



**City of Busselton**  
*Geographe Bay*

## **Council Agenda**

***30 January 2019***

ALL INFORMATION AVAILABLE IN VARIOUS FORMATS ON REQUEST

[city@busselton.wa.gov.au](mailto:city@busselton.wa.gov.au)

**CITY OF BUSSELTON**

**MEETING NOTICE AND AGENDA – 30 JANUARY 2019**

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**TO: THE MAYOR AND COUNCILLORS**

**NOTICE** is given that a meeting of the Council will be held in the the Council Chambers, Administration Building, Southern Drive, Busselton on Wednesday, 30 January 2019, commencing at 5.30pm.

Your attendance is respectfully requested.

**DISCLAIMER**

Statements or decisions made at Council meetings or briefings should not be relied on (or acted upon) by an applicant or any other person or entity until subsequent written notification has been given by or received from the City of Busselton. Without derogating from the generality of the above, approval of planning applications and building permits and acceptance of tenders and quotations will only become effective once written notice to that effect has been given to relevant parties. The City of Busselton expressly disclaims any liability for any loss arising from any person or body relying on any statement or decision made during a Council meeting or briefing.



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**MIKE ARCHER**

**CHIEF EXECUTIVE OFFICER**

18 January 2019



CITY OF BUSSELTON

AGENDA FOR THE COUNCIL MEETING TO BE HELD ON 30 JANUARY 2019

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        This report contains information of a confidential nature in accordance with Section 5.23(2(c) of the Local Government Act 1995, as it contains information relating to a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting

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8. **CONFIRMATION AND RECEIPT OF MINUTES**

**Previous Council Meetings**

8.1 **Minutes of the Council Meeting held 12 December 2018**

**RECOMMENDATION**

That the Minutes of the Council Meeting held 12 December 2018 be confirmed as a true and correct record.

**Committee Meetings**

8.2 **Minutes of the Finance Committee Meeting held 17 January 2019**

**RECOMMENDATION**

That the Minutes of the Finance Committee Meeting held 17 January 2019 be noted.

9. **RECEIVING OF PETITIONS, PRESENTATIONS AND DEPUTATIONS**

**Petitions**

**Presentations**

**Deputations**

10. **QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN (WITHOUT DISCUSSION)**

11. **ITEMS BROUGHT FORWARD FOR THE CONVENIENCE OF THOSE IN THE PUBLIC GALLERY**

## **12. REPORTS OF COMMITTEE**

### **12.1 Finance Committee - 17/01/2019 - BUDGET AMENDMENT REQUEST / REVIEW**

|                             |   |
|-----------------------------|---|
| <b>SUBJECT INDEX:</b>       | Budget Planning and Reporting   |
| <b>STRATEGIC OBJECTIVE:</b> | Governance systems, process and practices are responsible, ethical and transparent. |
| <b>BUSINESS UNIT:</b>       | Finance and Corporate Services  |
| <b>ACTIVITY UNIT:</b>       | Finance and Corporate Services  |
| <b>REPORTING OFFICER:</b>   | Manager Financial Services - Kim Dolzadelli   |
| <b>AUTHORISING OFFICER:</b> | Director Finance and Corporate Services - Tony Nottle                               |
| <b>VOTING REQUIREMENT:</b>  | Absolute Majority   |
| <b>ATTACHMENTS:</b>         |   |

**This item was considered by the Finance Committee at its meeting on 17 January 2019, the recommendations from which have been included in this report.**

#### **PRÉCIS**

This report seeks recommendation of the Finance Committee to Council for the approval of budget amendments as detailed in this report. Adoption of the Officers recommendation will result in no change to the City's current amended budgeted surplus position of \$0.

#### **BACKGROUND**

Council adopted its 2018/2019 municipal budget on Wednesday, 25 July 2018 with a balanced budget position.

Since this time Council has been advised of certain funding changes that have positively impacted the original budget and Council is now being asked to consider budget amendments for the following key areas/projects:

1. Trial of the Spectur HD5 Shark Warning System
2. Vasse Hall Building Requirements
3. Holiday Homes Compliance Officer

#### **STATUTORY ENVIRONMENT**

Section 6.8 of the *Local Government Act 1995* refers to expenditure from the municipal fund that is not included in the annual budget. In the context of this report, where no budget allocation exists, expenditure is not to be incurred until such time as it is authorised in advance, by an absolute majority decision of the Council.

#### **RELEVANT PLANS AND POLICIES**

There are multiple plans and policies that support the proposed budget amendments.

#### **FINANCIAL IMPLICATIONS**

Budget amendments being sought will result in no change to Council's budget surplus position of \$0.

#### **LONG TERM FINANCIAL PLAN IMPLICATIONS**

There are no Long Term Financial Plan implications in relation to this item.

## STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’.

## RISK ASSESSMENT

There is a risk to the City, as there is with all projects undertaken, that the final cost could exceed budget. If this looks to be the case Council will be notified so a suitable offset / project scope back can be identified.

## CONSULTATION

No external consultation was considered necessary in relation to the budget amendments.

## OFFICER COMMENT

The Officer recommends the following requested budget amendments to the Finance Committee for consideration and recommendation to Council.

### 1. “Trial of the Spectur HD5 Shark Warning System

The Spectur HD5 shark warning system is a solar powered, cloud based system that provides a remotely activated pre-recorded message and flashing lights alerting beach-goers that a shark has been sighted in waters off the beach on which they are visiting. It is a stand-alone, battery and solar powered unit with its own 3G/4G connection to the Cloud.

Recently, the Shire of Augusta Margaret River commenced a three-month trial of two of these units, and, following a recent demonstration of their product to Councillors by Spectur, the City of Busselton has also decided to proceed with a three-month trial of two units at beaches under our care and control, yet to be determined.

### Planned Expenditure Item

Officers propose to fund the trial from the Council Budget Contingency Surplus.

Officers propose that the 2018/2019 adopted budget be amended to reflect the following funding changes, shown in Table 1.

**Table 1:**

| <i>Cost Code</i>    | <i>Description</i>                         | <i>Current Budget</i> | <i>Change</i> | <i>Proposed Amended Budget</i> |
|---------------------|--|-----------------------|---------------|--------------------------------|
| <b>Expenditure</b>  |  |                       |               |                                |
| 441-10980-3331-0000 | Subscriptions                              | 2,600                 | 3,900         | 6,500                          |
|                     |  |                       |               |                                |
| <b>Income</b>       |  |                       |               |                                |
| 100-10001-3680-0000 | Budget Surplus Contingency Holding Account | 43,698                | -3,900        | 39,798                         |
|                     | <b>Net Total</b>                           | <b>46,298</b>         | <b>0</b>      | <b>46,298</b>                  |

## 2. “Vasse Hall Building Requirements”

Urgent, unforeseen rectification works are required to a non-compliant concrete ramp at the rear entrance of the Vasse Hall (B1108) which currently presents as a trip hazard to hall users. A cost estimate has been obtained for the works of \$4,350.

The original allocated budget of \$1,200.00 under 522-B1108-3280-0000 is available for the works, leaving a shortfall of \$3,150.00, which is requested to be allocated from the Building Asset Reserve.

### Planned Expenditure Items

The amendments shown in Table 2 will allow for rectification works to be undertaken.

**Table 2:**

| <i>Cost Code</i> | <i>Description</i>             | <b>Current Budget</b> | <b>Change</b> | <b>Proposed Amended Budget</b> |
|------------------|--------------------------------|-----------------------|---------------|--------------------------------|
| B1108            | Vasse Hall                     | 1,200                 | 3,150         | 4,350                          |
| Equity           | Building Asset Renewal Reserve | 1,422,879             | -3,150        | 1,419,729                      |
| <b>Net Total</b> |                                | <b>1,424,079</b>      | <b>0</b>      | <b>1,424,079</b>               |

## 3. “Holiday Homes Compliance Officer”

During the Council Briefing on 21 November 2018, Council considered the option to employ a Holiday Home Compliance Officer on a fixed term contract for a period of 3 months. This will allow the targeted compliance investigation of holiday homes that are advertising online that have not met the requirements of the Holiday Homes Local Law 2012 and associated Planning requirements.

The Holiday Home Compliance Officer position will consist of two 0.5FTE part time officers and will include work during weekends. The position will commence on 7 January 2019 and conclude on 26 April 2019.

The position will be self-supporting to the extent that an increase in compliance, that is number of registrations completed, will result in the extra revenue required to staff the positions. There will also be an ongoing revenue increase as the registrations will also initiate additional property rates being charged for the newly compliant holiday homes commencing in 2019/20.

### Planned Expenditure Items

Officers propose that the additional expenditure will be drawn from the following accounts as shown in Table 3 below:

**Table 3:**

| <i>Cost Code</i>    | <i>Description</i>       | <b>Current Budget</b> | <b>Change</b> | <b>Proposed Amended Budget</b> |
|---------------------|--------------------------|-----------------------|---------------|--------------------------------|
| <b>Expenditure</b>  |                          |                       |               |                                |
| 440-10920-3001-0000 | Salaries - Normal        | 609,800               | 33,000        | 642,800                        |
| <b>Income</b>       |                          |                       |               |                                |
| 440-10920-1566-0000 | Holiday Home Renewal Fee | -160,000              | -33,000       | -193,000                       |
| <b>Net Total</b>    |                          | <b>449,800</b>        | <b>0</b>      | <b>449,800</b>                 |

**CONCLUSION**

Council's approval is sought to amend the budget as per the details contained in this report. Upon approval the proposed works will be planned, organised and completed.

**OPTIONS**

The Council could decide not to go ahead with any or all of the proposed budget amendment requests.

**TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION**

Should the Officer Recommendation be endorsed, the associated budget amendment will be processed within a month of being approved.

**COMMITTEE RECOMMEDATION AND OFFICER RECOMMENDATION****ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED**

That Council endorse the requested budget amendments outlined in tables 1 to 3 below, resulting in no change to an amended budgeted surplus position of \$0.

**Table 1:**

| <i>Cost Code</i>    | <i>Description</i>                         | <i>Current Budget</i> | <i>Change</i> | <i>Proposed Amended Budget</i> |
|---------------------|--|-----------------------|---------------|--------------------------------|
| <b>Expenditure</b>  |  |                       |               |                                |
| 441-10980-3331-0000 | Subscriptions                              | 2,600                 | 3,900         | 6,500                          |
|                     |  |                       |               |                                |
| <b>Income</b>       |  |                       |               |                                |
| 100-10001-3680-0000 | Budget Surplus Contingency Holding Account | 43,698                | -3,900        | 39,798                         |
|                     | <b>Net Total</b>                           | <b>46,298</b>         | <b>0</b>      | <b>46,298</b>                  |

**Table 2:**

| <i>Cost Code</i> | <i>Description</i>             | <i>Current Budget</i> | <i>Change</i> | <i>Proposed Amended Budget</i> |
|------------------|--------------------------------|-----------------------|---------------|--------------------------------|
| B1108            | Vasse Hall                     | 1,200                 | 3,150         | 4,350                          |
| Equity           | Building Asset Renewal Reserve | 1,422,879             | -3,150        | 1,419,729                      |
|                  | <b>Net Total</b>               | <b>1,424,079</b>      | <b>0</b>      | <b>1,424,079</b>               |
|                  |                                |                       |               |                                |



**Table 3:**

| <b>Cost Code</b>    | <b>Description</b>       | <b>Current Budget</b> | <b>Change</b> | <b>Proposed Amended Budget</b> |
|---------------------|--------------------------|-----------------------|---------------|--------------------------------|
| <b>Expenditure</b>  |                          |                       |               |                                |
| 440-10920-3001-0000 | Salaries - Normal        | 609,800               | 33,000        | 642,800                        |
|                     |                          |                       |               |                                |
| <b>Income</b>       |                          |                       |               |                                |
| 440-10920-1566-0000 | Holiday Home Renewal Fee | -160,000              | -33,000       | -193,000                       |
|                     |                          |                       |               |                                |
|                     | <b>Net Total</b>         | <b>449,800</b>        | <b>0</b>      | <b>449,800</b>                 |

12.2 Finance Committee - 17/01/2019 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 30 NOVEMBER AND 31 DECEMBER 2018

|                             |   |
|-----------------------------|---|
| <b>SUBJECT INDEX:</b>       | Budget Planning and Reporting   |
| <b>STRATEGIC OBJECTIVE:</b> | Governance systems, process and practices are responsible, ethical and transparent.             |
| <b>BUSINESS UNIT:</b>       | Finance and Corporate Services  |
| <b>ACTIVITY UNIT:</b>       | Financial Services  |
| <b>REPORTING OFFICER:</b>   | Manager Financial Services - Kim Dolzadelli   |
| <b>AUTHORISING OFFICER:</b> | Director Finance and Corporate Services - Tony Nottle   |
| <b>VOTING REQUIREMENT:</b>  | Simple Majority   |
| <b>ATTACHMENTS:</b>         | Attachment A Statement of Financial Activity - Period Ending 30 November 2018 <a href="#">↓</a> |
|                             | Attachment B Statement of Financial Activity - Period Ending 31 December 2018 <a href="#">↓</a> |
|                             | Attachment C Investment Report - Period Ending 30 November 2018 <a href="#">↓</a>               |
|                             | Attachment D Investment Report - Period Ending 31 December 2018 <a href="#">↓</a>               |

**This item was considered by the Finance Committee at its meeting on 17 January 2019, the recommendations from which have been included in this report.**

## **PRÉCIS**

Pursuant to Section 6.4 of the Local Government Act ('the Act') and Regulation 34(4) of the Local Government (Financial Management) Regulations ('the Regulations'), a local government is to prepare, on a monthly basis, a statement of financial activity that reports on the City's financial performance in relation to its adopted/ amended budget.

This report has been compiled to fulfil the statutory reporting requirements of the Act and associated Regulations, whilst also providing the Council with an overview of the City's financial performance on a year to date basis for the period ending 30 November 2018 and 31 December 2018.

## **BACKGROUND**

The Regulations detail the form and manner in which financial activity statements are to be presented to the Council on a monthly basis; and are to include the following:

- Annual budget estimates
- Budget estimates to the end of the month in which the statement relates
- Actual amounts of revenue and expenditure to the end of the month in which the statement relates
- Material variances between budget estimates and actual revenue/ expenditure/ (including an explanation of any material variances)
- The net current assets at the end of the month to which the statement relates (including an explanation of the composition of the net current position)

Additionally, and pursuant to Regulation 34(5) of the Regulations, a local government is required to adopt a material variance reporting threshold in each financial year. At its meeting of 25 July 2018, the Council adopted (C1807/138) the following material variance reporting threshold for the 2018/19 financial year:

*“That pursuant to Regulation 34(5) of the Local Government (Financial Management) Regulations, the Council adopts a material variance reporting threshold with respect to financial activity statement reporting for the 2018/19 financial year as follows:*

- *Variances equal to or greater than 10% of the year to date budget amount as detailed in the Income Statement by Nature and Type/ Statement of Financial Activity report, however variances due to timing differences and/or seasonal adjustments are to be reported on a quarterly basis; and*

*Reporting of variances only applies for amounts greater than \$25,000.”*

## **STATUTORY ENVIRONMENT**

Section 6.4 of the Act and Regulation 34 of the Regulations detail the form and manner in which a local government is to prepare financial activity statements.

## **RELEVANT PLANS AND POLICIES**

There are no plans or policies directly relevant to this matter.

## **FINANCIAL IMPLICATIONS**

Any financial implications are detailed within the context of this report.

## **LONG-TERM FINANCIAL PLAN IMPLICATIONS**

Any long term financial implications are detailed within the context of this report.

## **STRATEGIC COMMUNITY OBJECTIVES**

This matter principally aligns with Key Goal Area 6 – ‘Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’.

## **RISK ASSESSMENT**

Risk assessments have been previously completed in relation to a number of ‘higher level’ financial matters, including timely and accurate financial reporting to enable the Council to make fully informed financial decisions. The completion of the monthly Financial Activity Statement report is a control that assists in addressing this risk.

## **CONSULTATION**

Consultation is not applicable in relation to this matter.

## **OFFICER COMMENT**

In order to fulfil statutory reporting requirements, and to provide the Council with a synopsis of the City’s overall financial performance on a full year basis, the following financial reports are attached here to:

- Statement of Financial Activity

This report provides details of the City’s operating revenues and expenditures on a year to date basis, by nature and type (i.e. description). The report has been further extrapolated to include details of non-cash adjustments and capital revenues and expenditures, to identify the City’s net current position; which reconciles with that reflected in the associated Net Current Position report.

▪ Net Current Position

This report provides details of the composition of the net current asset position on a full year basis, and reconciles with the net current position as per the Statement of Financial Activity.

▪ Capital Acquisition Report

This report provides full year budget performance (by line item) in respect of the following capital expenditure activities:

- Land and Buildings
- Plant and Equipment
- Furniture and Equipment
- Infrastructure

▪ Reserve Movements Report

This report provides summary details of transfers to and from reserve funds, and also associated interest earnings on reserve funds, on a full year basis.

Additional reports and/or charts are also provided as required to further supplement the information comprised within the statutory financial reports.

### COMMENTS ON FINANCIAL ACTIVITY TO 31 DECEMBER 2018

Given this report includes the Statement of Financial Activity for the periods ending 30 November 2018 and 31 December 2018 the following commentary is focused on the Statement for the period ending 31 December 2018 which shows a better than expected Net Current Position "Surplus" of \$24.848M being \$12.748M higher than year to date (YTD) budget YTD budget of \$12.099M.

The following summarises the major variances in accordance with *Council's adopted material variance reporting threshold* that collectively make up the above difference:

| Description   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget YTD | 2018/2019<br>Amended<br>Budget | 2018/19<br>YTD Bud<br>Variance | 2018/19<br>YTD Bud<br>Variance |
|---|---------------------|------------------------------------|--------------------------------|--------------------------------|--------------------------------|
|   | \$                  | \$                                 | \$                             | %                              | \$                             |
| <b>Revenue from Ordinary Activities</b>                   |                     |                                    |                                |                                |                                |
| Other Revenue   | 357,898             | 192,531                            | 362,981                        | 85.89%                         | 165,367                        |
| <b>Expenses from Ordinary Activities</b>                  |                     |                                    |                                |                                |                                |
| Materials & Contracts                                     | (8,258,468)         | (9,338,486)                        | (18,952,210)                   | 11.57%                         | 1,080,018                      |
| Utilities (Gas, Electricity, Water etc)                   | (1,107,273)         | (1,284,216)                        | (2,569,240)                    | 13.78%                         | 176,943                        |
| Depreciation on non current assets                        | (11,137,153)        | (9,659,824)                        | (19,070,922)                   | -15.29%                        | (1,477,329)                    |
| Insurance Expenses  | (713,890)           | (580,819)                          | (698,808)                      | -22.91%                        | (133,071)                      |
| Other Expenditure   | (1,230,086)         | (2,368,104)                        | (4,795,009)                    | 48.06%                         | 1,138,018                      |
| <b>Non-Operating Grants, Subsidies and Contributions</b>  |                     |                                    |                                |                                |                                |
|   | 2,340,437           | 8,913,706                          | 32,443,772                     | -73.74%                        | (6,573,269)                    |
| <b>Adjustments for Non-cash Revenue &amp; Expenditure</b> |                     |                                    |                                |                                |                                |
| Depreciation  | 11,137,153          | 9,659,824                          | 19,070,922                     | -15.29%                        | 1,477,329                      |
| Donated Assets  | (42,000)            | (5,000)                            | (8,365,000)                    | -740.00%                       | (37,000)                       |
| (Profit)/Loss on Sale of Assets                           | (66,166)            | (17,114)                           | (47,560)                       | -286.62%                       | (49,052)                       |

| <b>Capital Revenue &amp; (Expenditure)</b> |                     |                                    |                                |                                |                                |
|--|---------------------|------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Land & Buildings                           | (643,086)           | (9,639,598)                        | (17,902,816)                   | 93.33%                         | 8,996,512                      |
| Plant & Equipment                          | (1,336,380)         | (2,955,500)                        | (6,880,100)                    | 54.78%                         | 1,619,120                      |
| Description                                | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget YTD | 2018/2019<br>Amended<br>Budget | 2018/19<br>YTD Bud<br>Variance | 2018/19<br>YTD Bud<br>Variance |
| Furniture & Equipment                      | (174,675)           | (465,803)                          | (883,640)                      | 62.50%                         | 291,128                        |
| Infrastructure                             | (9,528,499)         | (18,370,980)                       | (37,380,261)                   | 48.13%                         | 8,842,481                      |
| Proceeds from Sale of Assets               | 541,945             | 748,350                            | 1,045,950                      | -27.58%                        | (206,405)                      |
| Proceeds from New Loans                    | 0                   | 1,500,000                          | 3,150,000                      | -100.00%                       | (1,500,000)                    |
| Transfer to Restricted Assets              | (702,383)           | (273,996)                          | (551,000)                      | -156.35%                       | (428,387)                      |
| Transfer from Restricted Assets            | 5,002,527           | 6,285,180                          | 14,423,922                     | -20.41%                        | (1,282,653)                    |

### **Revenue from Ordinary Activities:**

YTD actual income from ordinary activities is \$263K more than expected when compared to YTD budget with the only item meeting the material variance reporting threshold being "Other Revenue" which is \$165k better than YTD budget. This variance is due to better than expected returns on sale of scrap metal.

### **Expenses from Ordinary Activities**

Expenditure from ordinary activities, excluding depreciation, is \$2.915M less than expected when compared to YTD budget with the following items meeting the material variance reporting threshold.

### **Materials and Contracts:**

The main items affected are listed below:

| Cost Code                                       | Cost Code Description / GL Activity             | Variance<br>YTD \$ |
|---|---|--------------------|
| <b><u>Finance and Corporate Services</u></b>    |   |                    |
| 10000   | Members of Council                              | (37,046)           |
| 10250   | Information & Communication Technology Services | (622,978)          |
| 10251   | Business Systems                                | (53,031)           |
| 10500   | Legal and Compliance Services                   | 44,626             |
|   |   |                    |
| <b><u>Community and Commercial Services</u></b> |   |                    |
| 10590   | Naturaliste Community Centre                    | 41,801             |
| 10591   | Geographe Leisure Centre                        | 40,606             |
| 10600   | Busselton Jetty Tourist Park                    | 70,416             |
| 10980   | Other Law, Order & Public Safety                | 72,486             |
|   |   |                    |
| <b><u>Planning and Development Services</u></b> |   |                    |
| 10830   | Environmental Management Administration         | 92,639             |
| 10850   | Implement Management Plans Other                | 31,096             |
| 10931   | Protective Burning & Firebreaks-Reserves        | 29,276             |
| 11170   | Meelup Regional Park                            | 74,520             |
|   |   |                    |

| <b>Engineering and Works Services</b> |  |           |
|---------------------------------------|--|-----------|
| 11101                                 | Engineering Services Administration      | 40,308    |
| 11160                                 | Busselton Jetty                          | 391,880   |
| 11300                                 | Sanitation Waste Services Administration | 29,308    |
| 11301                                 | Regional Waste Management Administration | 60,000    |
| 12620                                 | Rural-Tree Pruning                       | (107,574) |
| 12621                                 | Urban-Tree Pruning                       | (6,074)   |
| Various                               | Bridge Maintenance                       | 62,822    |
| Various                               | Building Maintenance                     | 121,503   |
| G0010                                 | Domestic Recycling Collections           | 60,916    |
| G0031                                 | Dunsborough Waste Facility               | (40,476)  |
| G0032                                 | Rubbish Sites Development                | 49,998    |
| G0033                                 | Green Waste                              | 33,718    |
| G0034                                 | External Waste Disposal                  | 37,768    |
| G0042                                 | BTS External Restoration Works           | (41,074)  |
| Various                               | Road Maintenance                         | (37,837)  |
| Various                               | Parks, Gardens and Reserves Maintenance  | 233,960   |
| 5280                                  | Transport - Fleet Management             | 121,677   |

**Utilities:**

There is an overall variance in utility charges of \$176K; this variance is spread over 358 individual line items with an average variance of only \$494 per item.

**Depreciation:**

There is an overall variance in depreciation of \$1.477M, it should be noted that this is a non-cash item and does not impact on the City's surplus position. The variance can be attributed to the fact that Fair Valuation of infrastructure assets was completed post budget adoption and the increase in valuation was unable to be included in the 2018/2018 budget.

**Insurance:**

There is an YTD variance in insurance costs of \$133K, this is of a timing issue only.

**Other Expenditure:**

There is an YTD variance in other costs of \$1.138M, considered a timing issue only. The main items affected are listed below:

| Cost Code                             | Cost Code Description / GL Activity | Variance YTD |
|---------------------------------------|-------------------------------------|--------------|
| <b>Finance and Corporate Services</b> |                                     |              |
| 10000                                 | Members of Council                  | 62,662       |
| 10151                                 | Rates Administration                | 39,975       |
| 10221                                 | Finance & Borrowing Prog 04         | 53,361       |
| 10227                                 | Finance & Borrowing Prog 11         | 35,757       |
| 10618                                 | Winderlup Court Aged Housing        | 30,026       |
| 10700                                 | Public Relations                    | 34,726       |

| <b><u>Community and Commercial Services</u></b> |  |              |
|---|--|--------------|
| 10530   | Community Services Administration        | 109,925      |
| 10547   | Iron Man                                 | 94,998       |
| 10567   | Cinefest Oz                              | (47,498)     |
| <b><u>Planning and Development Services</u></b> |  |              |
| 10942   | Bushfire Risk Management Planning - DFES | (39,283)     |
| Cost Code                                       | Cost Code Description / GL Activity      | Variance YTD |
| 11156   | Airport Development Operations           | 750,000      |
| <b><u>Engineering and Works Services</u></b>    |  |              |
| B1223   | Micro Brewery - Public Ablution          | 60,000       |
| G0042   | BTS External Restoration Works           | (142,453)    |

**Non-Operating Grants, Subsidies and Contributions:**

Non-Operating Grants, Subsidies and Contributions are less than YTD budget by \$6.573M with the main items impacting on the above result being the timing of the receipt of funding which is also offset with less than anticipated expenditure at this time:

| Cost Code                                       | Cost Code Description  | Variance YTD |
|---|--|--------------|
| <b><u>Finance and Corporate Services</u></b>    |  |              |
| 10239   | Contributions - Public Art (Percent for Art)                 | (673,876)    |
| 10240   | Contributions - Contribution to Works                        | (78,713)     |
| -   |  |              |
| <b><u>Community and Commercial Services</u></b> |  |              |
| 10900   | Cultural Planning - Donated Assets                           | 37,000       |
| C6099   | Airport Development - Project Expenses                       | (5,838,126)  |
| -   |  |              |
| <b><u>Planning and Development Services</u></b> |  |              |
| B9112   | Ambergate Bushfire Brigade Shed                              | (259,656)    |
| -   |  |              |
| <b><u>Engineering and Works Services</u></b>    |  |              |
| C0049   | Port Geographe Marina Carparking                             | (85,878)     |
| C3150   | Busselton Foreshore Stage 3: Toddler's Playground            | (30,504)     |
| C3168   | Busselton Foreshore Jetty Precinct                           | 420,769      |
| F1018   | Dunsborough Cycleway CBD to Our Lady of the Cape School      | (82,502)     |
| S0035   | Strelly Street / Barlee Street Roundabout                    | (30,000)     |
| S0051   | Causeway Road / Rosemary Drive Roundabout                    | (50,002)     |
| S0064   | Peel Terrace (Stanley Pl/Cammilleri St Intersection Upgrade) | (33,335)     |
| S0068   | Georgiana Molloy Bus Bay Facilities                          | 114,500      |

**Capital Expenditure**

As at 30 November 2018 and 31 December 2018, there is a variance of -62.83% or -\$19.749M in total capital expenditure with YTD actual at -\$11.682M against a YTD budget of -\$31.431M.

