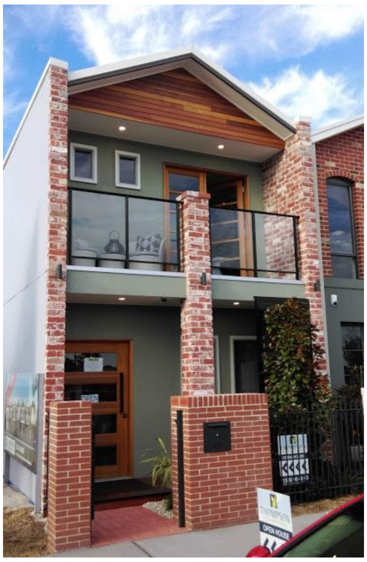
		Delivery model for demonstration precinct
		
		• Preference for partnership:
		  • Developer contributes land component
		  • Builder contributes build cost
		  • Margin upon completion/sale shared

Annexure F - Narrow House Product

Innovo, Ellenbrook

Now Living – Terrace

Aveling



Thompsons

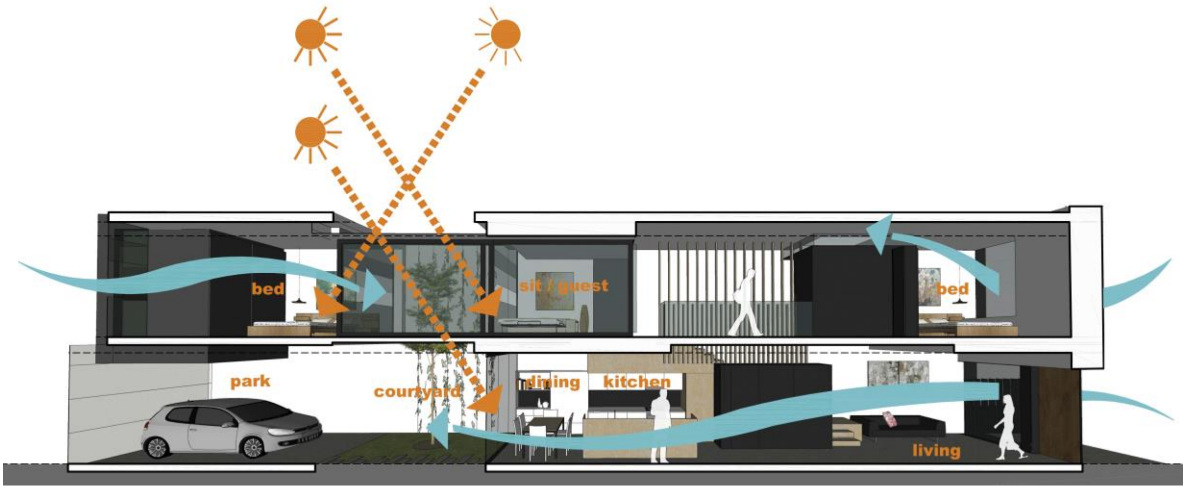
HBC – Alto Display 6m. 4x2x2

The Hales Park Terrace, Forrestfield

The Hales - Forrestfield

Lights View, South Australia

Lightsview - loft 238



Proclamation Road – Lights View

Francis Street, Lights View

Rapid Av

Appendix 9.7

TAMALA PARK REGIONAL COUNCIL

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2017

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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 2017

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

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

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

Tony Arias
Chief Executive Officer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

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

All amounts are disclosed in Australian Dollars.

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

CRITICAL ACCOUNTING ESTIMATES

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 18 to these financial statements.

(b) Goods and Services Tax (GST)

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

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

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

(c) Cash and Cash Equivalents

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Trade and Other Receivables

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

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

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

(e) Inventories

General

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

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

Land held for sale

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

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

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

(f) Fixed Assets

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

Mandatory requirement to revalue non-current assets

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

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

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

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

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

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Depreciation

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

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

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

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

Computer Equipment	4 years
Furniture and equipment	4 to 10 years
Printers, photocopiers and scanners	5 years
Floorcoverings	8 years
Phones and faxes	6 to 7 years
Plant and equipment	5 to 12 years

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities

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

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

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

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

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

Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued in accordance with the regulatory framework.