The airport development makes up for \$8.425M, Busselton Tennis Club – Infrastructure \$1.63M, Plant and Equipment \$1.62M, Council Roads Initiative projects \$1.36M, Eastern Link - Busselton Traffic Study \$1.33M, Dunsborough Land Purchase Parking \$1.3M, Main Roads projects \$1.19M, Parks, Gardens and Reserves \$630K, Sanitation Infrastructure \$465K, Beach Restoration \$384K, Busselton Senior Citizens \$373K, Dunsborough Cycleway CBD to Our Lady of the Cape School \$323K, Furniture and Equipment \$291K, Fire Prevention – Land Purchase Biddle Road \$200K, Busselton Jetty Tourist Park Upgrade \$200K, Beach Front Infrastructure \$73K, Footpath Construction \$51K, GLC - Pool Relining \$50K, Energy Efficiency Initiatives (Various Buildings) \$50K, Townscape Construction - \$107K and Major Projects Busselton Foreshore -\$408K.

These items of under expenditure also assists in explaining the above current YTD shortfall in Non-Operating Grants.

The attachments to this report include detailed listings of the following capital expenditure (project) items, to assist in reviewing specific variances.

### **Investment Report**

*Pursuant to the Council's Investment Policy, a report is to be provided to the Council on a monthly basis, detailing the investment portfolio in terms of performance and counterparty percentage exposure of total portfolio. The report is also to provide details of investment income earned against budget, whilst confirming compliance of the portfolio with legislative and policy limits.*

#### **November 2018**

As at 30<sup>th</sup> November 2018 the value of the City's invested funds totalled \$82.96M, down from \$83.40M as at 31<sup>st</sup> October. The decrease is due to the utilisation of Airport Development Funds outweighing an increase in Restricted Assets Funds.

During the month of November three term deposits held with three different institutions totalling \$11.0M matured. All were renewed for a further 151 days at 2.57% (on average).

The balance of the 11am account (an intermediary account which offers immediate access to the funds compared to the term deposits and a higher rate of return compared to the cheque account) increased by \$0.6M.

The balance of the Airport Development ANZ cash account decreased by \$992K as the funds had been utilised on the project.

#### **December 2018**

As at 31<sup>st</sup> December 2018 the value of the City's invested funds totalled \$79.36M, down from \$82.96M as at 30<sup>th</sup> November 2018. The decrease is due to the withdrawal of funds from the 11am account to meet standard operating costs.

During the month of December four term deposits held with two different institutions totalling \$9.5M matured. All were renewed for a further 136 days at 2.57% (on average).

The balance of the 11am account (an intermediary account which offers immediate access to the funds compared to the term deposits and a higher rate of return compared to the cheque account) decreased by \$3.6M with the funds being utilised to meet standard operating costs.

The balance of the Airport Development ANZ cash account remained steady.



The RBA left official rates on hold during November and December. Future movements remain uncertain at this point.

#### **Chief Executive Officer – Corporate Credit Card**

Details of monthly (October to December) transactions made on the Chief Executive Officer's corporate credit card are provided below to ensure there is appropriate oversight and awareness of credit card transactions made.

| <b>Date</b> | <b>Amount</b> | <b>Payee</b>                | <b>Description</b>                         |
|-------------|---------------|-----------------------------|--|
| 29-Oct-18   | \$69.02       | Geographe Petrol Busselton  | Fuel - Fuel Card Missing From Vehicle      |
| 05-Nov-18   | \$54.05       | Geographe Petrol Busselton  | Fuel - Fuel Card Missing From Vehicle      |
| 29-Oct-18   | \$23.50       | Equinox Busselton           | Soft Opening Adventure Playground          |
| 29-Oct-18   | \$100.50      | Equinox Busselton           | Soft Opening Adventure Playground          |
| 29-Oct-18   | \$78.20       | Equinox Busselton           | Soft Opening Adventure Playground          |
| 05-Nov-18   | \$73.40       | Albies Bar & Bistro         | C. Frewing Farewell Lunch                  |
| 06-Nov-18   | \$20.16       | Wilson Parking              | Parking – Bsn Airport Meeting Perth        |
| 05-Nov-18   | \$84.95       | JB Hi Fi                    | Iphone Cover M. Archer                     |
| 08-Nov-18   | \$45.68       | ICTC Society                | Cr Paine Conference Registration           |
| 15-Nov-18   | \$1,003.72    | Australian Coastal Councils | Cr McCallum Conference Registration        |
| 19-Nov-18   | \$582.22      | Esplanade Hotel             | Accommodation Cr Paine ICTC Conference     |
| 27-Nov-18   | \$3.88        | Wilson Parking Deakin       | Parking Fee                                |
| 26-Nov-18   | \$40.44       | BP Clarendon                | Fuel                                       |
| 28-Nov-18   | \$17.00       | Queens Terrace Cafe         | Meals – CEO – RCA Meeting Canberra         |
| 28-Nov-18   | \$709.80      | Maloney's Real Estate       | Accommodation – CEO – RCA Meeting Canberra |
| 29-Nov-18   | \$13.44       | ACT Cabs Phillip            | Taxi Fares - CEO – RCA Meeting Canberra    |
| 29-Nov-18   | \$8.13        | ACT Gov. Parking Canberra   | Parking Fees – CEO – RCA Meeting Canberra  |
| 30-Nov-18   | \$52.00       | Coles Express Camden        | Fuel – CEO – RCA Meeting Canberra          |
| 03-Dec-18   | \$76.50       | The Dock Kingston           | Meals – CEO – RCA Meeting Canberra         |
| 04-Dec-18   | \$37.07       | BP Runway Mascot            | Fuel – CEO – RCA Meeting Canberra          |
| 19-Dec-18   | \$3,000.00    | Amelia Park                 | Councillors Christmas Function             |
| 27-Dec-18   | \$40.00       | Tyrepower Busselton         | Tyre Repair                                |

*\*Funds debited against CEO Annual Professional Development Allowance as per employment Contract Agreement*

*+ Allocated against CEO Hospitality Expenses Allowance*

#### **CONCLUSION**

As at 30 November 2018 and 31 December 2018, the City's financial performance is considered satisfactory.

**OPTIONS**

The Statements of Financial Activity are presented in accordance with Section 6.4 of the Act and Regulation 34 of the Regulations and are to be received. Council may wish to make additional resolutions as a result of having received these reports.

**TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION**

Not Applicable

**COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION**

That the Council receives the statutory financial activity statement reports for the period ending 30 November 2018 and 31 December 2018, pursuant to Regulation 34(4) of the Local Government (Financial Management) Regulations.

Statement of Financial Activity - Period Ending 30 November  
2018

**City of Busselton**

**Statement of Financial Activity**

**For The Period Ending 30 November 2018**

|   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget YTD | 2018/2019<br>Original<br>Budget YTD | 2018/2019<br>Amended<br>Budget | 2018/2019<br>Original<br>Budget | 2018/19<br>YTD Bud<br>Variance<br>% |
|---|---------------------|------------------------------------|-------------------------------------|--------------------------------|---------------------------------|-------------------------------------|
|   | \$                  | \$                                 | \$                                  | \$                             | \$                              |                                     |
| <b>Revenue from Ordinary Activities</b>                   |                     |                                    |                                     |                                |                                 |                                     |
| Rates   | 48,207,555          | 48,190,950                         | 48,190,950                          | 48,575,646                     | 48,575,646                      | 0.03%                               |
| Operating Grants, Subsidies and Contributions             | 1,569,145           | 1,366,191                          | 1,121,469                           | 4,063,540                      | 3,747,650                       | 14.86%                              |
| Fees & Charges  | 10,264,146          | 9,989,713                          | 9,989,713                           | 15,828,160                     | 15,828,160                      | 2.75%                               |
| Other Revenue   | 571,288             | 131,525                            | 131,525                             | 337,740                        | 337,740                         | 334.36%                             |
| Interest Earnings   | 1,089,849           | 1,086,904                          | 1,086,905                           | 2,283,760                      | 2,283,760                       | 0.27%                               |
|   | <b>61,701,983</b>   | <b>60,765,283</b>                  | <b>60,520,562</b>                   | <b>71,088,846</b>              | <b>70,772,956</b>               | <b>1.54%</b>                        |
| <b>Expenses from Ordinary Activities</b>                  |                     |                                    |                                     |                                |                                 |                                     |
| Employee Costs  | (12,690,079)        | (13,289,007)                       | (13,289,007)                        | (31,215,454)                   | (31,215,454)                    | 4.51%                               |
| Materials & Contracts                                     | (6,105,244)         | (7,662,804)                        | (7,604,625)                         | (18,858,210)                   | (18,621,467)                    | 20.33%                              |
| Utilities (Gas, Electricity, Water etc)                   | (905,871)           | (1,070,110)                        | (1,070,110)                         | (2,569,240)                    | (2,569,240)                     | 15.35%                              |
| Depreciation on non current assets                        | (9,255,492)         | (8,042,010)                        | (8,042,010)                         | (19,070,922)                   | (19,070,922)                    | -15.09%                             |
| Insurance Expenses  | (713,890)           | (578,588)                          | (578,588)                           | (698,808)                      | (698,808)                       | -23.38%                             |
| Other Expenditure   | (995,786)           | (1,868,267)                        | (1,880,767)                         | (4,789,009)                    | (4,770,041)                     | 46.70%                              |
| Allocations   | 630,784             | 715,760                            | 715,760                             | 1,723,162                      | 1,723,162                       | 11.87%                              |
|   | <b>(30,035,578)</b> | <b>(31,795,026)</b>                | <b>(31,749,347)</b>                 | <b>(75,478,481)</b>            | <b>(75,222,770)</b>             | <b>5.53%</b>                        |
| <b>Borrowings Cost Expense</b>                            |                     |                                    |                                     |                                |                                 |                                     |
| Interest Expenses   | (361,589)           | (401,291)                          | (401,291)                           | (1,374,387)                    | (1,374,387)                     | 9.89%                               |
|   | <b>(361,589)</b>    | <b>(401,291)</b>                   | <b>(401,291)</b>                    | <b>(1,374,387)</b>             | <b>(1,374,387)</b>              | <b>9.89%</b>                        |
| Non-Operating Grants, Subsidies and Contributions         | 2,136,277           | 5,178,183                          | 5,178,183                           | 32,443,772                     | 30,347,185                      | -58.74%                             |
| Profit on Asset Disposals                                 | 62,286              | 42,376                             | 42,376                              | 82,137                         | 82,137                          | 46.98%                              |
| Loss on Asset Disposals                                   | (17,616)            | (26,662)                           | (26,662)                            | (34,577)                       | (34,577)                        | 33.93%                              |
|   | <b>2,180,947</b>    | <b>5,193,897</b>                   | <b>5,193,897</b>                    | <b>32,491,332</b>              | <b>30,394,745</b>               | <b>-58.01%</b>                      |
| <b>Net Result</b>   | <b>33,485,763</b>   | <b>33,762,863</b>                  | <b>33,563,821</b>                   | <b>26,727,310</b>              | <b>24,570,544</b>               | <b>-0.82%</b>                       |
| <b>Adjustments for Non-cash Revenue &amp; Expenditure</b> |                     |                                    |                                     |                                |                                 |                                     |
| Depreciation  | 9,255,492           | 8,042,010                          | 8,042,010                           | 19,070,922                     | 19,070,922                      |                                     |
| Donated Assets  | (42,000)            | (5,000)                            | (5,000)                             | (8,365,000)                    | (8,365,000)                     |                                     |
| (Profit)/Loss on Sale of Assets                           | (44,670)            | (15,714)                           | (15,714)                            | (47,560)                       | (47,560)                        |                                     |
| Allocations & Other Adjustments                           | 87                  | 0                                  | 0                                   | (30,000)                       | 0                               |                                     |
| Deferred Pensioner Movements (Non-current)                | 12,120              | 0                                  | 0                                   | 0                              | 0                               |                                     |
| Recording of Employee Benefit Provisions (NC)             | 0                   | 0                                  | 0                                   | 0                              | 0                               |                                     |
| Deposit & Bonds Movements (cash backed NC)                | 119,632             | 0                                  | 0                                   | 0                              | 0                               |                                     |
| <b>Capital Revenue &amp; (Expenditure)</b>                |                     |                                    |                                     |                                |                                 |                                     |
| Land & Buildings  | (476,043)           | (6,549,915)                        | (6,549,915)                         | (17,902,816)                   | (17,618,620)                    | 92.73%                              |
| Plant & Equipment   | (1,231,992)         | (2,360,500)                        | (2,360,500)                         | (6,880,100)                    | (5,363,500)                     | 47.81%                              |
| Furniture & Equipment                                     | (167,115)           | (346,455)                          | (346,455)                           | (883,640)                      | (883,640)                       | 51.76%                              |
| Infrastructure  | (8,623,982)         | (15,082,957)                       | (14,915,542)                        | (37,378,861)                   | (36,804,070)                    | 42.82%                              |
| Proceeds from Sale of Assets                              | 390,549             | 650,150                            | 650,150                             | 1,045,950                      | 1,045,950                       | -39.93%                             |
| Proceeds from New Loans                                   | 0                   | 0                                  | 0                                   | 3,150,000                      | 3,150,000                       | 0.00%                               |
| Self Supporting Loans - Repayment of Principal            | 35,591              | 25,126                             | 25,126                              | 79,253                         | 79,253                          | 41.65%                              |
| Total Loan Repayments - Principal                         | (995,135)           | (906,468)                          | (906,468)                           | (3,155,395)                    | (3,155,395)                     | -9.78%                              |
| Advances to Community Groups                              | 0                   | 0                                  | 0                                   | (150,000)                      | (150,000)                       | 0.00%                               |
| Transfer to Restricted Assets                             | (684,033)           | (228,330)                          | (228,330)                           | (551,000)                      | (551,000)                       | -199.58%                            |
| Transfer from Restricted Assets                           | 4,610,354           | 5,487,650                          | 5,487,650                           | 14,423,922                     | 14,423,922                      | -15.99%                             |
| Transfer to Reserves                                      | (8,457,131)         | (7,972,940)                        | (7,911,576)                         | (19,330,487)                   | (19,269,123)                    | -6.07%                              |
| Transfer from Reserves                                    | 584,643             | 584,643                            | 584,643                             | 26,666,211                     | 26,356,026                      | 0.00%                               |
| Opening Funds Surplus/ (Deficit)                          | 3,511,291           | 3,511,291                          | 3,511,291                           | 3,511,291                      | 3,511,291                       |                                     |
| <b>Net Current Position - Surplus / (Deficit)</b>         | <b>31,283,420</b>   | <b>18,595,454</b>                  | <b>18,625,191</b>                   | <b>0</b>                       | <b>0</b>                        |                                     |

**City of Busselton**

**Net Current Position**

**For The Period Ending 30 November 2018**

|  | 2018/19<br>Actual  | 2018/19<br>Amended<br>Budget | 2018/19<br>Original<br>Budget | 2017/18<br>Actual |
|--|--------------------|------------------------------|-------------------------------|-------------------|
|  | \$                 | \$                           | \$                            | \$                |
| <b><u>NET CURRENT ASSETS</u></b>                 |                    |                              |                               |                   |
| <b><u>CURRENT ASSETS</u></b>                     |                    |                              |                               |                   |
| Cash - Unrestricted                              | 14,716,639         | 1,577,000                    | 1,577,000                     | 4,885,287         |
| Cash - Restricted                                | 71,352,769         | 46,319,406                   | 46,568,227                    | 67,528,052        |
| Sundry Debtors                                   | 1,113,510          | 2,800,000                    | 2,800,000                     | 3,078,872         |
| Rates Outstanding - General                      | 17,906,304         | 1,100,000                    | 1,100,000                     | 1,262,372         |
| Stock on Hand                                    | 16,543             | 23,000                       | 23,000                        | 23,671            |
|  | <u>105,105,765</u> | <u>51,819,406</u>            | <u>52,068,227</u>             | <u>76,778,254</u> |
| <b><u>LESS: CURRENT LIABILITIES</u></b>          |                    |                              |                               |                   |
| Bank Overdraft                                   | 0                  | 0                            | 0                             | 0                 |
| Sundry Creditors                                 | 2,469,576          | 5,500,000                    | 5,500,000                     | 5,738,911         |
| Performance Bonds                                | 3,938,194          | 3,818,562                    | 3,818,562                     | 3,818,562         |
|  | <u>6,407,770</u>   | <u>9,318,562</u>             | <u>9,318,562</u>              | <u>9,557,473</u>  |
| Current Position (inclusive of Restricted Funds) | 98,697,995         | 42,500,844                   | 42,749,665                    | 67,220,781        |
| Add: Cash Backed Liabilities (Deposits & Bonds)  | 3,938,194          | 3,818,562                    | 3,818,562                     | 3,818,562         |
| Less: Cash - Restricted Funds                    | (71,352,769)       | (46,319,406)                 | (46,568,227)                  | (67,528,052)      |
| <b><u>NET CURRENT ASSET POSITION</u></b>         | <u>31,283,420</u>  | <u>0</u>                     | <u>0</u>                      | <u>3,511,291</u>  |

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 30 November 2018**

| Description   | 2018/ 19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|---|--------------------|------------------------------|-----------------------------------|
|   | \$                 | \$                           | %                                 |
| <b>&gt;&gt; Property, Plant &amp; Equipment</b>                   |                    |                              |                                   |
| <b>Land</b>   |                    |                              |                                   |
| 10610 Property Services Administration                            | 0                  | 100,000                      | 0.00%                             |
| 10930 Fire Prevention Council                                     | 0                  | 200,000                      | 0.00%                             |
| 10970 Parking Control   | 0                  | 1,300,000                    | 0.00%                             |
| 11300 Sanitation Waste Services Administration                    | 5,000              | 50,000                       | 0.00%                             |
|   | <u>5,000</u>       | <u>1,650,000</u>             | <u>0.00%</u>                      |
| <b>Buildings</b>  |                    |                              |                                   |
| <b>Major Projects</b>   |                    |                              |                                   |
| <b>Major Project - Busselton Foreshore</b>                        |                    |                              |                                   |
| B9570 Foreshore East-Youth Precinct Community Youth Building/SLSC | 9,190              | 12,710                       | 73.56%                            |
| B9583 Railway House   | 11,536             | 18,360                       | 50.80%                            |
| B9600 Old Vasse Lighthouse  | 2,600              | 220,000                      | 0.00%                             |
|   | <u>23,326</u>      | <u>251,070</u>               | <u>80.19%</u>                     |
| <b>Major Project - Administration Building</b>                    |                    |                              |                                   |
| B9010 Civic and Administration Centre Construction                | 16,721             | 95,000                       | -57.75%                           |
|   | <u>16,721</u>      | <u>95,000</u>                | <u>-57.75%</u>                    |
| <b>Buildings (Other)</b>  |                    |                              |                                   |
| B9109 Hithergreen Building Renovations                            | 0                  | 68,886                       | 0.00%                             |
| B9112 Ambergate Bushfire Brigade Shed                             | 252,935            | 362,055                      | 270.03%                           |
| B9113 Vasse Bushfire Brigade Appliance Bay Facility               | 8,655              | 8,655                        | 0.00%                             |
| B9114 Sussex BFB Concrete Apron                                   | 8,655              | 8,655                        | 0.00%                             |
| B9300 Aged Housing Capital Improvements - Winderlup               | 19,554             | 60,000                       | -21.78%                           |
| B9301 Aged Housing Capital Improvements - Harris Road             | 45,254             | 48,200                       | 125.42%                           |
| B9302 Aged Housing Capital Improvements - Winderlup Court (City)  | 12,266             | 51,000                       | -42.28%                           |
| B9407 Busselton Senior Citizens                                   | 0                  | 750,000                      | -100.00%                          |
| B9511 ArtGeo Building   | 0                  | 73,000                       | -100.00%                          |
| B9512 GLC Aerobic Additions / Sauna Room                          | 0                  | 30,000                       | -100.00%                          |
| B9516 Busselton Library Upgrade                                   | 0                  | 11,000                       | -100.00%                          |
| B9517 GLC - Pool Relining   | 0                  | 50,000                       | -100.00%                          |
| B9528 GLC - Plant Room  | 29,835             | 57,819                       | -7.99%                            |
| B9538 Weld Theatre  | 6,235              | 15,000                       | 0.00%                             |
| B9556 NCC Upgrade   | 16,060             | 107,818                      | -69.85%                           |
| B9588 Old Court House Building Upgrade                            | 0                  | 75,000                       | -100.00%                          |
| B9591 Performing Arts Convention Centre                           | 16,604             | 50,000                       | -20.31%                           |
| B9596 GLC Building Improvements                                   | 125                | 260,000                      | 0.00%                             |
| B9604 Womens Change Facility Bovell                               | 0                  | 35,000                       | -100.00%                          |
| B9605 Energy Efficiency Initiatives (Various Buildings)           | 0                  | 100,000                      | -100.00%                          |
| B9716 Airport Terminal Stage 2                                    | (24,308)           | 12,915,000                   | -100.45%                          |

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 30 November 2018**

| Description   | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|---|-------------------|------------------------------|-----------------------------------|
| B9717 Airport Construction, Existing Terminal Upgrade | 0                 | 500,000                      | -100.00%                          |
| B9804 Bsn Jetty Tourist Park Home                     | 39,126            | 55,258                       | 69.93%                            |
| B9808 Busselton Jetty Tourist Park Upgrade            | 0                 | 214,400                      | -100.00%                          |
|   | <u>430,996</u>    | <u>15,906,746</u>            | <u>-93.37%</u>                    |
| <b>Total Buildings</b>                                | <b>471,043</b>    | <b>16,252,816</b>            | <b>-92.81%</b>                    |

**Plant & Equipment**

|   |                  |                  |                |
|---|------------------|------------------|----------------|
| 10250 Information & Communication Technology Services | 0                | 15,000           | 0.00%          |
| 10251 Business Systems                                | 0                | 40,000           | 0.00%          |
| 10360 Customer Services                               | 0                | 40,000           | -100.00%       |
| 10502 Community & Commercial Services Support         | 0                | 50,000           | 0.00%          |
| 10530 Community Services Administration               | 37,605           | 40,000           | -5.99%         |
| 10630 Property and Business Development               | 31,292           | 35,000           | -10.59%        |
| 10800 Planning Directorate Support                    | 0                | 50,000           | -100.00%       |
| 10808 Compliance Services                             | 0                | 40,000           | -100.00%       |
| 10820 Strategic Planning                              | 37,605           | 40,000           | -5.99%         |
| 10920 Environmental Health Services Administration    | 38,885           | 40,000           | -2.79%         |
| 10940 Fire Prevention DFES                            | 0                | 55,000           | -100.00%       |
| 10980 Other Law, Order & Public Safety                | 31,877           | 35,000           | -8.92%         |
| 11000 Engineering & Works Services Support            | 55,000           | 50,000           | 10.00%         |
| 11101 Engineering Services Administration             | 33,844           | 35,000           | 0.00%          |
| 11107 Engineering Services Design                     | 34,071           | 35,000           | -2.65%         |
| 11156 Airport Development Operations                  | 0                | 150,000          | -100.00%       |
| 11300 Sanitation Waste Services Administration        | 36,816           | 40,000           | -7.96%         |
| 11401 Transport - Workshop                            | 3,495            | 111,000          | -92.23%        |
| 11402 Plant Purchases (P10)                           | 413,108          | 1,927,000        | -5.47%         |
| 11403 Plant Purchases (P11)                           | 16,084           | 805,500          | -96.56%        |
| 11404 Plant Purchases (P12)                           | 422,535          | 1,470,000        | -42.59%        |
| 11407 P&E - P&G Smart Technologies                    | 0                | 150,000          | -100.00%       |
| 11500 Operations Services Administration              | 38,503           | 110,000          | -48.66%        |
| B1013 Dunsborough Bushfire Brigade                    | 0                | 178,300          | 0.00%          |
| B1015 Hithergreen District Bushfire Brigade           | 0                | 465,200          | 0.00%          |
| B1024 Wilyabrup Bushfire Brigade                      | 0                | 178,300          | 0.00%          |
| B1026 Yallingup Rural Bushfire Brigade                | 0                | 597,600          | 0.00%          |
| B1029 Busselton Branch SES                            | 1,272            | 97,200           | 0.00%          |
|   | <u>1,231,992</u> | <u>6,880,100</u> | <u>-47.81%</u> |

**Furniture & Office Equipment**

|   |         |         |          |
|---|---------|---------|----------|
| 10250 Information & Communication Technology Services | 3,232   | 46,400  | -83.28%  |
| 10251 Business Systems                                | 106,884 | 258,500 | -0.75%   |
| 10530 Community Services Administration               | 0       | 5,000   | -100.00% |
| 10590 Naturaliste Community Centre                    | 0       | 16,110  | 0.00%    |
| 10591 Geopraphe Leisure Centre                        | 0       | 63,600  | -100.00% |
| 10625 Art Geo Administration                          | 10,000  | 12,000  | -16.67%  |
| 10900 Cultural Planning                               | 47,000  | 152,030 | -40.33%  |
| 11156 Airport Development Operations                  | 0       | 300,000 | -100.00% |
| 11160 Busselton Jetty                                 | 0       | 5,000   | -100.00% |
| B1361 YCAB (Youth Precinct Foreshore)                 | 0       | 25,000  | -100.00% |

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 30 November 2018**

| Description  | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|--|-------------------|------------------------------|-----------------------------------|
|  | 167,115           | 883,640                      | -51.76%                           |
| <b>Sub-Total Property, Plant &amp; Equipment</b>                   | <b>1,875,150</b>  | <b>25,666,556</b>            | <b>-79.74%</b>                    |
| <b>&gt;&gt; Infrastructure</b>                                     |                   |                              |                                   |
| <b>Major Project - Busselton Foreshore</b>                         |                   |                              |                                   |
| C0029 Queen West Foreshore Carpark                                 | 158,307           | 203,000                      | 87.16%                            |
| C3065 Signal Park  | 39,944            | 72,000                       | 33.15%                            |
| C3094 Busselton Foreshore - Stage 3                                | 8,559             | 220,672                      | -83.82%                           |
| C3112 Busselton Foreshore - Exercise Equipment                     | 0                 | 225,000                      | 0.00%                             |
| C3113 Busselton Tennis Club - Infrastructure                       | 295,128           | 3,862,894                    | -81.66%                           |
| C3150 Busselton Foreshore Stage 3: Toddler's Playground            | 9,930             | 174,301                      | 0.00%                             |
| C3168 Busselton Foreshore Jetty Precinct                           | 1,366,289         | 1,645,509                    | 88.53%                            |
| C3179 Jetty Precinct Bike Racks/Bin Enclosures                     | 1,192             | 12,500                       | -77.10%                           |
| C3180 Marine Tree Sword Planting                                   | 32,480            | 90,000                       | -13.39%                           |
| C3181 Minor Capital Improvements, Fencing, Seating, Lighting etc   | 1,484             | 20,500                       | -82.62%                           |
| C3182 Relocation of Veteran Car Club                               | 2,600             | 250,000                      | 0.00%                             |
| C3183 Queen Street Look Out Art Work                               | 0                 | 25,000                       | -100.00%                          |
| C3189 Fencing Possum Park Barnard East                             | 0                 | 30,000                       | -100.00%                          |
|  | 1,915,913         | 6,831,376                    | -26.11%                           |
| <b>Major Project - Administration Building</b>                     |                   |                              |                                   |
| C0043 Administration Building Carpark                              | 0                 | 100,000                      | -100.00%                          |
|  | 0                 | 100,000                      | -100.00%                          |
| <b>Footpaths Construction</b>                                      |                   |                              |                                   |
| F0035 Dunsborough Lakes Drive to N.C.C.                            | 7,484             | 152,000                      | -88.18%                           |
| F0066 Bussell Highway Footpath Sections                            | 389,881           | 589,820                      | 58.64%                            |
| F0075 Armitage Drive Footpath - Navigation Way to Avocet Boulevard | 0                 | 44,608                       | -100.00%                          |
| F0077 Valley Road Footpath   | 17,970            | 62,000                       | -30.43%                           |
| F0078 Signal Park Bypass New Path                                  | 33,927            | 70,000                       | 16.29%                            |
| F0079 Bovell Street Footpath                                       | 31,132            | 60,000                       | 24.53%                            |
|  | 480,394           | 978,428                      | 17.83%                            |
| <b>Drainage Construction - Street</b>                              |                   |                              |                                   |
| D0009 Busselton LIA - Geocatch Drain Partnership                   | 360               | 30,000                       | -97.12%                           |
| D0015 Valley Road Drainage Upgrade                                 | 161,154           | 230,000                      | 68.16%                            |
| D0017 Chain Avenue - Drainage Works                                | 0                 | 187,982                      | -100.00%                          |
| D0018 Centurion Way - Drainage Works                               | 0                 | 11,991                       | -100.00%                          |
| D0019 Johnston Avenue Drainage Upgrade - Stage 2                   | 18,710            | 25,000                       | 79.64%                            |
| D0020 Glenmeer Ramble Drainage                                     | 1,348             | 60,000                       | -94.61%                           |
|  | 181,571           | 544,973                      | -20.04%                           |

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 30 November 2018**

| Description   | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|---|-------------------|------------------------------|-----------------------------------|
| <b>Car Parking Construction</b>                               |                   |                              |                                   |
| C0013 Yallingup Beach Car Park                                | 228               | 101,000                      | -99.46%                           |
| C0044 Meelup Coastal Nodes - Carpark upgrade                  | 25,040            | 256,886                      | 136.67%                           |
| C0049 Port Geographe Marina Carparking                        | 9,192             | 190,380                      | -88.41%                           |
|   | <u>34,460</u>     | <u>548,266</u>               | <u>-73.89%</u>                    |
| <b>Bridges Construction</b>                                   |                   |                              |                                   |
| A0022 Yallingup Beach Road Bridge - 3347                      | 0                 | 222,000                      | 0.00%                             |
|   | <u>0</u>          | <u>222,000</u>               | <u>0.00%</u>                      |
| <b>Cycleways Construction</b>                                 |                   |                              |                                   |
| F1018 Dunsborough Cycleway CBD to Our Lady of the Cape School | 15,477            | 681,000                      | -94.55%                           |
|   | <u>15,477</u>     | <u>681,000</u>               | <u>-94.55%</u>                    |
| <b>Townscape Construction</b>                                 |                   |                              |                                   |
| C1001 Queen Street Upgrade - Duchess to Kent Street           | 0                 | 122,450                      | -100.00%                          |
| C1024 Dunsborough Road Access Improvements Stage 1            | 765,968           | 1,296,501                    | 41.79%                            |
|   | <u>765,968</u>    | <u>1,418,951</u>             | <u>29.56%</u>                     |
| <b>Boat Ramps Construction</b>                                |                   |                              |                                   |
| C1502 Old Dunsborough Boat Ramp Finger Jetty                  | 0                 | 22,200                       | -100.00%                          |
| C1512 Port Geographe Boat Ramp Renewal Works                  | 0                 | 220,000                      | -100.00%                          |
|   | <u>0</u>          | <u>242,200</u>               | <u>-100.00%</u>                   |
| <b>Depot Construction</b>                                     |                   |                              |                                   |
| C2006 Depot Washdown Facility Upgrades                        | 0                 | 110,000                      | -100.00%                          |
|   | <u>0</u>          | <u>110,000</u>               | <u>-100.00%</u>                   |
| <b>Beach Restoration</b>                                      |                   |                              |                                   |
| C2504 Groyne Construction                                     | 0                 | 48,150                       | -100.00%                          |
| C2512 Sand Re-Nourishment                                     | 394               | 173,410                      | -99.20%                           |
| C2520 Coastal Protection Works                                | 3,412             | 45,000                       | -81.80%                           |
| C2523 Broadwater Beach Coastal Protection Stage 1 of 4        | 0                 | 150,000                      | 0.00%                             |
| C2525 Wonnerup Groynes 3, 5, & 6                              | 0                 | 300,000                      | -100.00%                          |
| C2526 Baudin/ Wonnerup Groynes                                | 0                 | 300,000                      | -100.00%                          |
| C2527 Storm Damage Renewal of Infrastructure                  | 49,322            | 95,000                       | 24.60%                            |
| C2528 Craig Street Groyne and Sea Wall                        | 0                 | 250,000                      | 0.00%                             |
|   | <u>53,128</u>     | <u>1,361,560</u>             | <u>-85.94%</u>                    |



**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 30 November 2018**

| Description  | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|--|-------------------|------------------------------|-----------------------------------|
| <b>Parks, Gardens &amp; Reserves</b>                             |                   |                              |                                   |
| C3006 Playgrounds General - Replacement of playground equipment  | 0                 | 15,000                       | 0.00%                             |
| C3007 Park Furniture Replacement - Replace aged & unsafe Equip   | 8,864             | 43,000                       | -55.68%                           |
| C3017 Bovell Park - Upgrade Lighting                             | 0                 | 79,000                       | 0.00%                             |
| C3024 Dunsborough Oval - Lighting Upgrade                        | 0                 | 55,000                       | -100.00%                          |
| C3048 BBQ Placement and Replacement                              | 3,966             | 13,000                       | -26.76%                           |
| C3122 Rails to Trails  | 1,249             | 248,723                      | -98.79%                           |
| C3131 Elijah Circle POS  | 5,068             | 24,620                       | -50.60%                           |
| C3143 NCC Infrastructure   | 3,039             | 3,039                        | 140.24%                           |
| C3145 Churchill Park   | 3,084             | 188,837                      | -96.08%                           |
| C3146 Dunsborough Town Centre                                    | 27,711            | 87,457                       | -23.95%                           |
| C3154 Administration Building Landscaping Works                  | 14,349            | 20,000                       | 72.15%                            |
| C3157 Port Geographe - Layman Road Native Tree Planting          | 13,728            | 33,158                       | -0.63%                            |
| C3158 Port Geographe - Casurina Replacements on Layman Road      | 0                 | 21,100                       | -100.00%                          |
| C3159 Port Geographe - Burgee Cove (Western Side of Bridge)      | 55,671            | 92,543                       | 44.37%                            |
| C3160 Port Geographe - Reticulated POS at Layman Rd R/About      | 183,639           | 286,513                      | 53.83%                            |
| C3163 Port Geographe - Outstanding Minor Repairs                 | 0                 | 30,000                       | -100.00%                          |
| C3164 Port Geographe - Reticulation Upgrade Scheme to Bore Water | 179,977           | 332,927                      | 29.74%                            |
| C3166 Vasse River Foreshore - Bridge to Bridge                   | 2,633             | 94,317                       | -90.47%                           |
| C3174 Old Broadwater Farm Drink Fountain                         | 2,813             | 5,000                        | 0.00%                             |
| C3175 Currawong Drive Drink Fountain                             | 2,908             | 5,000                        | 0.00%                             |
| C3176 Coastal Fencing  | 481               | 10,000                       | -88.45%                           |
| C3177 Shade Sail Program   | 0                 | 100,000                      | -100.00%                          |
| C3178 Ping Pong Facility at Foreshore                            | 11,859            | 10,000                       | 18.59%                            |
| C3184 Rotary Park Entry Gateway Landscape Upgrade                | 0                 | 13,500                       | -100.00%                          |
| C3185 Foreshore Skate Park Seating                               | 0                 | 26,000                       | -100.00%                          |
| C3186 Lou Weston Oval - Courts                                   | 16,600            | 700,000                      | -94.31%                           |
| C3187 Port Geographe Reticulation Upgrades                       | 0                 | 65,000                       | -100.00%                          |
| C3188 Port Geographe Capital Replacement and Tree Planting       | 19,954            | 25,000                       | 91.59%                            |
| C3190 Mobile Grand Stands  | 27,845            | 30,000                       | 122.76%                           |
|  | 585,439           | 2,657,734                    | -44.96%                           |
| <b>Cemetery Capital Works</b>                                    |                   |                              |                                   |
| C1604 Pioneer Cemetery Infrastructure Upgrades                   | 0                 | 52,000                       | -100.00%                          |
| C1605 Busselton Cemetery Infrastructure Upgrades                 | 0                 | 100,000                      | 0.00%                             |
| C1609 Pioneer Cemetery - Implement Conservation Plan             | 2,040             | 20,000                       | -75.52%                           |
|  | 2,040             | 172,000                      | -93.20%                           |
| <b>Beach Front Infrastructure Works</b>                          |                   |                              |                                   |
| C1755 Dunsborough Beach Enclosure Net Replacement                | 95,500            | 90,000                       | 6.11%                             |
| C1758 Beach Access Stairs - Bay View Crescent                    | 0                 | 21,000                       | 0.00%                             |
| C1760 King Street Reserve - Park Upgrade (Coastal Node)          | 0                 | 77,500                       | -100.00%                          |
|  | 95,500            | 188,500                      | -19.58%                           |
| <b>Aged Housing - Infrastructure Works</b>                       |                   |                              |                                   |
| C3451 Aged Housing Infrastructure (Upgrade)                      | 0                 | 13,300                       | -100.00%                          |

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 30 November 2018**

| Description  | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|--|-------------------|------------------------------|-----------------------------------|
|  | 0                 | 13,300                       | -100.00%                          |
| <b>Sanitation Infrastructure</b>                                   |                   |                              |                                   |
| C3479 Vidler Road Waste Site Capital Improvements                  | 17,565            | 403,750                      | -89.56%                           |
| C3481 Transfer Station Development                                 | 5,873             | 442,340                      | -96.81%                           |
| C3485 Site Rehabilitation - Busselton                              | 479,156           | 1,050,000                    | 9.52%                             |
|  | 502,594           | 1,896,090                    | -36.38%                           |
| <b>Airport Development</b>   |                   |                              |                                   |
| C6086 Airport Construction - Air Freight Hub Stage 1               | 0                 | 3,000,000                    | -100.00%                          |
| C6087 Airport Construction Stage 2, Landside Civils & Services Inf | 1,042,896         | 691,170                      | 262.14%                           |
| C6091 Airport Construction Stage 2, Noise Management Plan          | 2,400             | 869,550                      | -99.34%                           |
| C6092 Airport Construction Stage 2, Airfield                       | 924,909           | 1,150,000                    | 93.03%                            |
| C6095 Airport Construction Stage 2, External Services              | 684,064           | 2,300,000                    | -28.62%                           |
| C6099 Airport Development - Project Expenses                       | 433,313           | 1,892,760                    | -45.49%                           |
|  | 3,087,582         | 9,903,480                    | -25.29%                           |
| <b>Main Roads</b>  |                   |                              |                                   |
| S0022 Floodgate Road   | 458               | 31,000                       | -96.45%                           |
| S0035 Strelly Street / Barlee Street Roundabout                    | 1,562             | 450,000                      | -99.17%                           |
| S0051 Causeway Road / Rosemary Drive Roundabout                    | 5,895             | 750,000                      | -98.11%                           |
| S0064 Peel Terrace (Stanley Pl/Cammilleri St Intersection Upgrade) | 150,041           | 613,033                      | -41.26%                           |
| S0066 Queen Street   | 2,185             | 52,846                       | -90.08%                           |
| S0067 Layman Road - Reconstruction Between 3250 and 6190           | 21,638            | 152,487                      | -65.94%                           |
| S0068 Georgiana Molloy Bus Bay Facilities                          | 20,586            | 197,286                      | -79.41%                           |
| S0069 Peel Terrace (Brown Street Intersection Upgrades)            | 1,617             | 250,000                      | -98.45%                           |
| S0317 Naturaliste Terrace Asphalt Overlay                          | 3,167             | 153,080                      | -95.04%                           |
| S0318 Bentley Road Reseal  | 129               | 27,000                       | -98.85%                           |
| S0319 Webster Road Reseal  | 172               | 31,000                       | -98.67%                           |
| S0320 Ballarat Road Reseal   | 129               | 75,000                       | -99.59%                           |
|  | 207,580           | 2,782,732                    | -82.37%                           |
| <b>Black Spot</b>  |                   |                              |                                   |
| V0002 Eastern Link - Busselton Traffic Study                       | 86,447            | 2,900,000                    | -92.85%                           |
|  | 86,447            | 2,900,000                    | -92.85%                           |
| <b>Council Roads Initiative</b>                                    |                   |                              |                                   |
| W0005 Kaloorup Road  | 0                 | 38,500                       | -100.00%                          |
| W0016 Hairpin Road   | 0                 | 85,000                       | -100.00%                          |
| W0026 Yoongarillup Road  | 38,712            | 890,000                      | -89.56%                           |
| W0055 Lindberg Road  | 56,544            | 173,500                      | -21.78%                           |
| W0058 Quininup Road  | 32,100            | 79,000                       | -2.49%                            |
| W0074 Chapman Hill Road  | 722               | 35,400                       | -95.11%                           |

Statement of Financial Activity - Period Ending 30 November  
2018

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 30 November 2018**

| Description   | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|---|-------------------|------------------------------|-----------------------------------|
| W0084 Vasse Yallingup Siding Road                       | 0                 | 20,200                       | -100.00%                          |
| W0136 DAIP Issues District ACROD Bays, ramps, signs etc | 32,216            | 40,173                       | 92.45%                            |
| W0176 Signage (Alternate CBD Entry)                     | 0                 | 19,796                       | -100.00%                          |
| W0183 Carter Road                                       | 27,170            | 26,000                       | 150.64%                           |
| W0190 Miamup Road                                       | 0                 | 16,200                       | -100.00%                          |
| W0192 Valley Road                                       | 1,200             | 46,840                       | -93.85%                           |
| W0195 Yallingup Beach Road                              | 0                 | 20,000                       | -100.00%                          |
| W0204 Greenfield Road (Loop) - One way layout           | 0                 | 54,720                       | -100.00%                          |
| W0209 Layman Road Re-Shouldering                        | 25,919            | 50,000                       | 24.40%                            |
| W0210 Lewis Road Gravel Resheet                         | 27,920            | 36,000                       | 86.13%                            |
| W0211 Koorabin Drive Stage 2                            | 0                 | 50,000                       | -100.00%                          |
| W0212 Hamilton Way Asphalt Overlay                      | 15,450            | 281,000                      | -86.81%                           |
| W0213 Forsythe Place Asphalt Overlay                    | 1,123             | 106,400                      | -97.47%                           |
| W0214 McGregor Place Asphalt Overlay                    | 29,603            | 47,900                       | 48.31%                            |
| W0215 Langridge Place Asphalt Overlay                   | 46,645            | 78,200                       | 43.15%                            |
| W0216 Fredrick Street Partial Reconstruction            | 0                 | 40,000                       | -100.00%                          |
| W0217 Russell Street Asphalt Overlay & Footpath         | 62,442            | 79,000                       | 89.71%                            |
| W0218 Herring Street Asphalt Overlay & Footpath         | 62,590            | 67,000                       | 124.18%                           |
| W0219 Wakeford Street Asphalt Overlay                   | 10,401            | 66,700                       | -62.58%                           |
| W0220 Mann Street Asphalt Overlay                       | 31,517            | 19,900                       | 280.18%                           |
| W0221 Eagle Bay Meelup Road Reseal                      | 0                 | 15,000                       | -100.00%                          |
| W0222 Neville Hyder Drive & Vasse Hwy Intersection      | 107,297           | 287,000                      | -62.61%                           |
| W0223 Reading Street Reconstruction and Widen           | 317               | 185,000                      | -99.59%                           |
| W0224 Jones Way Asphalt Overlay                         | 0                 | 355,000                      | -100.00%                          |
| W0225 College Avenue Reconstruction                     | 0                 | 92,000                       | -100.00%                          |
| W0226 Vickery/O'Donnel Asphalt Overlay                  | 0                 | 52,132                       | -100.00%                          |
| W0227 William Drive Asphalt Overlay                     | 0                 | 228,310                      | -100.00%                          |
| W0228 Gaia Close Asphalt Overlay                        | 0                 | 47,400                       | -100.00%                          |
| W0229 Tom Cullity Drive Second Coat Seal                | 0                 | 97,000                       | -100.00%                          |
|   | 609,888           | 3,826,271                    | -65.38%                           |
| <b>Sub-Total Infrastructure</b>                         | <b>8,623,982</b>  | <b>37,378,861</b>            | <b>-42.82%</b>                    |
| <b>Grand Total - Capital Acquisitions</b>               | <b>10,499,133</b> | <b>63,045,417</b>            |                                   |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|---|---------------------|--------------------------------|
|   | \$                  | \$                             |
| <b>100 Airport Infrastructure Renewal and Replacement Reserve</b> |                     |                                |
| Accumulated Reserves at Start of Year                             | 1,325,501.46        | 1,325,501.46                   |
| Interest transfer to Reserves                                     | 14,507.91           | 24,864.00                      |
| Transfer from Muni  | 223,520.00          | 536,450.00                     |
| Transfer to Muni  | (39,000.00)         | (231,630.00)                   |
|   | 1,524,529.37        | 1,655,185.46                   |
| <b>136 Airport Marketing Reserve</b>                              |                     |                                |
| Accumulated Reserves at Start of Year                             | 1,583,014.10        | 1,583,014.10                   |
| Interest transfer to Reserves                                     | 29,217.71           | 29,700.00                      |
| Transfer from Muni  | 1,540,515.00        | 1,708,245.00                   |
| Transfer to Muni  | 0.00                | (1,590,287.00)                 |
|   | 3,152,746.81        | 1,730,672.10                   |
| <b>143 Airport Noise Mitigation Reserve</b>                       |                     |                                |
| Interest transfer to Reserves                                     | 7,966.97            | 0.00                           |
| Transfer from Muni  | 869,550.00          | 869,550.00                     |
| Transfer to Muni  | 0.00                | (869,550.00)                   |
|   | 877,516.97          | 0.00                           |
| <b>148 Airport Existing Terminal Building Reserve</b>             |                     |                                |
| Interest transfer to Reserves                                     | 291.50              | 0.00                           |
| Transfer from Muni  | 39,000.00           | 39,000.00                      |
|   | 39,291.50           | 39,000.00                      |
| <b>106 Building Reserve</b>                                       |                     |                                |
| Accumulated Reserves at Start of Year                             | 1,193,933.21        | 1,193,933.21                   |
| Interest transfer to Reserves                                     | 10,358.19           | 22,392.00                      |
| Transfer from Muni  | 150,610.00          | 868,472.18                     |
| Transfer to Muni  | (293,918.00)        | (661,918.00)                   |
|   | 1,060,983.40        | 1,422,879.39                   |
| <b>404 Barnard Park Sports Pavilion Building Reserve</b>          |                     |                                |
| Interest transfer to Reserves                                     | 25.62               | 0.00                           |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|            |  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|--|---------------------|--------------------------------|
|            |  | \$                  | \$                             |
|            | Transfer from Muni                                     | 4,375.00            | 10,500.00                      |
|            |  | 4,400.62            | 10,500.00                      |
| <b>405</b> | <b>Railway House Building Reserve</b>                  |                     |                                |
|            | Interest transfer to Reserves                          | 40.24               | 0.00                           |
|            | Transfer from Muni                                     | 6,875.00            | 16,500.00                      |
|            |  | 6,915.24            | 16,500.00                      |
| <b>406</b> | <b>Youth and Community Activities Building Reserve</b> |                     |                                |
|            | Interest transfer to Reserves                          | 109.73              | 0.00                           |
|            | Transfer from Muni                                     | 18,750.00           | 45,000.00                      |
|            |  | 18,859.73           | 45,000.00                      |
| <b>407</b> | <b>Busselton Library Building Reserve</b>              |                     |                                |
|            | Interest transfer to Reserves                          | 368.69              | 0.00                           |
|            | Transfer from Muni                                     | 52,800.00           | 83,580.00                      |
|            | Transfer to Muni                                       | 0.00                | (11,000.00)                    |
|            |  | 53,168.69           | 72,580.00                      |
| <b>131</b> | <b>Busselton Community Resource Centre</b>             |                     |                                |
|            | Accumulated Reserves at Start of Year                  | 156,653.93          | 156,653.93                     |
|            | Interest transfer to Reserves                          | 1,633.82            | 2,940.00                       |
|            | Transfer from Muni                                     | 7,358.00            | 29,433.00                      |
|            |  | 165,645.75          | 189,026.93                     |
| <b>408</b> | <b>Busselton Jetty Tourist Park Reserve</b>            |                     |                                |
|            | Interest transfer to Reserves                          | 532.23              | 0.00                           |
|            | Transfer from Muni                                     | 90,945.00           | 218,272.00                     |
|            | Transfer to Muni                                       | 0.00                | (214,400.00)                   |
|            |  | 91,477.23           | 3,872.00                       |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|            |  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|--|---------------------|--------------------------------|
|            |  | \$                  | \$                             |
| <b>409</b> | <b>Geographe Leisure Centre Building Reserve</b>     |                     |                                |
|            | Interest transfer to Reserves                        | 2,098.62            | 0.00                           |
|            | Transfer from Muni                                   | 300,665.00          | 476,640.00                     |
|            | Transfer to Muni                                     | 0.00                | (290,000.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 302,763.62          | 186,640.00                     |
| <b>331</b> | <b>Joint Venture Aged Housing Reserve</b>            |                     |                                |
|            | Accumulated Reserves at Start of Year                | 997,854.77          | 997,854.77                     |
|            | Interest transfer to Reserves                        | 10,306.82           | 18,720.00                      |
|            | Transfer from Muni                                   | 73,665.00           | 176,800.00                     |
|            | Transfer to Muni                                     | 0.00                | (121,500.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 1,081,826.59        | 1,071,874.77                   |
| <b>403</b> | <b>Aged Housing Resident Funded (Council)</b>        |                     |                                |
|            | Accumulated Reserves at Start of Year                | 186,717.69          | 186,717.69                     |
|            | Interest transfer to Reserves                        | 1,867.46            | 3,504.00                       |
|            | Transfer from Muni                                   | 0.00                | 0.00                           |
|            | Transfer to Muni                                     | 0.00                | (66,200.00)                    |
|            |  | <hr/>               | <hr/>                          |
|            |  | 188,585.15          | 124,021.69                     |
| <b>410</b> | <b>Naturaliste Community Centre Building Reserve</b> |                     |                                |
|            | Interest transfer to Reserves                        | 603.49              | 0.00                           |
|            | Transfer from Muni                                   | 89,783.00           | 159,078.00                     |
|            | Transfer to Muni                                     | 0.00                | (100,000.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 90,386.49           | 59,078.00                      |
| <b>411</b> | <b>Civic and Administration Building Reserve</b>     |                     |                                |
|            | Interest transfer to Reserves                        | 451.11              | 0.00                           |
|            | Transfer from Muni                                   | 77,085.00           | 185,000.00                     |
|            |  | <hr/>               | <hr/>                          |
|            |  | 77,536.11           | 185,000.00                     |
| <b>110</b> | <b>Jetty Maintenance Reserve</b>                     |                     |                                |
|            | Accumulated Reserves at Start of Year                | 4,193,450.51        | 4,193,450.51                   |
|            | Interest transfer to Reserves                        | 42,661.21           | 78,660.00                      |
|            | Transfer from Muni                                   | 0.00                | 1,249,044.00                   |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|---|---------------------|--------------------------------|
|   | \$                  | \$                             |
| Transfer to Muni                        | (150,000.00)        | (1,552,610.00)                 |
|   | 4,086,111.72        | 3,968,544.51                   |
| <b>150 Jetty Self Insurance Reserve</b> |                     |                                |
| Interest transfer to Reserves           | 877.82              | 0.00                           |
| Transfer from Muni                      | 150,000.00          | 360,000.00                     |
|   | 150,877.82          | 360,000.00                     |
| <b>222 Asset Depreciation Reserve</b>   |                     |                                |
| Accumulated Reserves at Start of Year   | 563,412.18          | 563,412.18                     |
| Interest transfer to Reserves           | 5,476.67            | 10,572.00                      |
| Transfer to Muni                        | 0.00                | (573,984.18)                   |
|   | 568,888.85          | 0.00                           |
| <b>223 Road Asset Renewal Reserve</b>   |                     |                                |
| Accumulated Reserves at Start of Year   | 1,299,765.50        | 1,299,765.50                   |
| Interest transfer to Reserves           | 17,426.62           | 24,384.00                      |
| Transfer from Muni                      | 1,062,900.00        | 2,550,956.00                   |
| Transfer to Muni                        | (101,725.00)        | (3,875,096.00)                 |
|   | 2,278,367.12        | 9.50                           |
| <b>224 Footpath/ Cycle Ways Reserve</b> |                     |                                |
| Interest transfer to Reserves           | 565.50              | 0.00                           |
| Transfer from Muni                      | 96,630.00           | 231,906.00                     |
| Transfer to Muni                        | 0.00                | (231,906.00)                   |
|   | 97,195.50           | 0.00                           |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|            |   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|---|---------------------|--------------------------------|
|            |   | \$                  | \$                             |
| <b>115</b> | <b>Plant Replacement Reserve</b>                      |                     |                                |
|            | Accumulated Reserves at Start of Year                 | 2,185,395.64        | 2,185,395.64                   |
|            | Interest transfer to Reserves                         | 21,330.99           | 40,992.00                      |
|            | Transfer from Muni                                    | 352,330.00          | 845,588.00                     |
|            | Transfer to Muni                                      | 0.00                | (2,179,650.00)                 |
|            |   | <hr/>               | <hr/>                          |
|            |   | 2,559,056.63        | 892,325.64                     |
| <b>137</b> | <b>Busselton Traffic Study Implementation Reserve</b> |                     |                                |
|            | Accumulated Reserves at Start of Year                 | 432,138.26          | 432,138.26                     |
|            | Interest transfer to Reserves                         | 7,521.63            | 8,112.00                       |
|            | Transfer from Muni                                    | 525,445.00          | 1,211,110.00                   |
|            | Transfer to Muni                                      | 0.00                | (1,650,000.00)                 |
|            |   | <hr/>               | <hr/>                          |
|            |   | 965,104.89          | 1,360.26                       |
| <b>132</b> | <b>CBD Enhancement Reserve</b>                        |                     |                                |
|            | Accumulated Reserves at Start of Year                 | 122,490.23          | 122,490.23                     |
|            | Interest transfer to Reserves                         | 1,325.82            | 2,292.00                       |
|            | Transfer from Muni                                    | 11,250.00           | 45,000.00                      |
|            | Transfer to Muni                                      | 0.00                | (120,000.00)                   |
|            |   | <hr/>               | <hr/>                          |
|            |   | 135,066.05          | 49,782.23                      |
| <b>127</b> | <b>New Infrastructure Development Reserve</b>         |                     |                                |
|            | Accumulated Reserves at Start of Year                 | 1,834,714.76        | 1,834,714.76                   |
|            | Interest transfer to Reserves                         | 18,216.51           | 34,416.00                      |
|            | Transfer from Muni                                    | 171,225.00          | 410,941.00                     |
|            | Transfer to Muni                                      | 0.00                | (1,470,740.00)                 |
|            |   | <hr/>               | <hr/>                          |
|            |   | 2,024,156.27        | 809,331.76                     |
| <b>141</b> | <b>CPA Infrastructure Road Upgrades Reserve</b>       |                     |                                |
|            | Accumulated Reserves at Start of Year                 | 225,574.67          | 225,574.67                     |
|            | Interest transfer to Reserves                         | 2,224.38            | 4,236.00                       |
|            | Transfer from Muni                                    | 0.00                | 0.00                           |
|            |   | <hr/>               | <hr/>                          |
|            |   | 227,799.05          | 229,810.67                     |
| <b>114</b> | <b>City Car Parking and Access Reserve</b>            |                     |                                |