(h) Financial Instruments

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

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

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

Amortised cost is calculated as:

(a) the amount in which the financial asset or financial liability is measured at initial recognition;

(b) less principal repayments and any reduction for impairment; and

(c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Classification and subsequent measurement (continued)

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

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

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Impairment

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

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

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

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

Derecognition

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

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

(i) Impairment of Assets

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

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

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

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

(j) Trade and Other Payables

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Employee Benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

(l) Borrowing Costs

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

(m) Provisions

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

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

(n) Leases

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Interests in Joint Arrangements

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

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

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. Tamala Park Regional Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 15.

(p) Rates, Grants, Donations and Other Contributions

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

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

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

(q) Superannuation

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

(r) Current and Non-Current Classification

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

(s) Rounding Off Figures

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

(t) Comparative Figures

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

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

(u) Budget Comparative Figures

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

Notes:
[1] Applicable to reporting periods commencing on or after the given date.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	Title	Issued / Compiled	Applicable [1]	Impact
(iv)	AASB 1058 Income of Not-for-Profit Entities (incorporating AASB 2016-7 and AASB 2016-8)	December 2016	1 January 2019	These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are: - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services. Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Regional Council's operations.

Notes:
[1] Applicable to reporting periods commencing on or after the given date.

(w) Adoption of New and Revised Accounting Standards

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

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

(i) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities

[AASB 10, 124 & 1049]

The objective of this Standard was to extend the scope of AASB 124 *Related Party Disclosures* to include not-for-profit sector entities.

The Standard has had a significant disclosure impact on the financial report of the Regional Council as both Elected Members and Senior Management are deemed to be Key Management Personnel and resultant disclosures in accordance to AASB 124 have been necessary.

2. REVENUE AND EXPENSES

(a) Net Result

The Net result includes:

(i) Charging as an expense:

	2017 $	2016 $
Auditors remuneration		
- Audit of the Annual Financial Report	8,327	7,736
Depreciation		
Improvements to Leasehold Property	5,539	5,539
Furniture and equipment	3,910	1,915
Plant and equipment	8,493	9,805
	17,942	17,259

(ii) Crediting as revenue:

	2017 Actual $	2017 Budget $	2016 Actual $
Interest earnings			
- Other funds	1,245,826	959,170	1,435,795
	1,245,826	959,170	1,435,795

(b) Statement of Objective

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

COMMUNITY VISION

The Regional Council will endeavour to provide high quality services to the community through the various service orientated prograns which it has established.
Council operations are disclosed in these financial statements encompass the following service orientated activities/programs.

GENERAL PURPOSE FUNDING

Objective:
To collect interest in investments.
Activities:
Interest revenue.

OTHER PROPERTY AND SERVICES

Objective:
To monitor and control council's overheads on operating accounts.
Activities:
Other unclassified activities.

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

6 (a). PROPERTY, PLANT AND EQUIPMENT

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

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

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Movements in Carrying Amounts

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

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

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

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

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

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

7. TRADE AND OTHER PAYABLES

	2017 $	2016 $
Current		
Sundry creditors	21,211	42,318
Accrued salaries and wages	12,591	10,851
ATO liabilities	14,188	13,716
FBT Liabilities	1,622	1,490
Accrued expenses	4,725	4,800
	54,337	73,175

8. LONG-TERM BORROWINGS

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

9. PROVISIONS

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

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

10. MEMBERS CONTRIBUTIONS (continued)

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

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

11. REVALUATION SURPLUS

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

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

12. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	2017 $	2017 Budget $	2016 $
Cash and cash equivalents	39,213,368	33,795,833	47,135,952