**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|---|---------------------|--------------------------------|
|   | \$                  | \$                             |
| Accumulated Reserves at Start of Year                         | 875,925.14          | 875,925.14                     |
| Interest transfer to Reserves                                 | 9,749.88            | 16,428.00                      |
| Transfer from Muni  | 224,180.00          | 538,024.00                     |
| Transfer to Muni  | 0.00                | (1,312,249.00)                 |
|   | <hr/>               | <hr/>                          |
|   | 1,109,855.02        | 118,128.14                     |
| <b>107 Corporate IT System Programme</b>                      |                     |                                |
| Accumulated Reserves at Start of Year                         | 78,625.03           | 78,625.03                      |
| Interest transfer to Reserves                                 | 583.12              | 1,476.00                       |
| Transfer to Muni  | 0.00                | 0.00                           |
|   | <hr/>               | <hr/>                          |
|   | 79,208.15           | 80,101.03                      |
| <b>133 Election, Valuation and Corporate Expenses Reserve</b> |                     |                                |
| Accumulated Reserves at Start of Year                         | 149,557.64          | 149,557.64                     |
| Interest transfer to Reserves                                 | 1,442.75            | 2,808.00                       |
| Transfer from Muni  | 146,225.00          | 350,949.00                     |
| Transfer to Muni  | 0.00                | (10,300.00)                    |
|   | <hr/>               | <hr/>                          |
|   | 297,225.39          | 493,014.64                     |
| <b>111 Legal Expenses Reserve</b>                             |                     |                                |
| Accumulated Reserves at Start of Year                         | 557,904.00          | 557,904.00                     |
| Interest transfer to Reserves                                 | 5,501.45            | 10,464.00                      |
| Transfer from Muni  | 61,364.00           | 61,364.00                      |
| Transfer to Muni  | 0.00                | (30,000.00)                    |
|   | <hr/>               | <hr/>                          |
|   | 624,769.45          | 599,732.00                     |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|            |   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|---|---------------------|--------------------------------|
|            |   | \$                  | \$                             |
| <b>202</b> | <b>Long Service Leave Reserve</b>               |                     |                                |
|            | Accumulated Reserves at Start of Year           | 3,111,698.09        | 3,111,698.09                   |
|            | Interest transfer to Reserves                   | 43,179.00           | 58,368.00                      |
|            | Transfer from Muni                              | 104,165.00          | 250,000.00                     |
|            | Transfer to Muni                                | 0.00                | (606,308.00)                   |
|            |   | <hr/>               | <hr/>                          |
|            |   | 3,259,042.09        | 2,813,758.09                   |
| <b>203</b> | <b>Professional Development Reserve</b>         |                     |                                |
|            | Accumulated Reserves at Start of Year           | 113,024.66          | 113,024.66                     |
|            | Interest transfer to Reserves                   | 1,126.41            | 2,124.00                       |
|            | Transfer from Muni                              | 29,165.00           | 70,000.00                      |
|            | Transfer to Muni                                | 0.00                | (70,000.00)                    |
|            |   | <hr/>               | <hr/>                          |
|            |   | 143,316.07          | 115,148.66                     |
| <b>204</b> | <b>Sick Pay Incentive Reserve</b>               |                     |                                |
|            | Accumulated Reserves at Start of Year           | 175,935.04          | 175,935.04                     |
|            | Interest transfer to Reserves                   | 2,406.87            | 3,300.00                       |
|            | Transfer from Muni                              | 0.00                | 0.00                           |
|            | Transfer to Muni                                | 0.00                | (70,000.00)                    |
|            |   | <hr/>               | <hr/>                          |
|            |   | 178,341.91          | 109,235.04                     |
| <b>124</b> | <b>Workers Compensation Contingency Reserve</b> |                     |                                |
|            | Accumulated Reserves at Start of Year           | 356,227.48          | 356,227.48                     |
|            | Interest transfer to Reserves                   | 3,465.71            | 6,684.00                       |
|            | Transfer from Muni                              | 0.00                | 0.00                           |
|            | Transfer to Muni                                | 0.00                | (60,000.00)                    |
|            |   | <hr/>               | <hr/>                          |
|            |   | 359,693.19          | 302,911.48                     |
| <b>302</b> | <b>Community Facilities - City District</b>     |                     |                                |
|            | Accumulated Reserves at Start of Year           | 2,303,095.83        | 2,303,095.83                   |
|            | Interest transfer to Reserves                   | 23,455.38           | 43,200.00                      |
|            | Transfer from Muni                              | 86,942.98           | 593,880.00                     |
|            | Transfer to Muni                                | 0.00                | (643,415.00)                   |
|            |   | <hr/>               | <hr/>                          |
|            |   | 2,413,494.19        | 2,296,760.83                   |
| <b>304</b> | <b>Community Facilities - Broadwater</b>        |                     |                                |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|--|---------------------|--------------------------------|
|  | \$                  | \$                             |
| Accumulated Reserves at Start of Year                      | 138,048.48          | 138,048.48                     |
| Interest transfer to Reserves                              | 1,384.64            | 2,592.00                       |
| Transfer from Muni   | 3,123.36            | 29,020.00                      |
|  | 142,556.48          | 169,660.48                     |
| <b>303 Community Facilities - Busselton</b>                |                     |                                |
| Accumulated Reserves at Start of Year                      | 34,546.40           | 34,546.40                      |
| Interest transfer to Reserves                              | 365.36              | 648.00                         |
| Transfer from Muni   | 3,376.99            | 50,560.00                      |
| Transfer to Muni   | 0.00                | (80,000.00)                    |
|  | 38,288.75           | 5,754.40                       |
| <b>305 Community Facilities - Dunsborough</b>              |                     |                                |
| Accumulated Reserves at Start of Year                      | 166,327.12          | 166,327.12                     |
| Interest transfer to Reserves                              | 1,751.75            | 3,120.00                       |
| Transfer from Muni   | 12,093.72           | 78,600.00                      |
|  | 180,172.59          | 248,047.12                     |
| <b>311 Community Facilities - Dunsborough Lakes Estate</b> |                     |                                |
| Accumulated Reserves at Start of Year                      | 525,105.39          | 525,105.39                     |
| Interest transfer to Reserves                              | 6,480.35            | 9,852.00                       |
| Transfer from Muni   | 190,476.00          | 487,780.00                     |
|  | 722,061.74          | 1,022,737.39                   |
| <b>306 Community Facilities - Geographe</b>                |                     |                                |
| Accumulated Reserves at Start of Year                      | 95,061.38           | 95,061.38                      |
| Interest transfer to Reserves                              | 946.84              | 1,788.00                       |
| Transfer from Muni   | 1,189.00            | 6,170.00                       |
|  | 97,197.22           | 103,019.38                     |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|            |  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|--|---------------------|--------------------------------|
|            |  | \$                  | \$                             |
| <b>310</b> | <b>Community Facilities - Port Geographe</b>             |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 335,116.76          | 335,116.76                     |
|            | Interest transfer to Reserves                            | 3,304.57            | 6,288.00                       |
|            |  | <hr/>               | <hr/>                          |
|            |  | 338,421.33          | 341,404.76                     |
| <b>309</b> | <b>Community Facilities - Vasse</b>                      |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 589,760.45          | 589,760.45                     |
|            | Interest transfer to Reserves                            | 5,683.88            | 11,064.00                      |
|            | Transfer from Muni                                       | 8,443.40            | 455,460.00                     |
|            | Transfer to Muni   | 0.00                | 0.00                           |
|            |  | <hr/>               | <hr/>                          |
|            |  | 603,887.73          | 1,056,284.45                   |
| <b>308</b> | <b>Community Facilities - Airport North</b>              |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 2,826,296.71        | 2,826,296.71                   |
|            | Interest transfer to Reserves                            | 27,869.97           | 53,016.00                      |
|            | Transfer from Muni                                       | 0.00                | 212,080.00                     |
|            |  | <hr/>               | <hr/>                          |
|            |  | 2,854,166.68        | 3,091,392.71                   |
| <b>130</b> | <b>Locke Estate Reserve</b>                              |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 0.00                | 0.00                           |
|            | Interest transfer to Reserves                            | 156.06              | 0.00                           |
|            | Transfer from Muni                                       | 26,665.00           | 64,000.00                      |
|            | Transfer to Muni   | 0.00                | (64,000.00)                    |
|            |  | <hr/>               | <hr/>                          |
|            |  | 26,821.06           | 0.00                           |
| <b>122</b> | <b>Port Geographe Development Reserve</b>                |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 1,455,440.82        | 1,455,440.82                   |
|            | Interest transfer to Reserves                            | 14,034.36           | 27,300.00                      |
|            | Transfer from Muni                                       | 20,835.00           | 50,000.00                      |
|            | Transfer to Muni   | 0.00                | (999,781.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 1,490,310.18        | 532,959.82                     |
| <b>123</b> | <b>Port Geographe Waterways Management Reserve (SAR)</b> |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 3,387,485.07        | 3,387,485.07                   |
|            | Interest transfer to Reserves                            | 34,041.21           | 63,540.00                      |

**City of Busselton**

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|   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|---|---------------------|--------------------------------|
|   | \$                  | \$                             |
| Transfer from Muni  | 78,155.00           | 187,573.00                     |
| Transfer to Muni  | 0.00                | (337,800.00)                   |
|   | 3,499,681.28        | 3,300,798.07                   |
| <b>126 Provence Landscape Maintenance Reserve (SAR)</b>             |                     |                                |
| Accumulated Reserves at Start of Year                               | 1,101,707.78        | 1,101,707.78                   |
| Interest transfer to Reserves                                       | 11,104.41           | 20,664.00                      |
| Transfer from Muni  | 69,490.00           | 166,778.00                     |
| Transfer to Muni  | 0.00                | (162,645.00)                   |
|   | 1,182,302.19        | 1,126,504.78                   |
| <b>128 Vasse Newtown Landscape Maintenance Reserve (SAR)</b>        |                     |                                |
| Accumulated Reserves at Start of Year                               | 535,722.24          | 535,722.24                     |
| Interest transfer to Reserves                                       | 5,359.89            | 10,044.00                      |
| Transfer from Muni  | 70,995.00           | 170,390.00                     |
| Transfer to Muni  | 0.00                | (174,860.00)                   |
|   | 612,077.13          | 541,296.24                     |
| <b>138 CPA Bushfire Facilities Reserve</b>                          |                     |                                |
| Accumulated Reserves at Start of Year                               | 55,861.58           | 55,861.58                      |
| Interest transfer to Reserves                                       | 550.84              | 1,044.00                       |
| Transfer from Muni  | 0.00                | 0.00                           |
|   | 56,412.42           | 56,905.58                      |
| <b>139 CPA Community Facilities Dunsborough Lakes South Reserve</b> |                     |                                |
| Accumulated Reserves at Start of Year                               | 70,848.15           | 70,848.15                      |
| Interest transfer to Reserves                                       | 698.61              | 1,332.00                       |
| Transfer from Muni  | 0.00                | 0.00                           |
|   | 71,546.76           | 72,180.15                      |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|            |  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|--|---------------------|--------------------------------|
|            |  | \$                  | \$                             |
| <b>140</b> | <b>CPA Community Facilities South Biddle Precinct Reserve</b>    |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 1,030,368.46        | 1,030,368.46                   |
|            | Interest transfer to Reserves                                    | 10,160.42           | 19,332.00                      |
|            | Transfer from Muni   | 0.00                | 0.00                           |
|            | Transfer to Muni   | 0.00                | (200,000.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 1,040,528.88        | 849,700.46                     |
| <b>321</b> | <b>Busselton Area Drainage and Waterways Improvement Reserve</b> |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 548,820.67          | 548,820.67                     |
|            | Interest transfer to Reserves                                    | 5,123.14            | 10,296.00                      |
|            | Transfer to Muni   | 0.00                | (169,317.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 553,943.81          | 389,799.67                     |
| <b>102</b> | <b>Climate Adaptation Reserve</b>                                |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 2,472,424.34        | 2,472,424.34                   |
|            | Interest transfer to Reserves                                    | 26,202.67           | 46,380.00                      |
|            | Transfer from Muni   | 193,220.00          | 527,732.00                     |
|            | Transfer to Muni   | 0.00                | (1,317,290.00)                 |
|            |  | <hr/>               | <hr/>                          |
|            |  | 2,691,847.01        | 1,729,246.34                   |
| <b>144</b> | <b>Emergency Disaster Recovery Reserve</b>                       |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 50,000.00           | 50,000.00                      |
|            | Interest transfer to Reserves                                    | 732.80              | 936.00                         |
|            | Transfer from Muni   | 8,335.00            | 20,000.00                      |
|            |  | <hr/>               | <hr/>                          |
|            |  | 59,067.80           | 70,936.00                      |
| <b>145</b> | <b>Energy Sustainability Reserve</b>                             |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 100,000.00          | 100,000.00                     |
|            | Interest transfer to Reserves                                    | 1,611.87            | 1,872.00                       |
|            | Transfer from Muni   | 41,665.00           | 100,000.00                     |
|            | Transfer to Muni   | 0.00                | (120,000.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 143,276.87          | 81,872.00                      |
| <b>146</b> | <b>Cemetery Reserve</b>  |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 100,000.00          | 100,000.00                     |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|--|---------------------|--------------------------------|
|  | \$                  | \$                             |
| Interest transfer to Reserves                          | 1,553.85            | 1,872.00                       |
| Transfer from Muni                                     | 31,750.00           | 76,200.00                      |
| Transfer to Muni                                       | 0.00                | (120,000.00)                   |
|  | 133,303.85          | 58,072.00                      |
| <b>341 Public Art Reserve</b>                          |                     |                                |
| Accumulated Reserves at Start of Year                  | 229,685.21          | 229,685.21                     |
| Interest transfer to Reserves                          | 2,211.44            | 4,308.00                       |
| Transfer from Muni                                     | 0.00                | 100,000.00                     |
| Transfer to Muni                                       | 0.00                | (167,185.00)                   |
|  | 231,896.65          | 166,808.21                     |
| <b>121 Waste Management Facility and Plant Reserve</b> |                     |                                |
| Accumulated Reserves at Start of Year                  | 7,881,068.17        | 7,881,068.17                   |
| Interest transfer to Reserves                          | 70,546.83           | 147,840.00                     |
| Transfer from Muni                                     | 596,610.00          | 1,431,862.00                   |
| Transfer to Muni                                       | 0.00                | (4,140,590.00)                 |
|  | 8,548,225.00        | 5,320,180.17                   |
| <b>120 Strategic Projects Reserve</b>                  |                     |                                |
| Accumulated Reserves at Start of Year                  | 226,213.20          | 226,213.20                     |
| Interest transfer to Reserves                          | 2,182.16            | 4,236.00                       |
| Transfer from Muni                                     | 10,415.00           | 25,000.00                      |
| Transfer to Muni                                       | 0.00                | 0.00                           |
|  | 238,810.36          | 255,449.20                     |
| <b>129 Untied Grants Reserve</b>                       |                     |                                |
| Accumulated Reserves at Start of Year                  | 0.00                | 0.00                           |
| Transfer to Muni                                       | 0.00                | 0.00                           |
|  | 0.00                | 0.00                           |

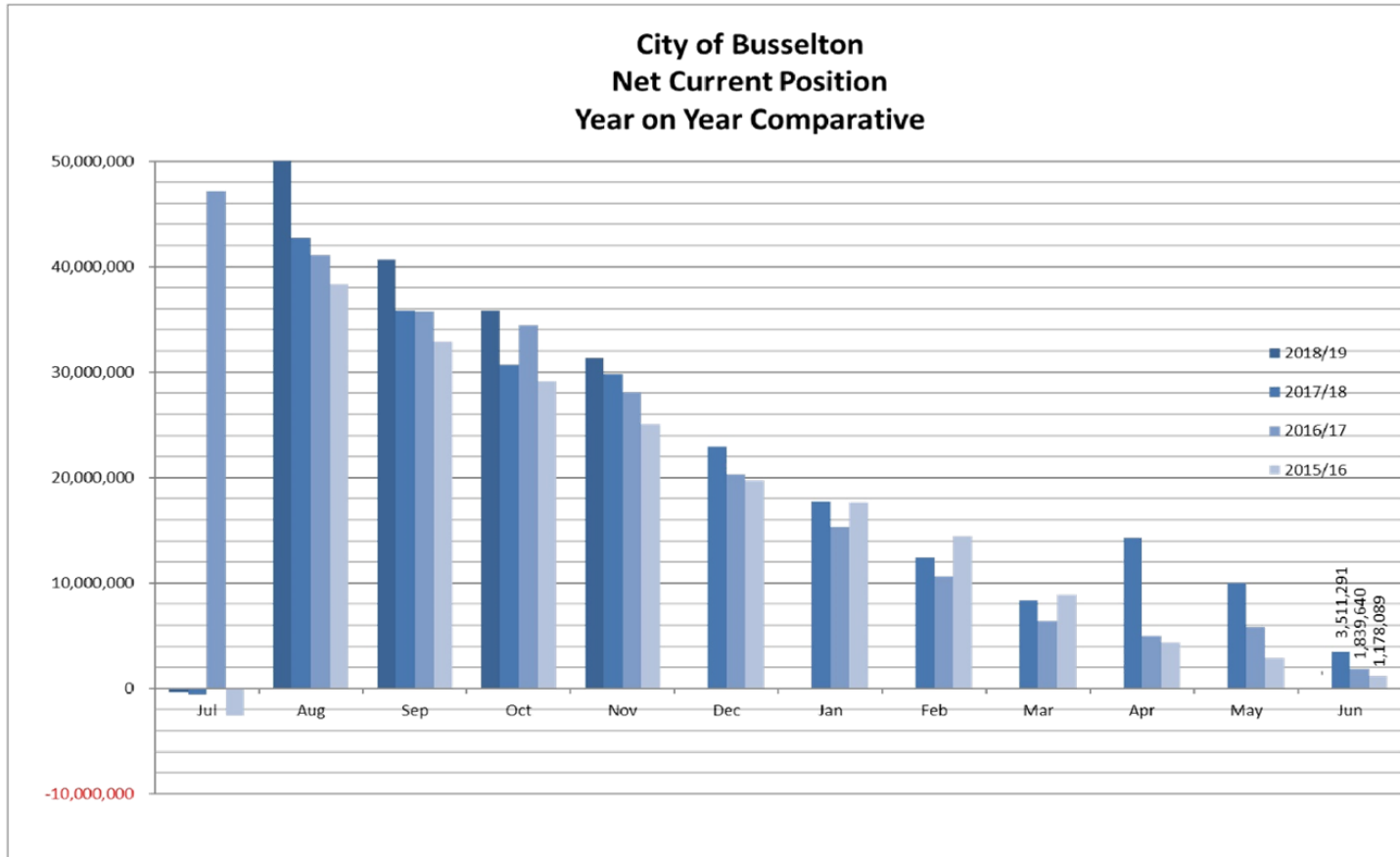
**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 30 November 2018**

|            |   | 2018/2019<br>Actual        | 2018/2019<br>Amended<br>Budget |
|------------|---|----------------------------|--------------------------------|
|            |   | \$                         | \$                             |
| <b>134</b> | <b>Civic and Administration Centre Construction Reserve</b> |                            |                                |
|            | Accumulated Reserves at Start of Year                       | 0.00                       | 0.00                           |
|            | Transfer to Muni  | 0.00                       | 0.00                           |
|            |   | <hr/>                      | <hr/>                          |
|            |   | 0.00                       | 0.00                           |
|            | <b>Total Cash Back Reserves</b>                             | <hr/> <b>55,851,006.40</b> | <hr/> <b>40,642,794.20</b>     |
|            | <b>Summary Reserves</b>                                     |                            |                                |
|            | Accumulated Reserves at Start of Year                       | 47,978,518.20              | 47,978,518.20                  |
|            | Interest transfer to Reserves                               | 522,975.75                 | 900,000.00                     |
|            | Transfer from Muni  | 7,934,155.45               | 18,430,487.18                  |
|            | Transfer to Muni  | (584,643.00)               | (26,666,211.18)                |
|            | <b>Closing Balance</b>                                      | <hr/> <b>55,851,006.40</b> | <hr/> <b>40,642,794.20</b>     |





Statement of Financial Activity - Period Ending 31 December  
2018

**City of Busselton**

**Statement of Financial Activity**

**For The Period Ending 31 December 2018**

|   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget YTD | 2018/2019<br>Original<br>Budget YTD | 2018/2019<br>Amended<br>Budget | 2018/2019<br>Original<br>Budget | 2018/19<br>YTD Bud<br>Variance<br>% |
|---|---------------------|------------------------------------|-------------------------------------|--------------------------------|---------------------------------|-------------------------------------|
|   | \$                  | \$                                 | \$                                  | \$                             | \$                              | %                                   |
| <b>Revenue from Ordinary Activities</b>                   |                     |                                    |                                     |                                |                                 |                                     |
| Rates   | 48,370,431          | 48,245,942                         | 48,245,942                          | 48,575,646                     | 48,575,646                      | 0.26%                               |
| Operating Grants, Subsidies and Contributions             | 1,811,450           | 1,970,521                          | 1,682,299                           | 4,166,540                      | 3,747,650                       | -8.07%                              |
| Fees & Charges  | 10,968,276          | 10,841,532                         | 10,841,532                          | 15,828,160                     | 15,828,160                      | 1.17%                               |
| Other Revenue   | 357,898             | 192,531                            | 167,290                             | 362,981                        | 337,740                         | 85.89%                              |
| Interest Earnings   | 1,264,166           | 1,257,886                          | 1,257,886                           | 2,283,760                      | 2,283,760                       | 0.50%                               |
|   | <b>62,772,221</b>   | <b>62,508,412</b>                  | <b>62,194,949</b>                   | <b>71,217,087</b>              | <b>70,772,956</b>               | <b>0.42%</b>                        |
| <b>Expenses from Ordinary Activities</b>                  |                     |                                    |                                     |                                |                                 |                                     |
| Employee Costs  | (15,091,400)        | (15,804,843)                       | (15,803,843)                        | (31,218,454)                   | (31,215,454)                    | 4.51%                               |
| Materials & Contracts                                     | (8,258,468)         | (9,338,486)                        | (9,208,309)                         | (18,952,210)                   | (18,621,467)                    | 11.57%                              |
| Utilities (Gas, Electricity, Water etc)                   | (1,107,273)         | (1,284,216)                        | (1,284,216)                         | (2,569,240)                    | (2,569,240)                     | 13.78%                              |
| Depreciation on non current assets                        | (11,137,153)        | (9,659,824)                        | (9,659,824)                         | (19,070,922)                   | (19,070,922)                    | -15.29%                             |
| Insurance Expenses  | (713,890)           | (580,819)                          | (580,819)                           | (698,808)                      | (698,808)                       | -22.91%                             |
| Other Expenditure   | (1,230,086)         | (2,368,104)                        | (2,381,104)                         | (4,795,009)                    | (4,770,041)                     | 48.06%                              |
| Allocations   | 799,616             | 859,018                            | 859,018                             | 1,723,162                      | 1,723,162                       | 6.92%                               |
|   | <b>(36,738,654)</b> | <b>(38,177,274)</b>                | <b>(38,059,097)</b>                 | <b>(75,581,481)</b>            | <b>(75,222,770)</b>             | <b>3.77%</b>                        |
| <b>Borrowings Cost Expense</b>                            |                     |                                    |                                     |                                |                                 |                                     |
| Interest Expenses   | (625,268)           | (680,238)                          | (680,238)                           | (1,374,387)                    | (1,374,387)                     | 8.08%                               |
|   | <b>(625,268)</b>    | <b>(680,238)</b>                   | <b>(680,238)</b>                    | <b>(1,374,387)</b>             | <b>(1,374,387)</b>              | <b>8.08%</b>                        |
| <b>Non-Operating Grants, Subsidies and Contributions</b>  |                     |                                    |                                     |                                |                                 |                                     |
| Profit on Asset Disposals                                 | 2,340,437           | 8,913,706                          | 8,715,706                           | 32,443,772                     | 30,347,185                      | -73.74%                             |
| Loss on Asset Disposals                                   | 87,860              | 43,776                             | 43,776                              | 82,137                         | 82,137                          | 100.70%                             |
|   | <b>(21,694)</b>     | <b>(26,662)</b>                    | <b>(26,662)</b>                     | <b>(34,577)</b>                | <b>(34,577)</b>                 | <b>18.63%</b>                       |
|   | <b>2,406,603</b>    | <b>8,930,820</b>                   | <b>8,732,820</b>                    | <b>32,491,332</b>              | <b>30,394,745</b>               | <b>-73.05%</b>                      |
| <b>Net Result</b>   | <b>27,814,902</b>   | <b>32,581,720</b>                  | <b>32,188,434</b>                   | <b>26,752,551</b>              | <b>24,570,544</b>               | <b>-14.63%</b>                      |
| <b>Adjustments for Non-cash Revenue &amp; Expenditure</b> |                     |                                    |                                     |                                |                                 |                                     |
| Depreciation  | 11,137,153          | 9,659,824                          | 9,659,824                           | 19,070,922                     | 19,070,922                      |                                     |
| Donated Assets  | (42,000)            | (5,000)                            | (5,000)                             | (8,365,000)                    | (8,365,000)                     |                                     |
| (Profit)/Loss on Sale of Assets                           | (66,166)            | (17,114)                           | (17,114)                            | (47,560)                       | (47,560)                        |                                     |
| Allocations & Other Adjustments                           | 298                 | 0                                  | 0                                   | (30,000)                       | 0                               |                                     |
| Deferred Pensioner Movements (Non-current)                | 10,233              | 0                                  | 0                                   | 0                              | 0                               |                                     |
| Recording of Employee Benefit Provisions (NC)             | 0                   | 0                                  | 0                                   | 0                              | 0                               |                                     |
| Deposit & Bonds Movements (cash backed NC)                | (256,575)           | 0                                  | 0                                   | 0                              | 0                               |                                     |
| <b>Capital Revenue &amp; (Expenditure)</b>                |                     |                                    |                                     |                                |                                 |                                     |
| Land & Buildings  | (643,086)           | (9,639,598)                        | (9,441,598)                         | (17,902,816)                   | (17,618,620)                    | 93.33%                              |
| Plant & Equipment   | (1,336,380)         | (2,955,500)                        | (2,955,500)                         | (6,880,100)                    | (5,363,500)                     | 54.78%                              |
| Furniture & Equipment                                     | (174,675)           | (465,803)                          | (465,803)                           | (883,640)                      | (883,640)                       | 62.50%                              |
| Infrastructure  | (9,528,499)         | (18,370,980)                       | (18,226,082)                        | (37,380,261)                   | (36,804,070)                    | 48.13%                              |
| Proceeds from Sale of Assets                              | 541,945             | 748,350                            | 748,350                             | 1,045,950                      | 1,045,950                       | -27.58%                             |
| Proceeds from New Loans                                   | 0                   | 1,500,000                          | 1,500,000                           | 3,150,000                      | 3,150,000                       | -100.00%                            |
| Self Supporting Loans - Repayment of Principal            | 35,591              | 36,092                             | 36,092                              | 79,253                         | 79,253                          | -1.39%                              |
| Total Loan Repayments - Principal                         | (1,512,406)         | (1,512,406)                        | (1,512,406)                         | (3,155,395)                    | (3,155,395)                     | 0.00%                               |
| Advances to Community Groups                              | 0                   | 0                                  | 0                                   | (150,000)                      | (150,000)                       | 0.00%                               |
| Transfer to Restricted Assets                             | (702,383)           | (273,996)                          | (273,996)                           | (551,000)                      | (551,000)                       | -156.35%                            |
| Transfer from Restricted Assets                           | 5,002,527           | 6,285,180                          | 6,285,180                           | 14,423,922                     | 14,423,922                      | -20.41%                             |
| Transfer to Reserves                                      | (9,598,421)         | (9,637,389)                        | (9,552,184)                         | (19,354,328)                   | (19,269,123)                    | 0.40%                               |
| Transfer from Reserves                                    | 654,988             | 654,988                            | 654,988                             | 26,666,211                     | 26,356,026                      | 0.00%                               |
| Opening Funds Surplus/ (Deficit)                          | 3,511,291           | 3,511,291                          | 3,511,291                           | 3,511,291                      | 3,511,291                       |                                     |
| <b>Net Current Position - Surplus / (Deficit)</b>         | <b>24,848,337</b>   | <b>12,099,659</b>                  | <b>12,134,476</b>                   | <b>0</b>                       | <b>0</b>                        |                                     |

**City of Busselton**

**Net Current Position**

**For The Period Ending 31 December 2018**

|  | 2018/19<br>Actual        | 2018/19<br>Amended<br>Budget | 2018/19<br>Original<br>Budget | 2017/18<br>Actual       |
|--|--------------------------|------------------------------|-------------------------------|-------------------------|
|  | \$                       | \$                           | \$                            | \$                      |
| <b><u>NET CURRENT ASSETS</u></b>                 |                          |                              |                               |                         |
| <b><u>CURRENT ASSETS</u></b>                     |                          |                              |                               |                         |
| Cash - Unrestricted                              | 10,688,247               | 1,577,000                    | 1,577,000                     | 4,885,287               |
| Cash - Restricted                                | 72,019,627               | 46,343,247                   | 46,568,227                    | 67,528,052              |
| Sundry Debtors                                   | 793,046                  | 2,800,000                    | 2,800,000                     | 3,078,872               |
| Rates Outstanding - General                      | 16,185,642               | 1,100,000                    | 1,100,000                     | 1,262,372               |
| Stock on Hand                                    | 16,543                   | 23,000                       | 23,000                        | 23,671                  |
|  | <u>99,703,105</u>        | <u>51,843,247</u>            | <u>52,068,227</u>             | <u>76,778,254</u>       |
| <b><u>LESS: CURRENT LIABILITIES</u></b>          |                          |                              |                               |                         |
| Bank Overdraft                                   | 0                        | 0                            | 0                             | 0                       |
| Sundry Creditors                                 | 2,835,141                | 5,500,000                    | 5,500,000                     | 5,738,911               |
| Performance Bonds                                | 3,561,986                | 3,818,562                    | 3,818,562                     | 3,818,562               |
|  | <u>6,397,127</u>         | <u>9,318,562</u>             | <u>9,318,562</u>              | <u>9,557,473</u>        |
| Current Position (inclusive of Restricted Funds) | 93,305,978               | 42,524,685                   | 42,749,665                    | 67,220,781              |
| Add: Cash Backed Liabilities (Deposits & Bonds)  | 3,561,986                | 3,818,562                    | 3,818,562                     | 3,818,562               |
| Less: Cash - Restricted Funds                    | (72,019,627)             | (46,343,247)                 | (46,568,227)                  | (67,528,052)            |
| <b>NET CURRENT ASSET POSITION</b>                | <u><b>24,848,337</b></u> | <u><b>0</b></u>              | <u><b>0</b></u>               | <u><b>3,511,291</b></u> |

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 31 December 2018**

| Description   | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|---|-------------------|------------------------------|-----------------------------------|
|   | \$                | \$                           | %                                 |
| <b>&gt;&gt; Property, Plant &amp; Equipment</b>                   |                   |                              |                                   |
| <b>Land</b>   |                   |                              |                                   |
| 10610 Property Services Administration                            | 0                 | 100,000                      | -100.00%                          |
| 10930 Fire Prevention Council                                     | 0                 | 200,000                      | -100.00%                          |
| 10970 Parking Control   | 0                 | 1,300,000                    | -100.00%                          |
| 11300 Sanitation Waste Services Administration                    | 50,000            | 50,000                       | 0.00%                             |
|   | 50,000            | 1,650,000                    | -96.77%                           |
| <b>Buildings</b>  |                   |                              |                                   |
| <b>Major Projects</b>   |                   |                              |                                   |
| <b>Major Project - Busselton Foreshore</b>                        |                   |                              |                                   |
| B9570 Foreshore East-Youth Precinct Community Youth Building/SLSC | 9,190             | 12,710                       | 44.63%                            |
| B9583 Railway House   | 13,674            | 18,360                       | 48.96%                            |
| B9600 Old Vasse Lighthouse  | 2,600             | 220,000                      | 0.00%                             |
|   | 25,464            | 251,070                      | 63.93%                            |
| <b>Major Project - Administration Building</b>                    |                   |                              |                                   |
| B9010 Civic and Administration Centre Construction                | 16,721            | 95,000                       | -64.79%                           |
|   | 16,721            | 95,000                       | -64.79%                           |
| <b>Buildings (Other)</b>  |                   |                              |                                   |
| B9109 Hithergreen Building Renovations                            | 0                 | 68,886                       | 0.00%                             |
| B9112 Ambergate Bushfire Brigade Shed                             | 299,906           | 362,055                      | 7.10%                             |
| B9113 Vasse Bushfire Brigade Appliance Bay Facility               | 8,655             | 8,655                        | 0.00%                             |
| B9114 Sussex BFB Concrete Apron                                   | 8,655             | 8,655                        | 0.00%                             |
| B9300 Aged Housing Capital Improvements - Winderlup               | 30,047            | 60,000                       | 0.16%                             |
| B9301 Aged Housing Capital Improvements - Harris Road             | 45,254            | 48,200                       | 87.85%                            |
| B9302 Aged Housing Capital Improvements - Winderlup Court (City)  | 12,266            | 51,000                       | -51.90%                           |
| B9407 Busselton Senior Citizens                                   | 1,150             | 750,000                      | -99.69%                           |
| B9511 ArtGeo Building   | 0                 | 73,000                       | -100.00%                          |
| B9512 GLC Aerobic Additions / Sauna Room                          | 13,125            | 30,000                       | -56.25%                           |
| B9516 Busselton Library Upgrade                                   | 0                 | 11,000                       | -100.00%                          |
| B9517 GLC - Pool Relining   | 0                 | 50,000                       | -100.00%                          |
| B9528 GLC - Plant Room  | 41,775            | 57,819                       | 0.88%                             |
| B9538 Weld Theatre  | 6,235             | 15,000                       | 0.00%                             |
| B9556 NCC Upgrade   | 44,914            | 107,818                      | -29.73%                           |
| B9588 Old Court House Building Upgrade                            | 0                 | 75,000                       | -100.00%                          |
| B9591 Performing Arts Convention Centre                           | 18,977            | 50,000                       | -24.10%                           |

Statement of Financial Activity - Period Ending 31 December  
2018

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 31 December 2018**

| Description   | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|---|-------------------|------------------------------|-----------------------------------|
| B9596 GLC Building Improvements                         | 5,125             | 260,000                      | 0.00%                             |
| B9604 Womens Change Facility Bovell                     | 0                 | 35,000                       | -100.00%                          |
| B9605 Energy Efficiency Initiatives (Various Buildings) | 0                 | 100,000                      | -100.00%                          |
| B9716 Airport Terminal Stage 2                          | (24,308)          | 12,915,000                   | -100.38%                          |
| B9717 Airport Construction, Existing Terminal Upgrade   | 0                 | 500,000                      | -100.00%                          |
| B9804 Bsn Jetty Tourist Park Home                       | 39,126            | 55,258                       | 41.61%                            |
| B9808 Busselton Jetty Tourist Park Upgrade              | 0                 | 214,400                      | -100.00%                          |
|   | 550,901           | 15,906,746                   | -93.14%                           |
| <b>Total Buildings</b>                                  | <b>593,086</b>    | <b>16,252,816</b>            | <b>-92.67%</b>                    |

**Plant & Equipment**

|   |           |           |          |
|---|-----------|-----------|----------|
| 10250 Information & Communication Technology Services | 0         | 15,000    | -100.00% |
| 10251 Business Systems                                | 0         | 40,000    | -100.00% |
| 10360 Customer Services                               | 0         | 40,000    | -100.00% |
| 10502 Community & Commercial Services Support         | 0         | 50,000    | -100.00% |
| 10530 Community Services Administration               | 37,605    | 40,000    | -5.99%   |
| 10630 Property and Business Development               | 31,292    | 35,000    | -10.59%  |
| 10800 Planning Directorate Support                    | 43,578    | 50,000    | -12.84%  |
| 10808 Compliance Services                             | 0         | 40,000    | -100.00% |
| 10820 Strategic Planning                              | 37,605    | 40,000    | -5.99%   |
| 10920 Environmental Health Services Administration    | 38,885    | 40,000    | -2.79%   |
| 10940 Fire Prevention DFES                            | 53,037    | 55,000    | -3.57%   |
| 10980 Other Law, Order & Public Safety                | 31,877    | 35,000    | -8.92%   |
| 11000 Engineering & Works Services Support            | 55,000    | 50,000    | 10.00%   |
| 11101 Engineering Services Administration             | 33,844    | 35,000    | -3.30%   |
| 11107 Engineering Services Design                     | 34,071    | 35,000    | -2.65%   |
| 11156 Airport Development Operations                  | 0         | 150,000   | -100.00% |
| 11300 Sanitation Waste Services Administration        | 36,816    | 40,000    | -7.96%   |
| 11401 Transport - Workshop                            | 3,495     | 111,000   | -96.67%  |
| 11402 Plant Purchases (P10)                           | 413,417   | 1,927,000 | -45.02%  |
| 11403 Plant Purchases (P11)                           | 23,549    | 805,500   | -95.27%  |
| 11404 Plant Purchases (P12)                           | 422,535   | 1,470,000 | -42.59%  |
| 11407 P&E - P&G Smart Technologies                    | 0         | 150,000   | -100.00% |
| 11500 Operations Services Administration              | 38,503    | 110,000   | -48.66%  |
| B1013 Dunsborough Bushfire Brigade                    | 0         | 178,300   | 0.00%    |
| B1015 Hithergreen District Bushfire Brigade           | 0         | 465,200   | 0.00%    |
| B1024 Wilyabrup Bushfire Brigade                      | 0         | 178,300   | 0.00%    |
| B1026 Yallingup Rural Bushfire Brigade                | 0         | 597,600   | 0.00%    |
| B1029 Busselton Branch SES                            | 1,272     | 97,200    | 0.00%    |
|   | 1,336,380 | 6,880,100 | -54.78%  |

**Furniture & Office Equipment**

|   |         |         |          |
|---|---------|---------|----------|
| 10250 Information & Communication Technology Services | 3,232   | 46,400  | -86.06%  |
| 10251 Business Systems                                | 114,444 | 258,500 | -11.44%  |
| 10530 Community Services Administration               | 0       | 5,000   | -100.00% |

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 31 December 2018**

| Description                                      | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|--|-------------------|------------------------------|-----------------------------------|
| 10590 Naturaliste Community Centre               | 0                 | 16,110                       | -100.00%                          |
| 10591 Geographe Leisure Centre                   | 0                 | 63,600                       | -100.00%                          |
| 10625 Art Geo Administration                     | 10,000            | 12,000                       | -16.67%                           |
| 10900 Cultural Planning                          | 47,000            | 152,030                      | -43.72%                           |
| 11156 Airport Development Operations             | 0                 | 300,000                      | -100.00%                          |
| 11160 Busselton Jetty                            | 0                 | 5,000                        | -100.00%                          |
| B1361 YCAB (Youth Precinct Foreshore)            | 0                 | 25,000                       | -100.00%                          |
|  | 174,675           | 883,640                      | -62.50%                           |
| <b>Sub-Total Property, Plant &amp; Equipment</b> | <b>2,154,142</b>  | <b>25,666,556</b>            | <b>-83.51%</b>                    |

**>> Infrastructure**

**Major Project - Busselton Foreshore**

|  |           |           |          |
|--|-----------|-----------|----------|
| C0029 Queen West Foreshore Carpark                               | 166,820   | 203,000   | 64.35%   |
| C3065 Signal Park  | 46,569    | 72,000    | 29.36%   |
| C3094 Busselton Foreshore - Stage 3                              | 9,492     | 220,672   | -87.65%  |
| C3112 Busselton Foreshore - Exercise Equipment                   | 0         | 225,000   | 0.00%    |
| C3113 Busselton Tennis Club - Infrastructure                     | 295,541   | 3,862,894 | -84.70%  |
| C3150 Busselton Foreshore Stage 3: Toddler's Playground          | 22,030    | 174,301   | -83.50%  |
| C3168 Busselton Foreshore Jetty Precinct                         | 1,423,614 | 1,645,509 | 66.26%   |
| C3179 Jetty Precinct Bike Racks/Bin Enclosures                   | 8,374     | 12,500    | 34.07%   |
| C3180 Marine Tce Sword Planting                                  | 32,480    | 90,000    | -27.82%  |
| C3181 Minor Capital Improvements, Fencing, Seating, Lighting etc | 9,705     | 20,500    | -5.30%   |
| C3182 Relocation of Veteran Car Club                             | 2,600     | 250,000   | 0.00%    |
| C3183 Queen Street Look Out Art Work                             | 0         | 25,000    | -100.00% |
| C3189 Fencing Possum Park Barnard East                           | 0         | 30,000    | -100.00% |
|  | 2,017,226 | 6,831,376 | -37.83%  |

**Major Project - Administration Building**

|                                       |   |         |          |
|---------------------------------------|---|---------|----------|
| C0043 Administration Building Carpark | 0 | 100,000 | -100.00% |
|                                       | 0 | 100,000 | -100.00% |

**Footpaths Construction**

|  |         |         |         |
|--|---------|---------|---------|
| F0035 Dunsborough Lakes Drive to N.C.C.                            | 7,824   | 152,000 | -89.71% |
| F0066 Bussell Highway Footpath Sections                            | 389,881 | 589,820 | 32.20%  |
| F0075 Armitage Drive Footpath - Navigation Way to Avocet Boulevard | 433     | 44,608  | -98.06% |
| F0077 Valley Road Footpath   | 58,165  | 62,000  | 87.65%  |
| F0078 Signal Park Bypass New Path                                  | 52,389  | 70,000  | 49.64%  |
| F0079 Bovell Street Footpath                                       | 31,617  | 60,000  | 5.39%   |
|  | 540,310 | 978,428 | 10.44%  |

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 31 December 2018**

| Description   | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|---|-------------------|------------------------------|-----------------------------------|
| <b>Drainage Construction - Street</b>                         |                   |                              |                                   |
| D0009 Busselton LIA - Geocatch Drain Partnership              | 395               | 30,000                       | -97.37%                           |
| D0015 Valley Road Drainage Upgrade                            | 216,816           | 230,000                      | 88.53%                            |
| D0017 Chain Avenue - Drainage Works                           | 0                 | 187,982                      | -100.00%                          |
| D0018 Centurion Way - Drainage Works                          | 0                 | 11,991                       | -100.00%                          |
| D0019 Johnston Avenue Drainage Upgrade - Stage 2              | 25,087            | 25,000                       | 100.73%                           |
| D0020 Glenmeer Ramble Drainage                                | 5,728             | 60,000                       | -80.91%                           |
|   | <b>248,025</b>    | <b>544,973</b>               | <b>-8.98%</b>                     |
| <b>Car Parking Construction</b>                               |                   |                              |                                   |
| C0013 Yallingup Beach Car Park                                | 263               | 101,000                      | -99.48%                           |
| C0044 Meelup Coastal Nodes - Carpark upgrade                  | 111,209           | 256,886                      | -13.42%                           |
| C0049 Port Geographe Marina Carparking                        | 143,282           | 190,380                      | 50.52%                            |
|   | <b>254,754</b>    | <b>548,266</b>               | <b>-7.07%</b>                     |
| <b>Bridges Construction</b>                                   |                   |                              |                                   |
| A0022 Yallingup Beach Road Bridge - 3347                      | 0                 | 222,000                      | 0.00%                             |
|   | <b>0</b>          | <b>222,000</b>               | <b>0.00%</b>                      |
| <b>Cycleways Construction</b>                                 |                   |                              |                                   |
| F1018 Dunsborough Cycleway CBD to Our Lady of the Cape School | 16,802            | 681,000                      | -95.07%                           |
|   | <b>16,802</b>     | <b>681,000</b>               | <b>-95.07%</b>                    |
| <b>Townscape Construction</b>                                 |                   |                              |                                   |
| C1001 Queen Street Upgrade - Duchess to Kent Street           | 0                 | 122,450                      | -100.00%                          |
| C1024 Dunsborough Road Access Improvements Stage 1            | 817,408           | 1,296,501                    | 26.10%                            |
|   | <b>817,408</b>    | <b>1,418,951</b>             | <b>15.21%</b>                     |
| <b>Boat Ramps Construction</b>                                |                   |                              |                                   |
| C1502 Old Dunsborough Boat Ramp Finger Jetty                  | 0                 | 22,200                       | -100.00%                          |
| C1512 Port Geographe Boat Ramp Renewal Works                  | 0                 | 220,000                      | -100.00%                          |
|   | <b>0</b>          | <b>242,200</b>               | <b>-100.00%</b>                   |
| <b>Depot Construction</b>                                     |                   |                              |                                   |
| C2006 Depot Washdown Facility Upgrades                        | 867               | 110,000                      | -98.27%                           |

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 31 December 2018**

| Description  | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|--|-------------------|------------------------------|-----------------------------------|
|  | 867               | 110,000                      | -98.27%                           |
| <b>Beach Restoration</b>   |                   |                              |                                   |
| C2504 Groyne Construction  | 0                 | 48,150                       | -100.00%                          |
| C2512 Sand Re-Nourishment  | 394               | 173,410                      | -99.33%                           |
| C2520 Coastal Protection Works                                   | 3,792             | 45,000                       | -83.14%                           |
| C2523 Broadwater Beach Coastal Protection Stage 1 of 4           | 0                 | 150,000                      | 0.00%                             |
| C2525 Wonnerup Groynes 3, 5, & 6                                 | 0                 | 300,000                      | -100.00%                          |
| C2526 Baudin/ Wonnerup Groynes                                   | 0                 | 300,000                      | -100.00%                          |
| C2527 Storm Damage Renewal of Infrastructure                     | 64,492            | 95,000                       | 35.77%                            |
| C2528 Craig Street Groyne and Sea Wall                           | 0                 | 250,000                      | 0.00%                             |
|  | 68,678            | 1,361,560                    | -84.85%                           |
| <b>Parks, Gardens &amp; Reserves</b>                             |                   |                              |                                   |
| C3006 Playgrounds General - Replacement of playground equipment  | 0                 | 15,000                       | -100.00%                          |
| C3007 Park Furniture Replacement - Replace aged & unsafe Equip   | 18,381            | 43,000                       | -8.10%                            |
| C3017 Bovell Park - Upgrade Lighting                             | 0                 | 79,000                       | 0.00%                             |
| C3024 Dunsborough Oval - Lighting Upgrade                        | 0                 | 55,000                       | -100.00%                          |
| C3048 BBQ Placement and Replacement                              | 15,036            | 13,000                       | 131.40%                           |
| C3122 Rails to Trails  | 4,353             | 250,123                      | -96.54%                           |
| C3131 Elijah Circle POS  | 5,068             | 24,620                       | -58.84%                           |
| C3143 NCC Infrastructure   | 3,039             | 3,039                        | 100.20%                           |
| C3145 Churchill Park   | 3,084             | 188,837                      | -96.73%                           |
| C3146 Dunsborough Town Centre                                    | 86,471            | 87,457                       | 97.75%                            |
| C3154 Administration Building Landscaping Works                  | 14,349            | 20,000                       | 43.46%                            |
| C3157 Port Geographe - Layman Road Native Tree Planting          | 13,819            | 33,158                       | -16.64%                           |
| C3158 Port Geographe - Casurina Replacements on Layman Road      | 0                 | 21,100                       | -100.00%                          |
| C3159 Port Geographe - Burgee Cove (Western Side of Bridge)      | 55,671            | 92,543                       | 20.31%                            |
| C3160 Port Geographe - Reticulated POS at Layman Rd R/About      | 183,819           | 286,513                      | 28.32%                            |
| C3163 Port Geographe - Outstanding Minor Repairs                 | 97                | 30,000                       | -99.35%                           |
| C3164 Port Geographe - Reticulation Upgrade Scheme to Bore Water | 180,136           | 332,927                      | 8.21%                             |
| C3166 Vasse River Foreshore - Bridge to Bridge                   | 2,633             | 94,317                       | -92.06%                           |
| C3174 Old Broadwater Farm Drink Fountain                         | 2,813             | 5,000                        | -43.74%                           |
| C3175 Currawong Drive Drink Fountain                             | 2,908             | 5,000                        | -41.84%                           |
| C3176 Coastal Fencing  | 481               | 10,000                       | -90.37%                           |
| C3177 Shade Sail Program   | 0                 | 100,000                      | -100.00%                          |
| C3178 Ping Pong Facility at Foreshore                            | 11,859            | 10,000                       | 18.59%                            |
| C3184 Rotary Park Entry Gateway Landscape Upgrade                | 0                 | 13,500                       | -100.00%                          |
| C3185 Foreshore Skate Park Seating                               | 1,193             | 26,000                       | -95.41%                           |
| C3186 Lou Weston Oval - Courts                                   | 16,600            | 700,000                      | -95.26%                           |
| C3187 Port Geographe Reticulation Upgrades                       | 0                 | 65,000                       | -100.00%                          |
| C3188 Port Geographe Capital Replacement and Tree Planting       | 24,509            | 25,000                       | 96.10%                            |
| C3190 Mobile Grand Stands  | 27,845            | 30,000                       | 85.63%                            |
|  | 674,164           | 2,659,134                    | -48.34%                           |



**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 31 December 2018**

| Description  | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|--|-------------------|------------------------------|-----------------------------------|
| <b>Cemetery Capital Works</b>                                      |                   |                              |                                   |
| C1604 Pioneer Cemetery Infrastructure Upgrades                     | 0                 | 52,000                       | -100.00%                          |
| C1605 Busselton Cemetery Infrastructure Upgrades                   | 0                 | 100,000                      | 0.00%                             |
| C1609 Pioneer Cemetery - Implement Conservation Plan               | 2,040             | 20,000                       | -79.60%                           |
|  | <hr/> 2,040       | <hr/> 172,000                | <hr/> -94.33%                     |
| <b>Beach Front Infrastructure Works</b>                            |                   |                              |                                   |
| C1755 Dunsborough Beach Enclosure Net Replacement                  | 95,500            | 90,000                       | 6.11%                             |
| C1758 Beach Access Stairs - Bay View Crescent                      | 0                 | 21,000                       | -100.00%                          |
| C1760 King Street Reserve - Park Upgrade (Coastal Node)            | 54                | 77,500                       | -99.91%                           |
|  | <hr/> 95,554      | <hr/> 188,500                | <hr/> -43.29%                     |
| <b>Aged Housing - Infrastructure Works</b>                         |                   |                              |                                   |
| C3451 Aged Housing Infrastructure (Upgrade)                        | 0                 | 13,300                       | -100.00%                          |
|  | <hr/> 0           | <hr/> 13,300                 | <hr/> -100.00%                    |
| <b>Sanitation Infrastructure</b>                                   |                   |                              |                                   |
| C3479 Vidler Road Waste Site Capital Improvements                  | 17,565            | 403,750                      | -91.30%                           |
| C3481 Transfer Station Development                                 | 29,439            | 442,340                      | -86.69%                           |
| C3485 Site Rehabilitation - Busselton                              | 435,774           | 1,050,000                    | -17.00%                           |
|  | <hr/> 482,778     | <hr/> 1,896,090              | <hr/> -49.08%                     |
| <b>Airport Development</b>   |                   |                              |                                   |
| C6086 Airport Construction - Air Freight Hub Stage 1               | 0                 | 3,000,000                    | -100.00%                          |
| C6087 Airport Construction Stage 2, Landside Civils & Services Inf | 1,069,611         | 691,170                      | 209.51%                           |
| C6091 Airport Construction Stage 2, Noise Management Plan          | 2,400             | 869,550                      | -99.45%                           |
| C6092 Airport Construction Stage 2, Airfield                       | 924,909           | 1,150,000                    | 60.85%                            |
| C6095 Airport Construction Stage 2, External Services              | 749,187           | 2,300,000                    | -34.85%                           |
| C6099 Airport Development - Project Expenses                       | 513,092           | 1,892,760                    | -45.83%                           |
|  | <hr/> 3,259,199   | <hr/> 9,903,480              | <hr/> -34.19%                     |
| <b>Main Roads</b>  |                   |                              |                                   |
| S0022 Floodgate Road   | 6,027             | 31,000                       | -61.11%                           |
| S0035 Strelly Street / Barlee Street Roundabout                    | 13,504            | 450,000                      | -94.00%                           |
| S0051 Causeway Road / Rosemary Drive Roundabout                    | 9,990             | 750,000                      | -97.34%                           |
| S0064 Peel Terrace (Stanley Pl/Cammilleri St Intersection Upgrade) | 154,929           | 613,033                      | -49.45%                           |
| S0066 Queen Street   | 2,458             | 52,846                       | -90.70%                           |
| S0067 Layman Road - Reconstruction Between 3250 and 6190           | 21,883            | 152,487                      | -71.30%                           |