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

	2017 $	2017 Budget $	2016 $
Net result	280,130	(515,963)	499,845
Non-cash flows in Net result:			
Depreciation	17,942	21,024	17,259
(Profit)/Loss on sale of asset	0	(1,602)	0
Loss on revaluation of fixed assets	0	0	3,469
Changes in assets and liabilities:			
(Increase)/Decrease in receivables	93,616	18,350	(15,384)
(Increase)/Decrease in inventories	0	0	18,182
Increase/(Decrease) in payables	(18,838)	(38,375)	(118,563)
Increase/(Decrease) in provisions	48,259	0	44,246
Net cash from operating activities	421,109	(516,566)	449,054

(c) Undrawn Borrowing Facilities Credit Standby Arrangements

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

13. CONTINGENT LIABILITIES

There were no known contingent liabilities at the reporting date.

14. CAPITAL AND LEASING COMMITMENTS

(a) Operating Lease Commitments

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

Payable:		
- not later than one year	35,000	38,986
- later than one year but not later than five years	140,000	0
	175,000	38,986

(b) Capital Expenditure Commitments

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

15. JOINT VENTURE ARRANGEMENTS

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

16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

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

17. FINANCIAL RATIOS

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

The above ratios are calculated as follows:

Current ratio

$$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$$

Asset sustainability ratio

$$\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$$

Debt service cover ratio

$$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$$

Operating surplus ratio

$$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$$

Own source revenue coverage ratio

$$\frac{\text{own source operating revenue}}{\text{operating expenses}}$$

Notes:

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

18. TRUST FUNDS

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

19. DISPOSALS OF ASSETS - 2016/17 FINANCIAL YEAR

The following assets were disposed of during the year.

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

20. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

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

(b) New Debentures - 2016/17

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

(c) Unspent Debentures

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

(d) Overdraft

The Regional Council does not have an overdraft facility.

21. RATING INFORMATION - 2016/17 FINANCIAL YEAR

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

22 NET CURRENT ASSETS

Composition of net current assets

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

Difference

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

23. SPECIFIED AREA RATE - 2016/17 FINANCIAL YEAR

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

24. SERVICE CHARGES - 2016/17 FINANCIAL YEAR

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

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

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

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

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

27. FEES & CHARGES

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

28. GRANT REVENUE

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

29. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date	3		3

30. ELECTED MEMBERS REMUNERATION

	2017	2017 Budget	2016
	$	$	$
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees	127,778	132,687	129,262
President’s allowance	19,815	19,864	19,570
Deputy President’s allowance	4,954	4,966	4,890
	152,547	157,517	153,722

31. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

	2017
	$
The total of remuneration paid to KMP of the Tamala Park Regional Council during the year are as follows:	
Short-term employee benefits	424,827
Post-employment benefits	39,047
Other long-term benefits	39,600
	503,474

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

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

Other long-term benefits
This amount represents long service benefits accruing during the year.

Termination benefits
This amount represents termination benefits paid to KMP.

31. RELATED PARTY TRANSACTIONS (Continued)

Related Parties

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

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

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

iii. Joint venture entities accounted for under the equity method
The Regional Council is not involved in any joint venture arrangements.

Transactions with related parties

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

	2017 $
The following transactions occurred with related parties during the year:	
Amounts paid to related parties:	
Rent	38,666
The following balances are owing to or by related parties:	
Amounts outstanding from related parties:	
Trade and other receivables	127,267
Amounts payable to related parties:	
Trade and other payables	18,317

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

32. MAJOR LAND TRANSACTIONS

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

33. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

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

34. FINANCIAL RISK MANAGEMENT

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

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

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

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

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

Fair value is determined as follows:

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

34. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

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

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

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

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

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

	2017	2016
	$	$
Impact of a 1% [1] movement in interest rates on cash		
- Equity	392,134	507,412
- Statement of Comprehensive Income	392,134	507,412

Notes:

[1] Sensitivity percentages based on management's expectation of future possible market movements.

34. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

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

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

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

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

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

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

	2017	2016
Percentage of other receivables		
- Current	43.00%	51.00%
- Overdue	0%	2%

34. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables
Borrowings

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

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

	Due within 1 year $	Due between 1 & 5 years $	Due after 5 years $	Total contractual cash flows $	Carrying values $
2017					
Payables	54,337	0	0	54,337	54,337
	54,337	0	0	54,337	54,337
2016					
Payables	73,175	0	0	73,175	73,175
Borrowings				0	0
	73,175	0	0	73,175	73,175

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

Report on the Financial Report

Opinion

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

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

a) giving a true and fair view of the Regional Council's financial position as at 30 June 2017 and of its performance for the year ended on that date; and

b) complying with Australian Accounting Standards (including Australia Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

Basis for Opinion

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

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

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

Emphasis of Matter – Supplementary Ratio Information

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

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RCA No. 289109 ABN 61 112 942 373

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

Other Information

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

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

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

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

Regional Council's Responsibility for the Financial Report

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

- Identify and assess risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors.

- Conclude on the appropriateness of Regional Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Regional Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Regional Council to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Reporting on Other Legal and Regulatory Requirements

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

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

a) There are no material matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Regional Council.

b) The Regional Council substantially complied with Part 6 of the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

c) All information and explanations required were obtained by us.

d) All audit procedures were satisfactorily completed in conducting our audit.

BUTLER SETTINERI (AUDIT) PTY LTD

MARIUS VAN DER MERWE   CA
Director

Perth
Date: 5 September 2017

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

RATIO INFORMATION

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

	2017	2016	2015
Asset consumption ratio	0.79	0.66	0.80
Asset renewal funding ratio	1.99	1.57	1.96

The above ratios are calculated as follows:

Asset consumption ratio $\dfrac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$

Asset renewal funding ratio $\dfrac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

Appendix 9.8

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

Report on the Financial Report

Opinion

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Basis for Opinion

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

Emphasis of Matter – Supplementary Ratio Information

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

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

- Identify and assess risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors.

- Conclude on the appropriateness of Regional Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Regional Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Regional Council to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Reporting on Other Legal and Regulatory Requirements

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

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

a) There are no material matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Regional Council.

b) The Regional Council substantially complied with Part 6 of the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

c) All information and explanations required were obtained by us.

d) All audit procedures were satisfactorily completed in conducting our audit.

BUTLER SETTINERI (AUDIT) PTY LTD

MARIUS VAN DER MERWE CA
Director

Perth
Date: 5 September 2017

MVDM : RS
TAMA01

5 September 2017

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

Dear Tony

TAMALA PARK REGIONAL COUNCIL

We wish to advise that we have recently completed the audit of the above mentioned Council for the year ended 30 June 2017.

The Australian Auditing and Assurance Standards Board encourages auditors to issue a management letter on completion of each audit as a means of advising the Council of any matters noted during the course of the audit.

Our audit involves the review of only those systems and controls adopted by the Council upon which we wish to rely for the purposes of determining our audit procedures. Furthermore, our audit should not be relied upon to disclose defalcations or other similar irregularities, although their disclosure, if they exist, may well result from the procedures we undertake. While we have considered the control environment in accordance with Australian Auditing Standards, we have not tested controls and hence do not comment on whether systems and controls are operating effectively.

We advise that we have not encountered any other matters during the course of our audit that we believe should be brought to your attention other than the following:

Segregation of duties

We appreciate that due to the nature and size of the entity, management overseas all the functions within the entity, however there is an inherent risk of lack of segregation of duties within the general financial administrative process and we recommend that this should be continually considered by the management in designing compensating controls.

We acknowledge that management have implemented compensating controls in the form of independent accountants performing the monthly accounting function and preparing the annual financial report as well as monthly reconciliations of major revenue, GST and investment transactions reviewed by an external consultant.

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Provisions for Annual leave

We noted that the CEO has accrued more than eight weeks of leave. We recommend that employees are encouraged to utilise their leave entitlements.

We wish to thank the staff of Tamala Park Regional Council for their assistance during the audit.

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

Yours sincerely
BUTLER SETTINERI (AUDIT) PTY LTD

MARIUS VAN DER MERWE CA
Director

Appendix 9.9

Financial Management – Significant Accounting Policies
(September 201~~6~~7)

POLICY

Objective

To adopt Full Accrual Accounting and all other applicable Accounting Standards.