Statement of Financial Activity - Period Ending 31 December  
2018

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 31 December 2018**

| Description   | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|---|-------------------|------------------------------|-----------------------------------|
| S0068 Georgiana Molloy Bus Bay Facilities               | 24,328            | 197,286                      | -83.78%                           |
| S0069 Peel Terrace (Brown Street Intersection Upgrades) | 2,982             | 250,000                      | -97.61%                           |
| S0317 Naturaliste Terrace Asphalt Overlay               | 3,329             | 153,080                      | -95.65%                           |
| S0318 Bentley Road Reseal                               | 5,100             | 27,000                       | -62.22%                           |
| S0319 Webster Road Reseal                               | 172               | 31,000                       | -98.89%                           |
| S0320 Ballarat Road Reseal                              | 129               | 75,000                       | -99.66%                           |
|   | 244,831           | 2,782,732                    | -83.03%                           |
| <b>Black Spot</b>                                       |                   |                              |                                   |
| V0002 Eastern Link - Busselton Traffic Study            | 115,996           | 2,900,000                    | -92.00%                           |
|   | 115,996           | 2,900,000                    | -92.00%                           |
| <b>Council Roads Initiative</b>                         |                   |                              |                                   |
| W0005 Kaloorup Road                                     | 22,381            | 38,500                       | 16.24%                            |
| W0016 Hairpin Road                                      | 0                 | 85,000                       | -100.00%                          |
| W0026 Yoongarillup Road                                 | 39,534            | 890,000                      | -91.12%                           |
| W0055 Lindberg Road                                     | 56,544            | 173,500                      | -34.82%                           |
| W0058 Quininup Road                                     | 32,545            | 79,000                       | -17.62%                           |
| W0074 Chapman Hill Road                                 | 722               | 35,400                       | -95.92%                           |
| W0084 Vasse Yallingup Siding Road                       | 0                 | 20,200                       | -100.00%                          |
| W0136 DAIP Issues District ACROD Bays, ramps, signs etc | 32,216            | 40,173                       | 60.37%                            |
| W0176 Signage (Alternate CBD Entry)                     | 0                 | 19,796                       | -100.00%                          |
| W0183 Carter Road                                       | 29,570            | 26,000                       | 127.32%                           |
| W0190 Miamup Road                                       | 0                 | 16,200                       | -100.00%                          |
| W0192 Valley Road                                       | 45,891            | 46,840                       | 95.97%                            |
| W0195 Yallingup Beach Road                              | 5,793             | 20,000                       | -42.09%                           |
| W0204 Greenfield Road (Loop) - One way layout           | 613               | 54,720                       | -97.76%                           |
| W0209 Layman Road Re-Shouldering                        | 26,144            | 50,000                       | 4.57%                             |
| W0210 Lewis Road Gravel Resheet                         | 27,920            | 36,000                       | 55.11%                            |
| W0211 Koorabin Drive Stage 2                            | 0                 | 50,000                       | -100.00%                          |
| W0212 Hamilton Way Asphalt Overlay                      | 15,450            | 281,000                      | -89.00%                           |
| W0213 Forsythe Place Asphalt Overlay                    | 1,123             | 106,400                      | -97.89%                           |
| W0214 McGregor Place Asphalt Overlay                    | 29,603            | 47,900                       | 23.60%                            |
| W0215 Langridge Place Asphalt Overlay                   | 46,645            | 78,200                       | 19.29%                            |
| W0216 Fredrick Street Partial Reconstruction            | 0                 | 40,000                       | -100.00%                          |
| W0217 Russell Street Asphalt Overlay & Footpath         | 62,442            | 79,000                       | 58.09%                            |
| W0218 Herring Street Asphalt Overlay & Footpath         | 63,820            | 67,000                       | 90.48%                            |
| W0219 Wakeford Street Asphalt Overlay                   | 10,401            | 66,700                       | -68.82%                           |
| W0220 Mann Street Asphalt Overlay                       | 31,517            | 19,900                       | 216.82%                           |
| W0221 Eagle Bay Meelup Road Reseal                      | 1,235             | 15,000                       | -83.56%                           |
| W0222 Neville Hyder Drive & Vasse Hwy Intersection      | 107,297           | 287,000                      | -62.61%                           |
| W0223 Reading Street Reconstruction and Widen           | 461               | 185,000                      | -99.50%                           |
| W0224 Jones Way Asphalt Overlay                         | 0                 | 355,000                      | -100.00%                          |
| W0225 College Avenue Reconstruction                     | 0                 | 92,000                       | -100.00%                          |
| W0226 Vickery/O'Donnel Asphalt Overlay                  | 0                 | 52,132                       | -100.00%                          |

**City of Busselton**

**Capital Acquisition Report**

**Property, Plant & Equipment, Infrastructure**

**For the Period Ended 31 December 2018**

| Description                               | 2018/19<br>Actual | 2018/19<br>Amended<br>Budget | 2018/19<br>Budget YTD<br>Variance |
|---|-------------------|------------------------------|-----------------------------------|
| W0227 William Drive Asphalt Overlay       | 0                 | 228,310                      | -100.00%                          |
| W0228 Gaia Close Asphalt Overlay          | 0                 | 47,400                       | -100.00%                          |
| W0229 Tom Cullity Drive Second Coat Seal  | 0                 | 97,000                       | -100.00%                          |
|   | 689,866           | 3,826,271                    | -66.46%                           |
| <b>Sub-Total Infrastructure</b>           | <b>9,528,499</b>  | <b>37,380,261</b>            | <b>-48.13%</b>                    |
| <b>Grand Total - Capital Acquisitions</b> | <b>11,682,640</b> | <b>63,046,817</b>            |                                   |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|            |   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|---|---------------------|--------------------------------|
|            |   | \$                  | \$                             |
| <b>100</b> | <b>Airport Infrastructure Renewal and Replacement Reserve</b> |                     |                                |
|            | Accumulated Reserves at Start of Year                         | 1,325,501.46        | 1,325,501.46                   |
|            | Interest transfer to Reserves                                 | 17,932.91           | 24,864.00                      |
|            | Transfer from Muni  | 268,224.00          | 536,450.00                     |
|            | Transfer to Muni  | (39,000.00)         | (231,630.00)                   |
|            |   | <hr/>               | <hr/>                          |
|            |   | 1,572,658.37        | 1,655,185.46                   |
| <b>136</b> | <b>Airport Marketing Reserve</b>                              |                     |                                |
|            | Accumulated Reserves at Start of Year                         | 1,583,014.10        | 1,583,014.10                   |
|            | Interest transfer to Reserves                                 | 35,841.87           | 29,700.00                      |
|            | Transfer from Muni  | 1,548,618.00        | 1,708,245.00                   |
|            | Transfer to Muni  | 0.00                | (1,590,287.00)                 |
|            |   | <hr/>               | <hr/>                          |
|            |   | 3,167,473.97        | 1,730,672.10                   |
| <b>143</b> | <b>Airport Noise Mitigation Reserve</b>                       |                     |                                |
|            | Interest transfer to Reserves                                 | 9,798.44            | 0.00                           |
|            | Transfer from Muni  | 869,550.00          | 869,550.00                     |
|            | Transfer to Muni  | 0.00                | (869,550.00)                   |
|            |   | <hr/>               | <hr/>                          |
|            |   | 879,348.44          | 0.00                           |
| <b>148</b> | <b>Airport Existing Terminal Building Reserve</b>             |                     |                                |
|            | Interest transfer to Reserves                                 | 373.51              | 0.00                           |
|            | Transfer from Muni  | 39,000.00           | 39,000.00                      |
|            |   | <hr/>               | <hr/>                          |
|            |   | 39,373.51           | 39,000.00                      |
| <b>106</b> | <b>Building Reserve</b>                                       |                     |                                |
|            | Accumulated Reserves at Start of Year                         | 1,193,933.21        | 1,193,933.21                   |
|            | Interest transfer to Reserves                                 | 12,736.34           | 22,392.00                      |
|            | Transfer from Muni  | 203,572.63          | 891,312.81                     |
|            | Transfer to Muni  | (293,918.00)        | (661,918.00)                   |
|            |   | <hr/>               | <hr/>                          |
|            |   | 1,116,324.18        | 1,445,720.02                   |
| <b>404</b> | <b>Barnard Park Sports Pavilion Building Reserve</b>          |                     |                                |
|            | Interest transfer to Reserves                                 | 39.55               | 0.00                           |
|            | Transfer from Muni  | 5,250.00            | 10,500.00                      |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|            |  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|--|---------------------|--------------------------------|
|            |  | \$                  | \$                             |
|            |  | 5,289.55            | 10,500.00                      |
| <b>405</b> | <b>Railway House Building Reserve</b>                  |                     |                                |
|            | Interest transfer to Reserves                          | 62.16               | 0.00                           |
|            | Transfer from Muni                                     | 8,250.00            | 16,500.00                      |
|            |  | 8,312.16            | 16,500.00                      |
| <b>406</b> | <b>Youth and Community Activities Building Reserve</b> |                     |                                |
|            | Interest transfer to Reserves                          | 169.49              | 0.00                           |
|            | Transfer from Muni                                     | 22,500.00           | 45,000.00                      |
|            |  | 22,669.49           | 45,000.00                      |
| <b>407</b> | <b>Busselton Library Building Reserve</b>              |                     |                                |
|            | Interest transfer to Reserves                          | 497.06              | 0.00                           |
|            | Transfer from Muni                                     | 56,000.00           | 83,580.00                      |
|            | Transfer to Muni                                       | 0.00                | (11,000.00)                    |
|            |  | 56,497.06           | 72,580.00                      |
| <b>131</b> | <b>Busselton Community Resource Centre</b>             |                     |                                |
|            | Accumulated Reserves at Start of Year                  | 156,653.93          | 156,653.93                     |
|            | Interest transfer to Reserves                          | 1,979.55            | 2,940.00                       |
|            | Transfer from Muni                                     | 14,716.00           | 29,433.00                      |
|            |  | 173,349.48          | 189,026.93                     |
| <b>408</b> | <b>Busselton Jetty Tourist Park Reserve</b>            |                     |                                |
|            | Interest transfer to Reserves                          | 822.06              | 0.00                           |
|            | Transfer from Muni                                     | 109,134.00          | 218,272.00                     |
|            | Transfer to Muni                                       | 0.00                | (214,400.00)                   |
|            |  | 109,956.06          | 3,872.00                       |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|            |  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|--|---------------------|--------------------------------|
|            |  | \$                  | \$                             |
| <b>409</b> | <b>Geographe Leisure Centre Building Reserve</b>     |                     |                                |
|            | Interest transfer to Reserves                        | 2,830.24            | 0.00                           |
|            | Transfer from Muni                                   | 318,998.00          | 476,640.00                     |
|            | Transfer to Muni                                     | 0.00                | (290,000.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 321,828.24          | 186,640.00                     |
| <b>331</b> | <b>Joint Venture Aged Housing Reserve</b>            |                     |                                |
|            | Accumulated Reserves at Start of Year                | 997,854.77          | 997,854.77                     |
|            | Interest transfer to Reserves                        | 12,644.82           | 18,720.00                      |
|            | Transfer from Muni                                   | 88,398.00           | 176,800.00                     |
|            | Transfer to Muni                                     | 0.00                | (121,500.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 1,098,897.59        | 1,071,874.77                   |
| <b>403</b> | <b>Aged Housing Resident Funded (Council)</b>        |                     |                                |
|            | Accumulated Reserves at Start of Year                | 186,717.69          | 186,717.69                     |
|            | Interest transfer to Reserves                        | 2,261.06            | 3,504.00                       |
|            | Transfer from Muni                                   | 0.00                | 0.00                           |
|            | Transfer to Muni                                     | 0.00                | (66,200.00)                    |
|            |  | <hr/>               | <hr/>                          |
|            |  | 188,978.75          | 124,021.69                     |
| <b>410</b> | <b>Naturaliste Community Centre Building Reserve</b> |                     |                                |
|            | Interest transfer to Reserves                        | 837.46              | 0.00                           |
|            | Transfer from Muni                                   | 98,116.00           | 159,078.00                     |
|            | Transfer to Muni                                     | 0.00                | (100,000.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 98,953.46           | 59,078.00                      |
| <b>411</b> | <b>Civic and Administration Building Reserve</b>     |                     |                                |
|            | Interest transfer to Reserves                        | 696.77              | 0.00                           |
|            | Transfer from Muni                                   | 92,502.00           | 185,000.00                     |
|            |  | <hr/>               | <hr/>                          |
|            |  | 93,198.77           | 185,000.00                     |
| <b>110</b> | <b>Jetty Maintenance Reserve</b>                     |                     |                                |
|            | Accumulated Reserves at Start of Year                | 4,193,450.51        | 4,193,450.51                   |
|            | Interest transfer to Reserves                        | 51,026.20           | 78,660.00                      |
|            | Transfer from Muni                                   | 0.00                | 1,249,044.00                   |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|---|---------------------|--------------------------------|
|   | \$                  | \$                             |
| Transfer to Muni                        | (180,000.00)        | (1,552,610.00)                 |
|   | 4,064,476.71        | 3,968,544.51                   |
| <b>150 Jetty Self Insurance Reserve</b> |                     |                                |
| Interest transfer to Reserves           | 1,355.86            | 0.00                           |
| Transfer from Muni                      | 180,000.00          | 360,000.00                     |
|   | 181,355.86          | 360,000.00                     |
| <b>222 Asset Depreciation Reserve</b>   |                     |                                |
| Accumulated Reserves at Start of Year   | 563,412.18          | 563,412.18                     |
| Interest transfer to Reserves           | 6,664.00            | 10,572.00                      |
| Transfer to Muni                        | 0.00                | (573,984.18)                   |
|   | 570,076.18          | 0.00                           |
| <b>223 Road Asset Renewal Reserve</b>   |                     |                                |
| Accumulated Reserves at Start of Year   | 1,299,765.50        | 1,299,765.50                   |
| Interest transfer to Reserves           | 23,227.23           | 24,384.00                      |
| Transfer from Muni                      | 1,275,480.00        | 2,550,956.00                   |
| Transfer to Muni                        | (122,070.00)        | (3,875,096.00)                 |
|   | 2,476,402.73        | 9.50                           |
| <b>224 Footpath/ Cycle Ways Reserve</b> |                     |                                |
| Interest transfer to Reserves           | 873.45              | 0.00                           |
| Transfer from Muni                      | 115,956.00          | 231,906.00                     |
| Transfer to Muni                        | 0.00                | (231,906.00)                   |
|   | 116,829.45          | 0.00                           |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|            |   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|---|---------------------|--------------------------------|
|            |   | \$                  | \$                             |
| <b>115</b> | <b>Plant Replacement Reserve</b>                      |                     |                                |
|            | Accumulated Reserves at Start of Year                 | 2,185,395.64        | 2,185,395.64                   |
|            | Interest transfer to Reserves                         | 27,055.22           | 40,992.00                      |
|            | Transfer from Muni                                    | 422,796.00          | 845,588.00                     |
|            | Transfer to Muni                                      | 0.00                | (2,179,650.00)                 |
|            |   | <hr/>               | <hr/>                          |
|            |   | 2,635,246.86        | 892,325.64                     |
| <b>137</b> | <b>Busselton Traffic Study Implementation Reserve</b> |                     |                                |
|            | Accumulated Reserves at Start of Year                 | 432,138.26          | 432,138.26                     |
|            | Interest transfer to Reserves                         | 10,107.40           | 8,112.00                       |
|            | Transfer from Muni                                    | 630,534.00          | 1,211,110.00                   |
|            | Transfer to Muni                                      | 0.00                | (1,650,000.00)                 |
|            |   | <hr/>               | <hr/>                          |
|            |   | 1,072,779.66        | 1,360.26                       |
| <b>132</b> | <b>CBD Enhancement Reserve</b>                        |                     |                                |
|            | Accumulated Reserves at Start of Year                 | 122,490.23          | 122,490.23                     |
|            | Interest transfer to Reserves                         | 1,607.72            | 2,292.00                       |
|            | Transfer from Muni                                    | 22,500.00           | 45,000.00                      |
|            | Transfer to Muni                                      | 0.00                | (120,000.00)                   |
|            |   | <hr/>               | <hr/>                          |
|            |   | 146,597.95          | 49,782.23                      |
| <b>127</b> | <b>New Infrastructure Development Reserve</b>         |                     |                                |
|            | Accumulated Reserves at Start of Year                 | 1,834,714.76        | 1,834,714.76                   |
|            | Interest transfer to Reserves                         | 22,627.37           | 34,416.00                      |
|            | Transfer from Muni                                    | 205,470.00          | 410,941.00                     |
|            | Transfer to Muni                                      | 0.00                | (1,470,740.00)                 |
|            |   | <hr/>               | <hr/>                          |
|            |   | 2,062,812.13        | 809,331.76                     |
| <b>141</b> | <b>CPA Infrastructure Road Upgrades Reserve</b>       |                     |                                |
|            | Accumulated Reserves at Start of Year                 | 225,574.67          | 225,574.67                     |
|            | Interest transfer to Reserves                         | 2,699.82            | 4,236.00                       |
|            | Transfer from Muni                                    | 0.00                | 0.00                           |
|            |   | <hr/>               | <hr/>                          |
|            |   | 228,274.49          | 229,810.67                     |
| <b>114</b> | <b>City Car Parking and Access Reserve</b>            |                     |                                |



**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|---|---------------------|--------------------------------|
|   | \$                  | \$                             |
| Accumulated Reserves at Start of Year                         | 875,925.14          | 875,925.14                     |
| Interest transfer to Reserves                                 | 12,310.09           | 16,428.00                      |
| Transfer from Muni  | 269,016.00          | 538,024.00                     |
| Transfer to Muni  | 0.00                | (1,312,249.00)                 |
|   | 1,157,251.23        | 118,128.14                     |
| <b>107 Corporate IT System Programme</b>                      |                     |                                |
| Accumulated Reserves at Start of Year                         | 78,625.03           | 78,625.03                      |
| Interest transfer to Reserves                                 | 748.43              | 1,476.00                       |
| Transfer to Muni  | 0.00                | 0.00                           |
|   | 79,373.46           | 80,101.03                      |
| <b>133 Election, Valuation and Corporate Expenses Reserve</b> |                     |                                |
| Accumulated Reserves at Start of Year                         | 149,557.64          | 149,557.64                     |
| Interest transfer to Reserves                                 | 2,222.14            | 2,808.00                       |
| Transfer from Muni  | 175,470.00          | 350,949.00                     |
| Transfer to Muni  | 0.00                | (10,300.00)                    |
|   | 327,249.78          | 493,014.64                     |
| <b>111 Legal Expenses Reserve</b>                             |                     |                                |
| Accumulated Reserves at Start of Year                         | 557,904.00          | 557,904.00                     |
| Interest transfer to Reserves                                 | 6,677.34            | 10,464.00                      |
| Transfer from Muni  | 61,364.00           | 61,364.00                      |
| Transfer to Muni  | 0.00                | (30,000.00)                    |
|   | 625,945.34          | 599,732.00                     |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|            |   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|---|---------------------|--------------------------------|
|            |   | \$                  | \$                             |
| <b>202</b> | <b>Long Service Leave Reserve</b>               |                     |                                |
|            | Accumulated Reserves at Start of Year           | 3,111,698.09        | 3,111,698.09                   |
|            | Interest transfer to Reserves                   | 50,094.25           | 58,368.00                      |
|            | Transfer from Muni                              | 124,998.00          | 250,000.00                     |
|            | Transfer to Muni                                | 0.00                | (606,308.00)                   |
|            |   | <hr/>               | <hr/>                          |
|            |   | 3,286,790.34        | 2,813,758.09                   |
| <b>203</b> | <b>Professional Development Reserve</b>         |                     |                                |
|            | Accumulated Reserves at Start of Year           | 113,024.66          | 113,024.66                     |
|            | Interest transfer to Reserves                   | 1,457.25            | 2,124.00                       |
|            | Transfer from Muni                              | 34,998.00           | 70,000.00                      |
|            | Transfer to Muni                                | 0.00                | (70,000.00)                    |
|            |   | <hr/>               | <hr/>                          |
|            |   | 149,479.91          | 115,148.66                     |
| <b>204</b> | <b>Sick Pay Incentive Reserve</b>               |                     |                                |
|            | Accumulated Reserves at Start of Year           | 175,935.04          | 175,935.04                     |
|            | Interest transfer to Reserves                   | 2,779.09            | 3,300.00                       |
|            | Transfer from Muni                              | 0.00                | 0.00                           |
|            | Transfer to Muni                                | 0.00                | (70,000.00)                    |
|            |   | <hr/>               | <hr/>                          |
|            |   | 178,714.13          | 109,235.04                     |
| <b>124</b> | <b>Workers Compensation Contingency Reserve</b> |                     |                                |
|            | Accumulated Reserves at Start of Year           | 356,227.48          | 356,227.48                     |
|            | Interest transfer to Reserves                   | 4,216.43            | 6,684.00                       |
|            | Transfer from Muni                              | 0.00                | 0.00                           |
|            | Transfer to Muni                                | 0.00                | (60,000.00)                    |
|            |   | <hr/>               | <hr/>                          |
|            |   | 360,443.91          | 302,911.48                     |
| <b>302</b> | <b>Community Facilities - City District</b>     |                     |                                |
|            | Accumulated Reserves at Start of Year           | 2,303,095.83        | 2,303,095.83                   |
|            | Interest transfer to Reserves                   | 28,539.04           | 43,200.00                      |
|            | Transfer from Muni                              | 93,191.64           | 593,880.00                     |
|            | Transfer to Muni                                | 0.00                | (643,415.00)                   |
|            |   | <hr/>               | <hr/>                          |
|            |   | 2,424,826.51        | 2,296,760.83                   |
| <b>304</b> | <b>Community Facilities - Broadwater</b>        |                     |                                |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|--|---------------------|--------------------------------|
|  | \$                  | \$                             |
| Accumulated Reserves at Start of Year                      | 138,048.48          | 138,048.48                     |
| Interest transfer to Reserves                              | 1,682.17            | 2,592.00                       |
| Transfer from Muni   | 3,123.36            | 29,020.00                      |
|  | 142,854.01          | 169,660.48                     |
| <b>303 Community Facilities - Busselton</b>                |                     |                                |
| Accumulated Reserves at Start of Year                      | 34,546.40           | 34,546.40                      |
| Interest transfer to Reserves                              | 445.30              | 648.00                         |
| Transfer from Muni   | 3,376.99            | 50,560.00                      |
| Transfer to Muni   | 0.00                | (80,000.00)                    |
|  | 38,368.69           | 5,754.40                       |
| <b>305 Community Facilities - Dunsborough</b>              |                     |                                |
| Accumulated Reserves at Start of Year                      | 166,327.12          | 166,327.12                     |
| Interest transfer to Reserves                              | 2,136.23            | 3,120.00                       |
| Transfer from Muni   | 13,085.72           | 78,600.00                      |
|  | 181,549.07          | 248,047.12                     |
| <b>311 Community Facilities - Dunsborough Lakes Estate</b> |                     |                                |
| Accumulated Reserves at Start of Year                      | 525,105.39          | 525,105.39                     |
| Interest transfer to Reserves                              | 7,992.42            | 9,852.00                       |
| Transfer from Muni   | 190,476.00          | 487,780.00                     |
|  | 723,573.81          | 1,022,737.39                   |
| <b>306 Community Facilities - Geographe</b>                |                     |                                |
| Accumulated Reserves at Start of Year                      | 95,061.38           | 95,061.38                      |
| Interest transfer to Reserves                              | 1,149.72            | 1,788.00                       |
| Transfer from Muni   | 1,189.00            | 6,170.00                       |
|  | 97,400.10           | 103,019.38                     |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|            |  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|--|---------------------|--------------------------------|
|            |  | \$                  | \$                             |
| <b>310</b> | <b>Community Facilities - Port Geographe</b>             |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 335,116.76          | 335,116.76                     |
|            | Interest transfer to Reserves                            | 4,010.88            | 6,288.00                       |
|            |  | <hr/>               | <hr/>                          |
|            |  | 339,127.64          | 341,404.76                     |
| <b>309</b> | <b>Community Facilities - Vasse</b>                      |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 589,760.45          | 589,760.45                     |
|            | Interest transfer to Reserves                            | 6,989.95            | 11,064.00                      |
|            | Transfer from Muni                                       | 9,287.74            | 455,460.00                     |
|            | Transfer to Muni   | 0.00                | 0.00                           |
|            |  | <hr/>               | <hr/>                          |
|            |  | 606,038.14          | 1,056,284.45                   |
| <b>308</b> | <b>Community Facilities - Airport North</b>              |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 2,826,296.71        | 2,826,296.71                   |
|            | Interest transfer to Reserves                            | 33,826.91           | 53,016.00                      |
|            | Transfer from Muni                                       | 0.00                | 212,080.00                     |
|            |  | <hr/>               | <hr/>                          |
|            |  | 2,860,123.62        | 3,091,392.71                   |
| <b>130</b> | <b>Locke Estate Reserve</b>                              |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 0.00                | 0.00                           |
|            | Interest transfer to Reserves                            | 241.03              | 0.00                           |
|            | Transfer from Muni                                       | 31,998.00           | 64,000.00                      |
|            | Transfer to Muni   | 0.00                | (64,000.00)                    |
|            |  | <hr/>               | <hr/>                          |
|            |  | 32,239.03           | 0.00                           |
| <b>122</b> | <b>Port Geographe Development Reserve</b>                |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 1,455,440.82        | 1,455,440.82                   |
|            | Interest transfer to Reserves                            | 17,167.45           | 27,300.00                      |
|            | Transfer from Muni                                       | 25,002.00           | 50,000.00                      |
|            | Transfer to Muni   | 0.00                | (999,781.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 1,497,610.27        | 532,959.82                     |
| <b>123</b> | <b>Port Geographe Waterways Management Reserve (SAR)</b> |                     |                                |
|            | Accumulated Reserves at Start of Year                    | 3,387,485.07        | 3,387,485.07                   |
|            | Interest transfer to Reserves                            | 41,430.41           | 63,540.00                      |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|   | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|---|---------------------|--------------------------------|
|   | \$                  | \$                             |
| Transfer from Muni  | 93,786.00           | 187,573.00                     |
| Transfer to Muni  | (20,000.00)         | (337,800.00)                   |
|   | <hr/>               | <hr/>                          |
| <b>126 Provence Landscape Maintenance Reserve (SAR)</b>             | 3,502,701.48        | 3,300,798.07                   |
| Accumulated Reserves at Start of Year                               | 1,101,707.78        | 1,101,707.78                   |
| Interest transfer to Reserves                                       | 13,647.58           | 20,664.00                      |
| Transfer from Muni  | 83,388.00           | 166,778.00                     |
| Transfer to Muni  | 0.00                | (162,645.00)                   |
|   | <hr/>               | <hr/>                          |
|   | 1,198,743.36        | 1,126,504.78                   |
| <b>128 Vasse Newtown Landscape Maintenance Reserve (SAR)</b>        |                     |                                |
| Accumulated Reserves at Start of Year                               | 535,722.24          | 535,722.24                     |
| Interest transfer to Reserves                                       | 6,714.58            | 10,044.00                      |
| Transfer from Muni  | 85,194.00           | 170,390.00                     |
| Transfer to Muni  | 0.00                | (174,860.00)                   |
|   | <hr/>               | <hr/>                          |
|   | 627,630.82          | 541,296.24                     |
| <b>138 CPA Bushfire Facilities Reserve</b>                          |                     |                                |
| Accumulated Reserves at Start of Year                               | 55,861.58           | 55,861.58                      |
| Interest transfer to Reserves                                       | 668.58              | 1,044.00                       |
| Transfer from Muni  | 0.00                | 0.00                           |
|   | <hr/>               | <hr/>                          |
|   | 56,530.16           | 56,905.58                      |
| <b>139 CPA Community Facilities Dunsborough Lakes South Reserve</b> |                     |                                |
| Accumulated Reserves at Start of Year                               | 70,848.15           | 70,848.15                      |
| Interest transfer to Reserves                                       | 847.93              | 1,332.00                       |
| Transfer from Muni  | 0.00                | 0.00                           |
|   | <hr/>               | <hr/>                          |
|   | 71,696.08           | 72,180.15                      |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|            |  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|------------|--|---------------------|--------------------------------|
|            |  | \$                  | \$                             |
| <b>140</b> | <b>CPA Community Facilities South Biddle Precinct Reserve</b>    |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 1,030,368.46        | 1,030,368.46                   |
|            | Interest transfer to Reserves                                    | 12,332.11           | 19,332.00                      |
|            | Transfer from Muni   | 0.00                | 0.00                           |
|            | Transfer to Muni   | 0.00                | (200,000.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 1,042,700.57        | 849,700.46                     |
| <b>321</b> | <b>Busselton Area Drainage and Waterways Improvement Reserve</b> |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 548,820.67          | 548,820.67                     |
|            | Interest transfer to Reserves                                    | 6,279.28            | 10,296.00                      |
|            | Transfer to Muni   | 0.00                | (169,317.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 555,099.95          | 389,799.67                     |
| <b>102</b> | <b>Climate Adaptation Reserve</b>                                |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 2,472,424.34        | 2,472,424.34                   |
|            | Interest transfer to Reserves                                    | 32,030.99           | 46,380.00                      |
|            | Transfer from Muni   | 231,864.00          | 527,732.00                     |
|            | Transfer to Muni   | 0.00                | (1,317,290.00)                 |
|            |  | <hr/>               | <hr/>                          |
|            |  | 2,736,319.33        | 1,729,246.34                   |
| <b>144</b> | <b>Emergency Disaster Recovery Reserve</b>                       |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 50,000.00           | 50,000.00                      |
|            | Interest transfer to Reserves                                    | 865.14              | 936.00                         |
|            | Transfer from Muni   | 11,002.40           | 21,000.40                      |
|            |  | <hr/>               | <hr/>                          |
|            |  | 61,867.54           | 71,936.40                      |
| <b>145</b> | <b>Energy Sustainability Reserve</b>                             |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 100,000.00          | 100,000.00                     |
|            | Interest transfer to Reserves                                    | 1,956.23            | 1,872.00                       |
|            | Transfer from Muni   | 49,998.00           | 100,000.00                     |
|            | Transfer to Muni   | 0.00                | (120,000.00)                   |
|            |  | <hr/>               | <hr/>                          |
|            |  | 151,954.23          | 81,872.00                      |
| <b>146</b> | <b>Cemetery Reserve</b>  |                     |                                |
|            | Accumulated Reserves at Start of Year                            | 100,000.00          | 100,000.00                     |