Local Government Reference

- Local Government Act 1995
- Local Government (Financial Management) Regulations 1996
- Australian Accounting Standards

1. Significant Accounting Policies

The significant accounting policies which have been adopted by Council in the preparation of the financial report are:

(a) Basis of Preparation

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

All amounts are disclosed in Australian Dollars.

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

Critical Accounting Estimates

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

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

The Local Government Reporting Entity

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

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

All monies held in the Trust Fund are excluded from the financial statements, but are detailed in a separate statement.

(b) Goods and Services Tax (GST)

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

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

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

(c) Cash and Cash Equivalents

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

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

Financial Management – Significant Accounting Policies
(September 201~~6~~7)

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

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

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

(f) Fixed Assets

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

Financial Management –
Significant Accounting Policies
(September 201~~6~~7)

Mandatory Requirement to Revalue Non-Current Assets

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

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

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

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

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

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

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework 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 as profit or loss.

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
Floor Coverings	8 Years
Phones and Faxes	6 to 7 Years
Plant and Equipment	5 to 15 Years

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

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

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

Capitalisation Threshold

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

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(g) Fair Value of Assets and Liabilities

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

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

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

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

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

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

Level 1
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2
Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3
Measurements based on unobservable inputs for the asset or liability.

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

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

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

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

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

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

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued in accordance with the regulatory framework.

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(h) Financial Instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

Amortised cost is calculated as:

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

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

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

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

(ii) Loans and receivables

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) Impairment of Assets

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

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

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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 (eg AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

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

(j) Trade and Other Payables

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

(k) Employee Benefits

Short-term employee benefits

Provision is made for the Regional Council’s obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 2 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

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

Other long-term employee benefits

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

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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 re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

(l) Borrowing Costs

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

(m) Provisions

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

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

(n) Leases

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

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

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

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

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

(o) Interests in Joint Arrangements

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

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

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. Tamala Park Regional Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 15.

(p) Rates, Grants, Donations and Other Contributions

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

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

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

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(q) Superannuation

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

(r) Current and Non-Current Classification

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

(s) Rounding Off Figures

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

(t) Comparative Figures

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

The comparative information relating to the Contributed Equity and Retained Surplus has been restated in the current year. Distributions of the retained surplus as previously reported was allocated according to the budget but not actually distributed to the members and as such, retained by the Regional Council. The reclassification has been made to correctly reflect the retained surplus held by the Regional Council for the year ended 30 June 201~~6~~7.

(u) Budget Comparative Figures

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

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

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

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

	Title	Issued / Compiled	Applicable [1]	Impact
(i)	AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Regional Council, it is not anticipated the Standard will have any material effect.
(ii)	AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2018	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount,

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			timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the Regional Council has with those third parties it has dealings with. It may or may not be significant.
(iii) AASB 16 Leases	February 2016	1 January 2018	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted. Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of

				operating leases held by the Regional Council, the impact is not expected to be significant.
(iv)	AASB 1058 Income of Not-for-Profit Entities (incorporating AASB 2016-7 and AASB 2016-8) [AASB 1 & AASB 11]	December 2016	1 January 2019	These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are: • Assets received below fair value; • Transfers received to acquire or construct non-financial assets; • Grants received; • Prepaid rates; • Leases entered into at below market rates; and • Volunteer services. Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Regional Council's operations.

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

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(w) Adoption of New and Revised Accounting Standards

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

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

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

POLICY MANUAL

Financial Management –
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This Financial Management – Significant Accounting Policies is authorised by the Chief Executive Officer on ~~20~~12 October 201~~6~~7.

Signature:

Name: JOHN ANTHONY ARIAS

Date: ~~20~~12 October 201~~6~~7

Appendix 9.10

TAMALA PARK Regional Council

POLICY MANUAL

Petty Cash Policy
(July 2017)

POLICY

1. Objective

To provide a cash advance to pay authorised expenditure of a minor nature.

2. Local Government Reference

- Local Government Act 1995 – Section 6.10
- Local Government (Financial Management) Regulation 11

3. Petty Cash

- Sum advanced shall be limited to $100.
- Officers who have received an advance to use such funds to pay for authorised expenditure for each item shall be limited to $100 (excluding GST).
- Expenditure for each advance shall be recouped by the Reckon accounting system software.
- Annual audit of all cash advances to be conducted.

This Petty Cash Policy is authorised by the Chief Executive Officer on 12 October 2017.

Signature:

Name: JOHN ANTHONY ARIAS

Date: 12 October 2017

Appendix 9.11

SATTERLEY

3 October 2017

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

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

Dear Mr Arias,

RE: STAGE 25 BUILDERS RELEASE LOTS TO PUBLIC RELEASE LOTS

On 15 June 2017, the Tamala Park Regional Council resolved to approve the Lot Sale & Release Strategy – May 2017.

At its meeting held on 15 June 2017 the Tamala Park Regional Council considered the above matter and resolved to:

1. APPROVE the Lot Sale and Release Strategy (May 2017), submitted by the Satterley Property Group, as the basis of sales and marketing planning for FYE 2018.

2. DELEGATE to the CEO authority to approve changes to the Lot Sale and Release Strategy (May 2017) relating to stage sizes and lot configuration and timing of stage releases, subject to the changes being minor and consistent with TPRC objectives, policies and strategies.

The strategy outlines the proposed timing for the release of lots within Stages 25, 26, 17B, 16A and 18 for the FYE2018. I refer to the proposed 14 Lots that form part of the Stage 25 Builders Release Lots. SPG request that 7 lots from the Stage 25 Builders Release Lots be advertised for sale as Public Release Lots.

Since the approval of the Lot Sale & Release Strategy, there has not been an increase for demand in the market for a Builders Release. The hold allocation method for a Builders Release is of benefit and is to be used for lot allocations where the allocation includes any mandatory 2 storey lots to assist in achieving a uniform streetscape, such as in Stage 25, (7 lots fronting Longbeach Promenade).

The softened market and lack of builder interest has seen a decline in the number of Builders Releases over previous years, with no Builders Release being undertaken during the FYE2017 period. The 7 lots proposed to be sold as Public Release versus Builders Release are single storey dwellings, not fronting Longbeach Promenade and are currently considered more appropriate for a Public Release as opposed to a Builders Release. The 7 lots provide a differing product mix to what is currently on the market in Stage 25 for sale to the public and has received positive initial interest.

The following extract forms part of the Sales and Lot Release Strategy – May 2017:

Stage 25 Builders Release

Date of Release	***July 2017***
Forecast Stock	*14 lots*
Forecast Title Date	*August 2017*
Method of Sale	*Public Release*

Based on this information and the hold allocation method be used where the allocation includes mandatory two storey dwellings to assist in achieving a uniform streetscape, SPG recommends the release of the 7 x single storey lots that do not front Longbeach Promenade as Public Release Lots.

Recommendation

SPG recommends:

1. *That the Lot Sale and Release Strategy be updated to reflect:*

Stage 25 Builders Release

Date of Release	**November 2017**
Forecast Stock	7 lots
Forecast Title Date	August 2017
Method of Sale	Builders Release

Stage 25 Public Release

Date of Release	**October 2017**
Forecast Stock	7 lots
Forecast Title Date	August 2017
Method of Sale	Public Release

2. *Provide the CEO with the delegation to amend release sizes and type during the FYE2018 period if considered appropriate to do so.*

Upon TPRC acceptance of this recommendation, SPG shall prepare for the sale of the 7 x Public Release Lots proposed for Friday the 13th of October 2017.

If you have any queries or require additional information, please do not hesitate to contact the undersigned at your convenience.

Yours Sincerely

Antonina Lazzara
Project Director

Appendix 9.12

Appendix 9.13

Appendix 9.14

Appendix 9.15

Appendix 9.16