**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|  | 2018/2019<br>Actual | 2018/2019<br>Amended<br>Budget |
|--|---------------------|--------------------------------|
|  | \$                  | \$                             |
| Interest transfer to Reserves                          | 1,866.61            | 1,872.00                       |
| Transfer from Muni                                     | 38,100.00           | 76,200.00                      |
| Transfer to Muni                                       | 0.00                | (120,000.00)                   |
|  | 139,966.61          | 58,072.00                      |
| <b>341 Public Art Reserve</b>                          |                     |                                |
| Accumulated Reserves at Start of Year                  | 229,685.21          | 229,685.21                     |
| Interest transfer to Reserves                          | 2,695.43            | 4,308.00                       |
| Transfer from Muni                                     | 0.00                | 100,000.00                     |
| Transfer to Muni                                       | 0.00                | (167,185.00)                   |
|  | 232,380.64          | 166,808.21                     |
| <b>121 Waste Management Facility and Plant Reserve</b> |                     |                                |
| Accumulated Reserves at Start of Year                  | 7,881,068.17        | 7,881,068.17                   |
| Interest transfer to Reserves                          | 89,036.97           | 147,840.00                     |
| Transfer from Muni                                     | 715,932.00          | 1,431,862.00                   |
| Transfer to Muni                                       | 0.00                | (4,140,590.00)                 |
|  | 8,686,037.14        | 5,320,180.17                   |
| <b>120 Strategic Projects Reserve</b>                  |                     |                                |
| Accumulated Reserves at Start of Year                  | 226,213.20          | 226,213.20                     |
| Interest transfer to Reserves                          | 2,691.91            | 4,236.00                       |
| Transfer from Muni                                     | 12,498.00           | 25,000.00                      |
| Transfer to Muni                                       | 0.00                | 0.00                           |
|  | 241,403.11          | 255,449.20                     |
| <b>129 Untied Grants Reserve</b>                       |                     |                                |
| Accumulated Reserves at Start of Year                  | 0.00                | 0.00                           |
| Transfer to Muni                                       | 0.00                | 0.00                           |
|  | 0.00                | 0.00                           |

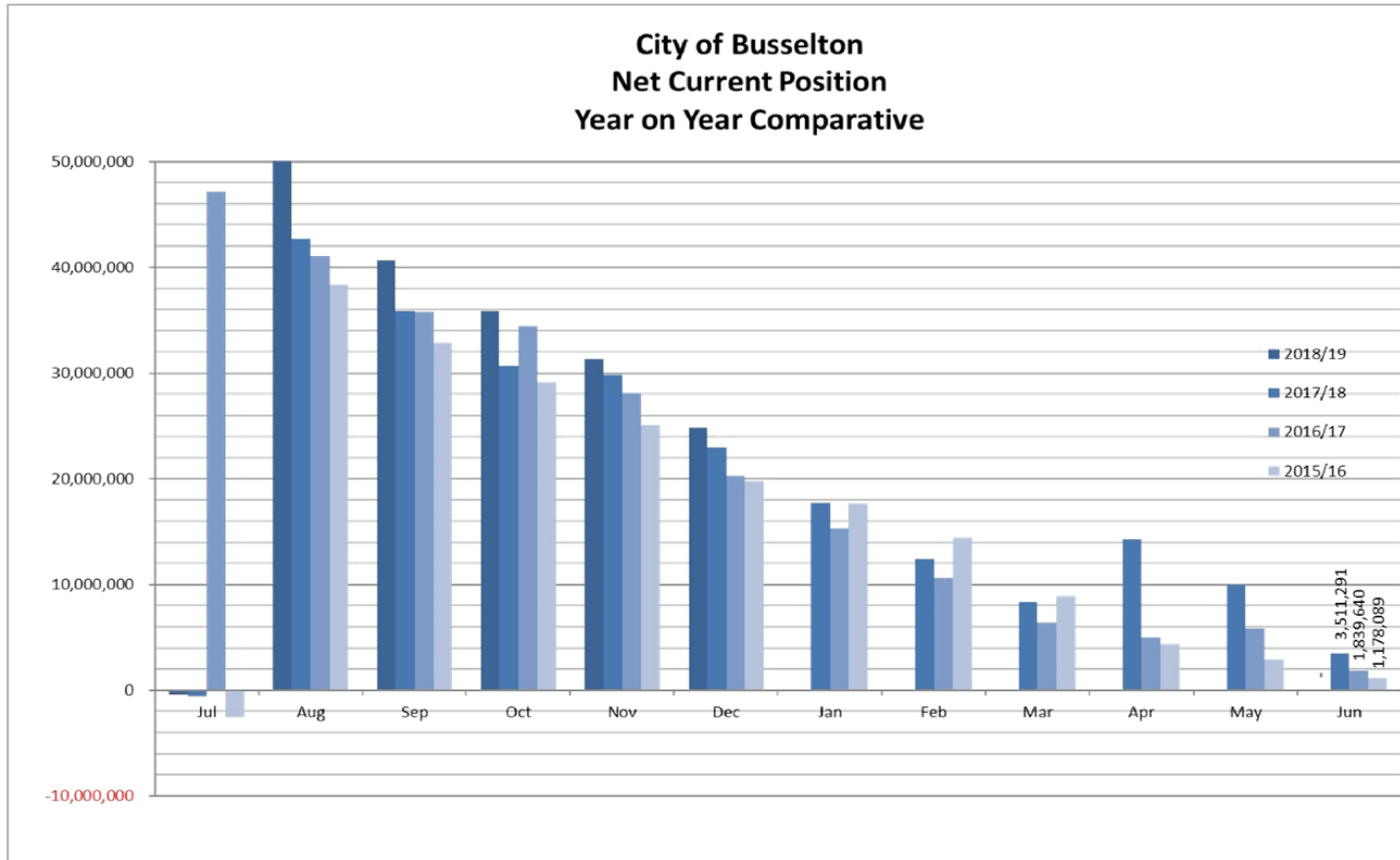
**City of Busselton**

**Reserves Movement Report**

**For The Period Ending 31 December 2018**

|            |   | 2018/2019<br>Actual  | 2018/2019<br>Amended<br>Budget |
|------------|---|----------------------|--------------------------------|
|            |   | \$                   | \$                             |
| <b>134</b> | <b>Civic and Administration Centre Construction Reserve</b> |                      |                                |
|            | Accumulated Reserves at Start of Year                       | 0.00                 | 0.00                           |
|            | Transfer to Muni  | 0.00                 | 0.00                           |
|            |   | 0.00                 | 0.00                           |
|            | <b>Total Cash Back Reserves</b>                             | <b>56,921,951.11</b> | <b>40,666,635.23</b>           |
|            | <b>Summary Reserves</b>                                     |                      |                                |
|            | Accumulated Reserves at Start of Year                       | 47,978,518.20        | 47,978,518.20                  |
|            | Interest transfer to Reserves                               | 644,517.43           | 900,000.00                     |
|            | Transfer from Muni  | 8,953,903.48         | 18,454,328.21                  |
|            | Transfer to Muni  | (654,988.00)         | (26,666,211.18)                |
|            | <b>Closing Balance</b>                                      | <b>56,921,951.11</b> | <b>40,666,635.23</b>           |







**CITY OF BUSSETON - INVESTMENT PERFORMANCE REPORT**  
For the month of November 2018



**11am Bank Account** As at 30 November 2018

| INSTITUTION              | RATE  | AMOUNT       |
|--------------------------|-------|--------------|
| ANZ 11am At Call Deposit | 1.45% | \$ 8,100,000 |

**Term Deposits - Miscellaneous Funds** As at 30 November 2018

| INSTITUTION | RATING | DAYS | MATURITY  | RATE  | AMOUNT       |
|-------------|--------|------|-----------|-------|--------------|
| Bendigo     | BBB    | 181  | 03-Dec-18 | 2.60% | \$ 3,000,000 |
| Bendigo     | BBB    | 183  | 12-Dec-18 | 2.75% | \$ 1,000,000 |
| Westpac     | AA     | 153  | 12-Dec-18 | 2.76% | \$ 4,000,000 |
| Westpac     | AA     | 183  | 22-Dec-18 | 2.80% | \$ 1,500,000 |
| ANZ         | AA     | 153  | 03-Jan-19 | 2.66% | \$ 3,000,000 |
| NAB         | AA     | 150  | 11-Jan-19 | 2.64% | \$ 2,000,000 |
| NAB         | AA     | 120  | 25-Jan-19 | 2.66% | \$ 3,000,000 |
| Westpac     | AA     | 123  | 05-Feb-19 | 2.67% | \$ 2,500,000 |
| Westpac     | AA     | 184  | 06-Feb-19 | 2.74% | \$ 3,000,000 |
| NAB         | AA     | 180  | 06-Feb-19 | 2.66% | \$ 4,000,000 |
| Westpac     | AA     | 184  | 17-Feb-19 | 2.72% | \$ 1,500,000 |
| ANZ         | AA     | 184  | 25-Feb-19 | 2.64% | \$ 3,000,000 |
| Bankwest    | AA     | 181  | 11-Mar-19 | 2.70% | \$ 4,000,000 |
| NAB         | AA     | 181  | 14-Mar-19 | 2.66% | \$ 3,000,000 |
| NAB         | AA     | 181  | 14-Mar-19 | 2.66% | \$ 2,000,000 |
| NAB         | AA     | 120  | 20-Mar-19 | 2.66% | \$ 2,500,000 |
| Westpac     | AA     | 151  | 06-Apr-19 | 2.40% | \$ 5,000,000 |
| NAB         | AA     | 182  | 08-Apr-19 | 2.68% | \$ 2,000,000 |
| Bankwest    | AA     | 211  | 26-Apr-19 | 2.72% | \$ 4,000,000 |
| Westpac     | AA     | 212  | 27-Apr-19 | 2.70% | \$ 2,000,000 |
| ANZ         | AA     | 181  | 15-May-19 | 2.64% | \$ 3,500,000 |
| NAB         | AA     | 242  | 27-May-19 | 2.71% | \$ 2,000,000 |
| Bankwest    | AA     | 242  | 27-May-19 | 2.72% | \$ 4,000,000 |
| Bankwest    | AA     | 270  | 24-Jun-19 | 2.76% | \$ 4,000,000 |

**Total of Term Deposits \$ 69,500,000**

**Foreshore Development Funds** As at 30 November 2018

|   |       |                  |
|---|-------|------------------|
| WA Treasury Corp. - Overnight Cash Deposit Facility | 1.45% | \$ 38,398        |
| <b>Total</b>  |       | <b>\$ 38,398</b> |

**Airport Redevelopment Funds** As at 30 November 2018

|   |       |                     |
|---|-------|---------------------|
| WA Treasury Corp. - Overnight Cash Deposit Facility | 1.45% | \$ 640,607          |
| WA Treasury Corp. - State Bonds 306 Days            | 2.07% | \$ 4,210,861        |
| <b>Total of Airport Redevelopment Funds - WATC</b>  |       | <b>\$ 4,851,467</b> |

|  |    |                     |
|--|----|---------------------|
| <b>Total of Airport Redevelopment Funds - Bank Term Deposits</b>     |    | <b>\$ Nil</b>       |
| ANZ Cash Account   | AA | \$ 467,785          |
| <b>Total of Airport Redevelopment Funds - Other</b>                  |    | <b>\$ 467,785</b>   |
| <b>Total of Airport Redevelopment Funds</b>                          |    | <b>\$ 5,319,252</b> |
| Interest Received 2015/16  |    | \$ 609,666          |
| Interest Received 2016/17  |    | \$ 1,158,623        |
| Interest Received 2017/18  |    | \$ 631,835          |
| Interest Received 2018/19  |    | \$ 19,311           |
| Interest Accrued but not yet Received                                |    | \$ 59,753           |
| <b>Total Interest Airport Funds (Non-Reserve) at month's end</b>     |    | <b>\$ 2,479,188</b> |
| Interest Transferred out and held in City Reserve Account 136        |    | \$ 1,085,630        |
| Interest Transferred out to Municipal Funds                          |    | \$ 15,431           |
| Interest Earnt (incl. Accrued) on Funds Held in City Reserve A/c 136 |    | \$ 42,122           |

(Note: Funds held with the WATC are in accordance with the Airport Redevelopment Funding Contract and the Foreshore Development Contract and are not held within the requirements of the City's Investment Policy 218)

**SUMMARY OF ALL INVESTMENTS HELD**

|   | As at 1 year ago     | As at 30 June 2018   | As at 30 November 2018 |
|---|----------------------|----------------------|------------------------|
| 11am Bank Account                         | \$ 8,500,000         | \$ 7,000,000         | \$ 8,100,000           |
| Term Deposits - Misc. Funds               | \$ 59,000,000        | \$ 53,500,000        | \$ 69,500,000          |
| Foreshore Development Funds - WATC        | \$ 36,238            | \$ 38,165            | \$ 38,398              |
| Airport Redevelopment - WATC Deposits     | \$ 6,171,724         | \$ 4,847,588         | \$ 4,851,467           |
| Airport Redevelopment - Bank Term Deposit | \$ 17,000,000        | \$ -                 | \$ -                   |
| Airport Redevelopment - ANZ Cash A/c      | \$ 3,560,821         | \$ 4,546,285         | \$ 467,785             |
| <b>Total of all Investments Held</b>      | <b>\$ 94,268,783</b> | <b>\$ 69,932,038</b> | <b>\$ 82,957,650</b>   |

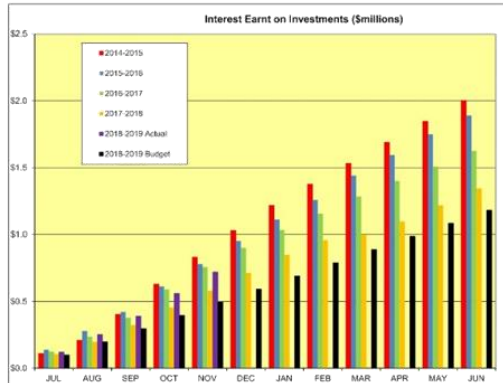
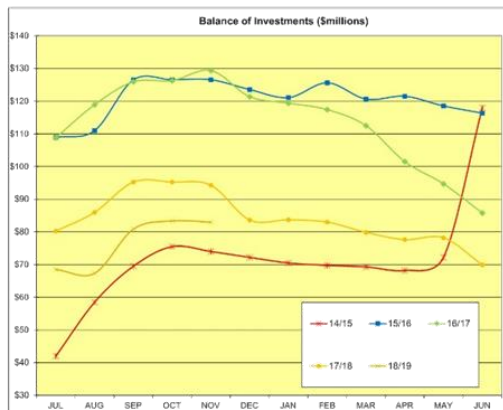
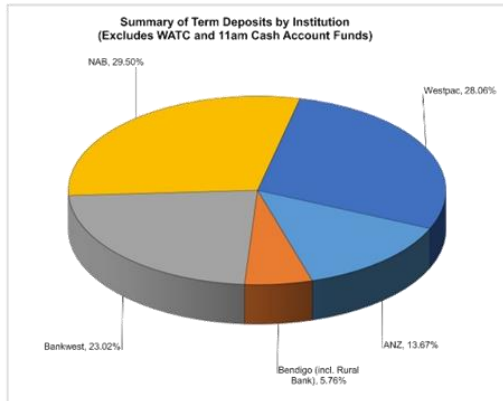
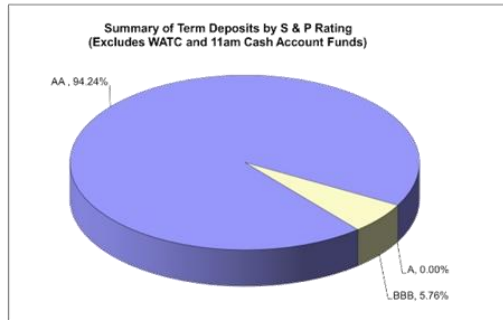
|  |                   |                     |                   |
|--|-------------------|---------------------|-------------------|
| <b>TOTAL INTEREST RECEIVED AND ACCRUED</b> | <b>\$ 577,925</b> | <b>\$ 1,344,027</b> | <b>\$ 719,046</b> |
| <b>INTEREST BUDGET</b>                     | <b>\$ 570,415</b> | <b>\$ 1,369,000</b> | <b>\$ 493,235</b> |

(Note: Interest figures relate to City general funds only and does not include interest allocated to specific areas such as the Airport Redevelopment)

**Statement of Compliance with Council's Investment Policy 218**

|   |                        |
|---|------------------------|
| 1. All funds are to be invested within legislative limits.  | <b>Fully Compliant</b> |
| 2. All individual funds held within the portfolio are not to exceed a set percentage of the total portfolio value.    | <b>Fully Compliant</b> |
| 3. The amount invested based upon the Fund's Rating is not to exceed the set percentages of the total portfolio.      | <b>Fully Compliant</b> |
| 4. The amount invested based upon the Investment Horizon is not to exceed the set percentages of the total portfolio. | <b>Fully Compliant</b> |

**Investment Graphs**





**CITY OF BUSSELTON - INVESTMENT PERFORMANCE REPORT**  
For the month of December 2018



**11am Bank Account** As at 31 December 2018

| INSTITUTION              | RATE  | AMOUNT       |
|--------------------------|-------|--------------|
| ANZ 11am At Call Deposit | 1.45% | \$ 4,500,000 |

**Term Deposits - Miscellaneous Funds** As at 31 December 2018

| INSTITUTION | RATING | DAYS | MATURITY  | RATE  | AMOUNT       |
|-------------|--------|------|-----------|-------|--------------|
| ANZ         | AA     | 153  | 03-Jan-19 | 2.66% | \$ 3,000,000 |
| Westpac     | AA     | 153  | 06-Jan-19 | 2.74% | \$ 3,000,000 |
| NAB         | AA     | 150  | 11-Jan-19 | 2.64% | \$ 2,000,000 |
| NAB         | AA     | 120  | 25-Jan-19 | 2.66% | \$ 3,000,000 |
| Westpac     | AA     | 123  | 05-Feb-19 | 2.67% | \$ 2,500,000 |
| NAB         | AA     | 180  | 06-Feb-19 | 2.66% | \$ 4,000,000 |
| Westpac     | AA     | 184  | 17-Feb-19 | 2.72% | \$ 1,500,000 |
| ANZ         | AA     | 184  | 25-Feb-19 | 2.64% | \$ 3,000,000 |
| Bankwest    | AA     | 181  | 11-Mar-19 | 2.70% | \$ 4,000,000 |
| Westpac     | AA     | 90   | 12-Mar-19 | 2.45% | \$ 4,000,000 |
| NAB         | AA     | 181  | 14-Mar-19 | 2.66% | \$ 3,000,000 |
| NAB         | AA     | 181  | 14-Mar-19 | 2.66% | \$ 2,000,000 |
| NAB         | AA     | 120  | 20-Mar-19 | 2.66% | \$ 2,500,000 |
| Bendigo     | BBB    | 121  | 03-Apr-19 | 2.65% | \$ 3,000,000 |
| Westpac     | AA     | 151  | 06-Apr-19 | 2.40% | \$ 5,000,000 |
| NAB         | AA     | 182  | 08-Apr-19 | 2.68% | \$ 2,000,000 |
| Bankwest    | AA     | 211  | 26-Apr-19 | 2.72% | \$ 4,000,000 |
| Westpac     | AA     | 212  | 27-Apr-19 | 2.70% | \$ 2,000,000 |
| ANZ         | AA     | 181  | 15-May-19 | 2.64% | \$ 3,500,000 |
| Westpac     | AA     | 151  | 22-May-19 | 2.48% | \$ 1,500,000 |
| NAB         | AA     | 242  | 27-May-19 | 2.71% | \$ 2,000,000 |
| Bankwest    | AA     | 242  | 27-May-19 | 2.72% | \$ 4,000,000 |
| Bendigo     | BBB    | 182  | 12-Jun-19 | 2.70% | \$ 1,000,000 |
| Bankwest    | AA     | 270  | 24-Jun-19 | 2.76% | \$ 4,000,000 |

**Total of Term Deposits \$ 69,500,000**

**Foreshore Development Funds** As at 31 December 2018

|   |       |                  |
|---|-------|------------------|
| WA Treasury Corp. - Overnight Cash Deposit Facility | 1.45% | \$ 38,443        |
| <b>Total</b>  |       | <b>\$ 38,443</b> |

**Airport Redevelopment Funds** As at 31 December 2018

|   |       |                     |
|---|-------|---------------------|
| WA Treasury Corp. - Overnight Cash Deposit Facility | 1.45% | \$ 641,370          |
| WA Treasury Corp. - State Bonds 306 Days            | 2.07% | \$ 4,210,861        |
| <b>Total of Airport Redevelopment Funds - WATC</b>  |       | <b>\$ 4,852,231</b> |

|  |    |                     |
|--|----|---------------------|
| <b>Total of Airport Redevelopment Funds - Bank Term Deposits</b> |    | <b>\$ Nil</b>       |
| ANZ Cash Account   | AA | \$ 467,785          |
| <b>Total of Airport Redevelopment Funds - Other</b>              |    | <b>\$ 467,785</b>   |
| <b>Total of Airport Redevelopment Funds</b>                      |    | <b>\$ 5,320,016</b> |

|  |                     |
|--|---------------------|
| Interest Received 2015/16  | \$ 609,666          |
| Interest Received 2016/17  | \$ 1,158,623        |
| Interest Received 2017/18  | \$ 631,835          |
| Interest Received 2018/19  | \$ 20,978           |
| Interest Accrued but not yet Received                                | \$ 66,389           |
| <b>Total Interest Airport Funds (Non-Reserve) at month's end</b>     | <b>\$ 2,487,488</b> |
| Interest Transferred out and held in City Reserve Account 136        | \$ 1,085,630        |
| Interest Transferred out to Municipal Funds                          | \$ 16,333           |
| Interest Earnt (incl. Accrued) on Funds Held in City Reserve A/c 136 | \$ 38,974           |

(Note: Funds held with the WATC are in accordance with the Airport Redevelopment Funding Contract and the Foreshore Development Contract and are not held within the requirements of the City's Investment Policy 218)

**SUMMARY OF ALL INVESTMENTS HELD**

|   | As at 1 year ago     | As at 30 June 2018   | As at 31 December 2018 |
|---|----------------------|----------------------|------------------------|
| 11am Bank Account                         | \$ 6,000,000         | \$ 7,000,000         | \$ 4,500,000           |
| Term Deposits - Misc. Funds               | \$ 54,500,000        | \$ 53,500,000        | \$ 69,500,000          |
| Foreshore Development Funds - WATC        | \$ 37,590            | \$ 38,165            | \$ 38,443              |
| Airport Redevelopment - WATC Deposits     | \$ 6,171,727         | \$ 4,847,588         | \$ 4,852,231           |
| Airport Redevelopment - Bank Term Deposit | \$ 7,000,000         | \$ -                 | \$ -                   |
| Airport Redevelopment - ANZ Cash A/c      | \$ 9,928,375         | \$ 4,546,285         | \$ 467,785             |
| <b>Total of all Investments Held</b>      | <b>\$ 83,637,692</b> | <b>\$ 69,932,038</b> | <b>\$ 79,358,459</b>   |

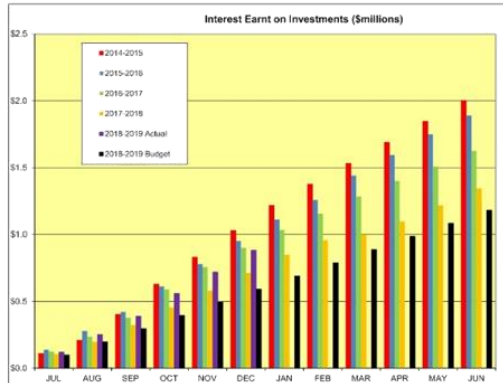
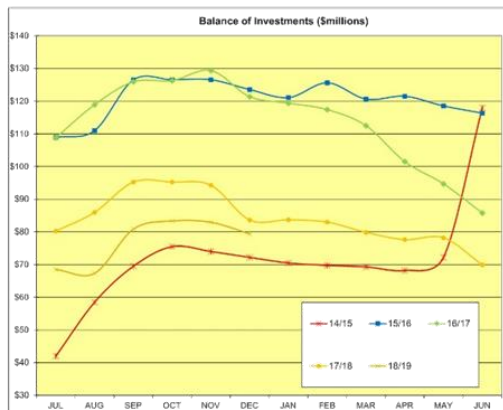
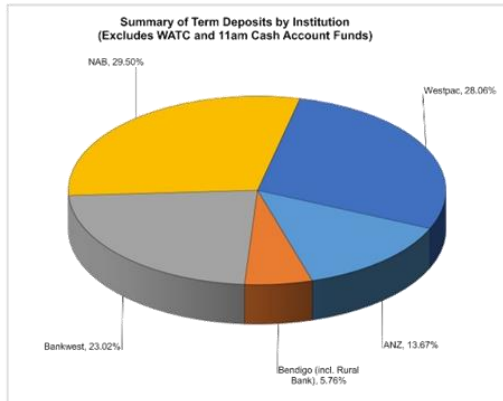
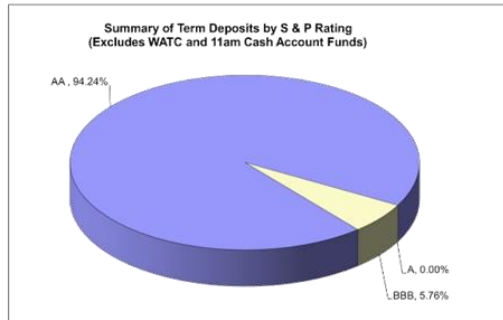
|  |                   |                     |                   |
|--|-------------------|---------------------|-------------------|
| <b>TOTAL INTEREST RECEIVED AND ACCRUED</b> | <b>\$ 712,303</b> | <b>\$ 1,344,027</b> | <b>\$ 883,242</b> |
| <b>INTEREST BUDGET</b>                     | <b>\$ 684,498</b> | <b>\$ 1,369,000</b> | <b>\$ 591,882</b> |

(Note: Interest figures relate to City general funds only and does not include interest allocated to specific areas such as the Airport Redevelopment)

**Statement of Compliance with Council's Investment Policy 218**

|   |                 |
|---|-----------------|
| 1. All funds are to be invested within legislative limits.  | Fully Compliant |
| 2. All individual funds held within the portfolio are not to exceed a set percentage of the total portfolio value.    | Fully Compliant |
| 3. The amount invested based upon the Fund's Rating is not to exceed the set percentages of the total portfolio.      | Fully Compliant |
| 4. The amount invested based upon the Investment Horizon is not to exceed the set percentages of the total portfolio. | Fully Compliant |

**Investment Graphs**



12.3 Finance Committee - 17/01/2019 - APPLICATION FOR RATE EXEMPTION - ACCESS HOUSING AUSTRALIA LTD

|                             |   |
|-----------------------------|---|
| <b>SUBJECT INDEX:</b>       | Exemptions and Appeals (Rates)  |
| <b>STRATEGIC OBJECTIVE:</b> | Governance systems, process and practices are responsible, ethical and transparent.     |
| <b>BUSINESS UNIT:</b>       | Rates   |
| <b>ACTIVITY UNIT:</b>       | Rates   |
| <b>REPORTING OFFICER:</b>   | Rates Coordinator - David Nicholson   |
| <b>AUTHORISING OFFICER:</b> | Director Finance and Corporate Services - Tony Nottle                                   |
| <b>VOTING REQUIREMENT:</b>  | Simple Majority   |
| <b>ATTACHMENTS:</b>         | Attachment A Rate Exemption Application - Owned Properties <a href="#">↓</a>            |
|                             | Attachment B Rate Exemption Application - Leased Properties <a href="#">↓</a>           |
|                             | Attachment C Rate Exemption Statutory Declaration - Owned Properties <a href="#">↓</a>  |
|                             | Attachment D Rate Exemption Statutory Declaration - Leased Properties <a href="#">↓</a> |
|                             | Attachment E Rate Exemption Application Covering Letter <a href="#">↓</a>               |
|                             | Attachment F Rate Exemption Supporting Documentation <a href="#">↓</a>                  |

**This item was considered by the Finance Committee at its meeting on 17 January 2019, the recommendations from which have been included in this report.**

## **PRÉCIS**

Applications have been received from Access Housing Australia Ltd (AHA) for rate exemptions on residential properties they own and lease from the WA Housing Authority (WAHA). On the basis of the applications and known rate exemption eligibility legal opinions, this report recommends that the request for exemptions be granted.

## **BACKGROUND**

AHA is a not for profit Community Housing Organisation (CHO), a registered charity and public benevolent institution. It is one of WA's largest non-government social housing tenancy / property managers, with more than 1,800 properties across the Perth metropolitan area, Peel and South West regions under management. Its tenants include seniors, people living with a disability or mental health illness, families and singles.

As a not-for-profit organisation, AHA reinvests any profits made through its core business into servicing its property portfolio, developing and purchasing additional affordable homes and funding programs to support tenants to access education, training and employment options which assist with increasing financial resilience and break welfare dependency. This approach allows the organisation to facilitate pathways into and out of the social housing system for current and prospective tenants, while also providing a high quality, customer focused service.

The applications for rate exemptions are for residential properties that AHA own and lease from the WAHA as per the following schedule. These properties are leased from the WAHA, managed by the organisation and are rated via four assessments.

### SCHEDULE OF WAHA LEASED PROPERTIES

| Number | Street         | Suburb         | Program* | Control       | Rent F/night |
|--------|----------------|----------------|----------|---------------|--------------|
| 66     | College Avenue | West Busselton | CDHP     | Managed Lease | \$360.16     |
| 2/3    | Elliott Street | Busselton      | CDHP     | Managed Lease | \$335.28     |
| 12     | Melville Court | Busselton      | CDHP     | Managed Lease | \$515.56     |
| *6A    | Whitton Street | West Busselton | CDHP     | Managed Lease | \$451.81     |
| *6B    | Whitton Street | West Busselton | CDHP     | Managed Lease | \$334.28     |

\* Rated as 2-6 Whitton Street, West Busselton

#### Community Disability Housing Program (CDHP) Details

- Disability independent living units
- Transitional housing and support program managed by the Drug and Alcohol Program
- Housing for people with mental health support needs through the Independent Living Program (ILP), Independent Supported Accommodation (ISA) or Mental Health Housing Strategy

### SCHEDULE OF AHA OWNED PROPERTIES

| Number | Street        | Suburb         | Program* | Control | Rent F/night |
|--------|---------------|----------------|----------|---------|--------------|
| *1/85  | Dorset Street | West Busselton | CH       | Self    | \$334.28     |
| *2/85  | Dorset Street | West Busselton | CH       | Self    | \$337.66     |
| *3/85  | Dorset Street | West Busselton | CH       | Self    | \$351.32     |
| *4/85  | Dorset Street | West Busselton | CH       | Self    | \$338.30     |
| *5/85  | Dorset Street | West Busselton | CH       | Self    | \$330.08     |
| *6/85  | Dorset Street | West Busselton | CH       | Self    | \$334.60     |
| *7/85  | Dorset Street | West Busselton | CH       | Self    | \$335.76     |
| *8/85  | Dorset Street | West Busselton | CH       | Self    | \$361.83     |
| *9/85  | Dorset Street | West Busselton | CH       | Self    | \$351.33     |
| *10/85 | Dorset Street | West Busselton | CH       | Self    | \$334.28     |
| *11/85 | Dorset Street | West Busselton | CH       | Self    | \$334.28     |
| *12/85 | Dorset Street | West Busselton | CH       | Self    | \$330.08     |
| 2/76   | Kent Street   | Busselton      | CH       | Self    | \$334.28     |
| 3/76   | Kent Street   | Busselton      | CH       | Self    | \$399.04     |

\* Rated as 85 Dorset Street, West Busselton

#### Community Housing Program (CH) Details

- Subsidised rental housing for Eligible Person on very low, to low, to moderate income

AHA lease these properties to tenants deemed eligible by the WAHA and sourced from their Joint Wait List. Lease payments are calculated based on 25% to 30% of the primary tenant's eligible assessable income to a maximum of 74.9% of market rental values.

Documentation provided as part of the applications includes:

- Applications for Rate Exemptions Including Property Use Statutory Declarations.
- Rate Exemption Application Covering Letter
- Supporting Document - Organisation Certificate of Registration and Constitution, Australian Tax Office Notice of Endorsement for Charity Tax Concessions and Financial Report Year Ending 30 June 2017 and 30 June 2016

Due to privacy issues copies of the lease agreements between AHA and tenants were not able to be provided. The rental amount derived is included within the schedule of properties table above.

### **STATUTORY ENVIRONMENT**

Section 6.26 of the *Local Government Act 1995* (the Act) provides broad definitions for rateable and non-rateable land. Moreover, Section 6.26 (2) (g) states that land is not rateable if it is “used exclusively for charitable purposes”.

### **RELEVANT PLANS AND POLICIES**

There are no plans or policies relevant to this matter.

### **FINANCIAL IMPLICATIONS**

Rates levied on the properties totalled \$25,251 for the 2018/19 financial year. Applications for rate exemptions were lodged in July 2018. As such, rate exemptions if granted should be effective 1<sup>st</sup> July 2018, resulting in a \$25,251 reduction to the 2018/2019 rating income and similar amounts for each of the following financial periods.

### **LONG-TERM FINANCIAL PLAN IMPLICATIONS**

There will be no significant implication to the City’s long term financial plan as the rate exemption amounts are not considered large when compared to the overall annual and interim rating income.

While a broader local government issue, there is a concern that a large number of organisations claiming charitable status could result in a long term effect on the City’s rate base into the future. This matter was raised at the recent South West WALGA Zone (SWZ) meeting in Capel on the 23 November 2018. The SWZ has since advocated for clarity and consideration of the impacts of rates exempt properties within the current Local Government Act Review (Phase 2).

### **STRATEGIC COMMUNITY OBJECTIVES**

This matter principally aligns with Key Goal Area 6 of the Strategic Community Plan 2017 and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’.

### **RISK ASSESSMENT**

There are no risks identified of a medium or greater level associated with the Officers recommendation. Having said that, if Council choses to not approve the applications for rate exemption then staffing and/or legal costs may be incurred if the applicant refers the matter to the State Administrative Tribunal for review of the decision.

### **CONSULTATION**

No consultation was considered necessary in relation to this matter.

### **OFFICER COMMENT**

In accordance with Section 6.26 (2) (g) of the Act land is not rateable if it is used exclusively for charitable purposes. Rate exemption applications need only be considered in two parts – being firstly is the use itself “charitable” and secondly if the use is considered to be charitable, then is the property being used “exclusively” for such use.

In considering the first part, that is, 'are the operations of AHA considered to be a charitable use'; legal opinions have been consistent in defining a charitable purpose as land used for:

1. The relief of poverty;
2. The advancement of education;
3. The advancement of religion; and
4. Other purposes beneficial to the community."

The leased properties are being used by AHA for their Community Disability Housing Program (CDHP) and so they are considered to meet the "other purposes beneficial to the community" charitable definition.

In considering the second part, that is, 'is the property being exclusively used for a charitable purpose'; this criteria is being met due to the properties, while leased from WAHA, being used for providing accommodation for people with disabilities, drug and alcohol issues and mental illness.

There has been no physical inspection of the properties due to their residential purpose and that the tenant would need to be interviewed to determine if they meet the CDHP program. Also it is known that other Councils have obtained legal opinions concluding that services provided by AHA and other CHO's are considered to be a charitable in nature and therefore eligible for rate exemptions. An in house survey of other Councils within WA reveal that the majority are permitting a rate exemption to AHA.

In terms of the current usage of the properties there are no known planning, health or building compliance issues.

If rate exemptions are approved then the applicant will be instructed to confirm by the 30<sup>th</sup> April annually that the properties continues to be used for the purposes stated in the applications. If a change has occurred and the new use is not eligible for rate exemption then the property will become rateable.

## **CONCLUSION**

It is considered, based on the applications and associated documentation provided by AHA, legal opinions obtained by other Councils, that the properties listed in the "Schedules" are eligible for rate exemption due to their use being exclusive for charitable purposes.

## **OPTIONS**

Council may decline the rate exemption applications on the basis that it considers that the properties leased and/or owned by Access Housing Australia Ltd are not providing a charitable service to the community or that the properties are not being used exclusive use of the property.

Should the applications be declined for either of the above reasons then AHA will have the option to refer the matter to the State Administrative Tribunal for a review of the decision. Such referral will see Council needing to defend its decision and thereby incurring staffing and/or legal costs.

## **TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION**

The proposed effective date for rate exemptions if approved would be the 1<sup>st</sup> July 2018 due to the applications being lodged in July 2018, prior to the issuance of the 2018/2019 annual rate notice.

**OFFICER RECOMMENDATION**

That the Council:

1. approve Access Housing Australia Ltd rate exemption applications under section 6.26 (2)(g) of the *Local Government Act 1995*, "land used exclusively for charitable purposes", for properties at:
  - a) 66 College Avenue West Busselton;
  - b) 2/3 Elliot Street Busselton;
  - c) 12 Melville Court Busselton;
  - d) 2-6 Whitton Street West Busselton;
  - e) 85 Dorset Street West Busselton;
  - f) 2/176 Kent Street Busselton; and
  - g) 3/176 Kent Street Busselton.effective from the 1<sup>st</sup> July 2018.
2. agree that this rate exemption is to continue whilst Access Housing Australia Ltd continues to lease and/or own these properties and confirms in writing by the 30<sup>th</sup> April annually of lease continuation and that the properties continue to be used for the purposes stated in the applications.

**COMMITTEE RECOMMENDATION**

That the Council:

1. approve Access Housing Australia Ltd rate exemption applications under section 6.26 (2)(g) of the *Local Government Act 1995*, "land used exclusively for charitable purposes", for properties at:
  - a) 66 College Avenue West Busselton;
  - b) 2/3 Elliot Street Busselton;
  - c) 12 Melville Court Busselton;
  - d) 2-6 Whitton Street West Busselton;
  - e) 85 Dorset Street West Busselton;
  - f) 2/176 Kent Street Busselton; and
  - g) 3/176 Kent Street Busselton.effective from the 1<sup>st</sup> July 2018.
2. agree that this rate exemption is to continue whilst Access Housing Australia Ltd continues to lease and/or own these properties and confirms in writing by the 30<sup>th</sup> April annually of lease continuation and that the properties continue to be used for the purposes stated in the applications.
3. agree to write to the Premier and the Ministers for Housing, Local Government and the Western Australian Local Government Association, outlining its concern regarding the alternate approach being undertaken by the State Government to lease their properties to organisations such as Access Housing is having a detrimental impact to the local government's rate base and ability to provide services to the community.



## APPLICATION FOR RATES EXEMPTION

Local Government Act 1995 – Section 6.26

### Privacy

The personal information collected on this form will only be used by the **City of Busselton** for the sole purpose of providing requested and related services. Information will be stored securely by us will not be disclosed to any third parties without your express written consent.

**CITY OF BUSSELTON  
LOCKED BAG 1  
BUSSELTON WA 6280**

**ABN 87 285 608 991**

**Phone:** 08 9781 0444

**Fax:** 08 9752 4958

**Email :** city@busselton.wa.gov.au

**Website :** www.busselton.wa.gov.au

This application form is to be used by organisations seeking exemption from rates, pursuant to the provisions of Section 6.26 of the Local Government Act 1995. The application for exemption will be checked based on the information you have provided, and you will be advised of the outcome in due course. Please attach any additional documents requested, as failure to do so may result in the application being refused.

**Please note that where exemption from rates is approved, the property will still be subject to the Emergency Services Levy and any other service fees or charges, if applicable, such as rubbish collection charges. All properties which are granted exemption from rates are subject to periodic reviews to ensure continued approval.**

**Instructions:** Please print clearly in the spaces provided.

### 1. PROPERTY ADDRESS DETAILS

Street address

Refer attached: Schedule of Properties – Access Housing Owned

Suburb

Rates Assessment Number (if known)

### 2. WHAT IS THE CURRENT USE OF THE PROPERTY? Please provide full details:

Community Housing for subsidised accommodation for the relief of poverty or distress for people in need

**3. PROPERTY OWNER DETAILS**

|   |                                    |                   |      |
|---|------------------------------------|-------------------|------|
| <b>Organisation:</b>                            | Access Housing Australia Ltd       |                   |      |
| <b>Property Owner:</b><br>if different to above | As above                           |                   |      |
| <b>Postal Address:</b>                          | PO Box 105 Burswood WA 6100        |                   |      |
| <b>Telephone:</b>                               | 9430 0913                          | <b>Postcode:</b>  | 6100 |
| <b>Mobile:</b>                                  | 0419 38 054                        | <b>Facsimile:</b> |      |
| <b>E-mail:</b>                                  | duane.moroney@accesshousing.org.au |                   |      |

**4. APPLICANT DETAILS**

|                        |                                    |                   |      |
|------------------------|------------------------------------|-------------------|------|
| <b>Contact Person:</b> | Duane Moroney                      |                   |      |
| <b>Position Title:</b> | General Manager Property Assets    |                   |      |
| <b>Postal Address:</b> | PO Box 105 Burswood                |                   |      |
| <b>Telephone:</b>      | 9430 0913                          | <b>Postcode:</b>  | 6100 |
| <b>Mobile:</b>         | 0419 382 054                       | <b>Facsimile:</b> |      |
| <b>E-mail:</b>         | duane.moroney@accesshousing.org.au |                   |      |

**5. ORGANISATION INFORMATION**

**Is/does the organisation:** Yes  No   
An incorporated body as per the Associations Incorporations Act 1987 (WA)?  
*If yes, provide a Certificate of Incorporation*

Considered "not for profit"? Yes  No

Have a tax exemption from the Australian Tax Office (ATO)? Yes  No   
*If yes, provide a certificate of tax exemption from the ATO*

Leasing the property? Yes  No   
*If yes, provide a copy of the lease and confirm if the lessee is responsible for payment of the rates*

Have planning approval for the land use of the property? Yes  No   
*A site inspection may be required before the application is processed*

## 6. DOCUMENTATION REQUIREMENTS

Please provide a copy of (in addition to those specified in Section 4):

Organisation's Constitution

Written statement outlining the nature of the Organisation's operations.

It should include the following details:

- Use and occupancy of the property
- Type of service provided (e.g. food, accommodation etc)
- Frequency of service provision (e.g. full-time, daily, weekly etc)
- Whether payment is received for the service

A plan of the property, showing all buildings and outbuildings

OR

A floor plan of the leased property area, if only part of the property is the subject of this application

A Copy of the current years audited financial statements for the Organisation  
*(If this exemption applies to only a portion of land owned by this Organisation, provide the relevant statements for the land this application applies to.)*

---

## 7. AUTHORISATION

By signing this application, I hereby certify that the information provided is true and correct to the best of my knowledge.

|  |   |              |               |
|--|---|--------------|---------------|
| <b>Name:</b>                           | Duane Moroney   |              |               |
| <b>Position:</b>                       | General Manager Property Assets   |              |               |
| <b>Organisation:</b>                   | Access Housing Australia Ltd  |              |               |
| <b>Signature: of<br/>CEO / Trustee</b> |  | <b>Date:</b> | 26 / 6 / 2018 |

---

| Schedule of Properties - City of Busselton - Access Housing Owned |      |        |               |                |          |         |         |              |                |
|---|------|--------|---------------|----------------|----------|---------|---------|--------------|----------------|
| LGA   | Unit | Number | Street        | Suburb         | Title    | Program | Control | Rent F/night | Owner          |
| Busselton (WA)  | 10   | 85     | Dorset Street | West Busselton | 1156/519 | CH      | Self    | \$334.28     | Access Housing |
| Busselton (WA)  | 11   | 85     | Dorset Street | West Busselton | 1156/519 | CH      | Self    | \$334.28     | Access Housing |
| Busselton (WA)  | 5    | 85     | Dorset Street | West Busselton | 1156/519 | CH      | Self    | \$330.08     | Access Housing |
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| Busselton (WA)  | 3    | 85     | Dorset Street | West Busselton | 1156/519 | CH      | Self    | \$351.32     | Access Housing |
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| Busselton (WA)  | 1    | 85     | Dorset Street | West Busselton | 1156/519 | CH      | Self    | \$351.33     | Access Housing |
| Busselton (WA)  | 4    | 85     | Dorset Street | West Busselton | 1156/519 | CH      | Self    | \$338.30     | Access Housing |
| Busselton (WA)  | 8    | 85     | Dorset Street | West Busselton | 1156/519 | CH      | Self    | \$361.83     | Access Housing |
| Busselton (WA)  | 12   | 85     | Dorset Street | West Busselton | 1156/519 | CH      | Self    | \$330.08     | Access Housing |
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| Program  |   |
|--|---|
| <b>Community Housing (CH)</b>                      | Subsidised rental housing for Eligible Persons on very low, to low to moderate incomes  |
|  | Disability Independent Living Units   |
| <b>Community Disability Housing Program (CDHP)</b> | Transitional Housing and Support Program managed by the Drug and Alcohol Office   |
|  | Housing for people with mental health support needs through the Independent Living Program (ILP), Independent Supported Accommodation (ISA) or Mental Health Housing Strategy |
| <b>Crisis Accommodation Program (CAP)</b>          | Short to medium term crisis accommodation for people who are homeless or at risk of homelessness  |

## APPLICATION FOR RATES EXEMPTION

Local Government Act 1995 – Section 6.26

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**Instructions:** Please print clearly in the spaces provided.

### 1. PROPERTY ADDRESS DETAILS

Street address

Refer attached: Schedule of Properties – Leased from Housing Authority

Suburb

Rates Assessment Number (if known)

### 2. WHAT IS THE CURRENT USE OF THE PROPERTY? Please provide full details:

Community Housing for subsidised accommodation for the relief of poverty or distress for people in need

**3. PROPERTY OWNER DETAILS**

|   |  |                   |      |
|---|--|-------------------|------|
| <b>Organisation:</b>                            | Access Housing Australia Ltd                     |                   |      |
| <b>Property Owner:</b><br>if different to above | Housing Authority                                |                   |      |
| <b>Postal Address:</b>                          | C/- Access Housing - PO Box 105 Burswood WA 6100 |                   |      |
| <b>Telephone:</b>                               | 9430 0913  | <b>Postcode:</b>  | 6100 |
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**Is/does the organisation:** Yes  No   
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OR

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*(If this exemption applies to only a portion of land owned by this Organisation, provide the relevant statements for the land this application applies to.)*

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## 7. AUTHORISATION

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| <b>Name:</b>                           | Duane Moroney   |              |               |
| <b>Position:</b>                       | General Manager Property Assets   |              |               |
| <b>Organisation:</b>                   | Access Housing Australia Ltd  |              |               |
| <b>Signature: of<br/>CEO / Trustee</b> |  | <b>Date:</b> | 26 / 6 / 2018 |

---

| Schedule of Properties - City of Busselton - Leased from Housing Authority |      |        |                |                |            |         |               |              |                   |
|--|------|--------|----------------|----------------|------------|---------|---------------|--------------|-------------------|
| LGA  | Unit | Number | Street         | Suburb         | Title      | Program | Control       | Rent F/night | Owner             |
| Busselton (WA)   |      | 66     | College Avenue | West Busselton | 2089/108   | CDHP    | Managed Lease | \$360.16     | Housing Authority |
| Busselton (WA)   |      | 3      | Elliott Street | Busselton      | 2686/642   | CDHP    | Managed Lease | \$335.28     | Housing Authority |
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| Busselton (WA)   | A    | 6      | Whitton Street | West Busselton | 2890/196   | CDHP    | Managed Lease | \$451.81     | Housing Authority |
| Busselton (WA)   | B    | 6      | Whitton Street | West Busselton | 1111/119   | CDHP    | Managed Lease | \$334.28     | Housing Authority |

5

| Program  |   |
|--|---|
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**WESTERN AUSTRALIA**

**OATHS, AFFIDAVITS AND STATUTORY DECLARATIONS ACT 2005**

**STATUTORY DECLARATION**

**APPLICATION FOR RATES EXEMPTION UNDER  
SECTION 6.26 OF THE LOCAL GOVERNMENT ACT 1995.**

**STATEMENT OF PROPERTY USE FOR THE YEAR ENDING 30 JUNE 20**

(1) Christian name or names and surname of declarant in full (1) I Duane Roy Moroney

(2) Address (2) of C/- Level 7, 25 Rowe Ave Rivervale WA  
In the State of Western Australia

3) Occupation (3) General Manager Property Assets

Sincerely declare as follows:-

|  |  |
|--|--|
| <b>The property located at</b>                         | Refer attached : "Schedule of Properties - City of Busselton - Access Housing Owned" |
| is used by   | Access Housing Australia Ltd   |
| for the purposes of                                    | Community Housing  |
| Description of the activities the property is used for | Subsidised accommodation for the relief of poverty or distress for people in need    |
| for the period << ___ to ___ >>                        | or from 1st July 2018 to 30th June 2021  |

The applicant agrees to advise the Local Government's Rating Services Section as soon as there is ANY change to the purpose/s as stated above.

This declaration is made under the *Oaths, Affidavits and Statutory Declarations Act 2005*


Declared at Mandurah

this 26th day of June 20 18

In the presence of   
(Signature of authorised witness)

Mitchell Zeke Moroney Accountant IPA 215419  
(Name of authorised witness and qualification as such a witness)

(4) Signature of person making the declaration

(4) 



| Schedule of Properties - City of Busselton - Access Housing Owned |      |        |               |                |          |         |         |              |                |
|---|------|--------|---------------|----------------|----------|---------|---------|--------------|----------------|
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In the State of Western Australia (2)
- 3) Occupation (3) General Manager Property Assets (3)

Sincerely declare as follows:-

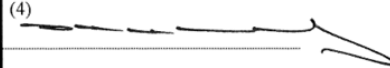
|  |   |
|--|---|
| <b>The property located at</b>                         | Refer attached : "Schedule of Properties - City of Busselton - Leased from Housing Authority" |
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| Description of the activities the property is used for | Subsidised accommodation for the relief of poverty or distress for people in need             |
| for the period << ___ to ___ >>                        | or from 1st July 2018 to 30th June 2021   |

The applicant agrees to advise the Local Government's Rating Services Section as soon as there is ANY change to the purpose/s as stated above.

This declaration is made under the *Oaths, Affidavits and Statutory Declarations Act 2005*

Declared at Mandurah  
 this 26th day of June 2018  
 In the presence of   
 (Signature of authorised witness)  
 Mitchell Zeke Moroney Accountant IPA 215419  
 (Name of authorised witness and qualification as such a witness)

(4) Signature of person making the declaration

(4) 



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*M. Abbott*

\_\_\_\_\_



27 June 2018

City of Busselton

Via: email

[city@busselton.wa.gov.au](mailto:city@busselton.wa.gov.au)

Attention: Rates Department

Dear Sir / Madam

**Re: Rates Exemption**

Access Housing Australia Ltd seeks a Rates Exemption under the Local Government Act 1995 – Section 6.26 for properties used for the purpose of Community Housing, owned by Access Housing Australia Ltd and those leased by Access Housing from the Housing Authority.

Access Housing are a Not for Profit Community Housing Organisation, a registered Charity and Public Benevolent Institution. We are one of WA's largest non-government social housing tenancy / property managers, with more than 1,800 properties across the Perth metropolitan area and Peel and South West regions under management. Our tenants include seniors, people living with a disability or mental health illness, families and singles.

As a not-for-profit organisation, Access Housing reinvests any profits made through our core business into servicing our property portfolio, developing and purchasing additional affordable homes and funding programs to support tenants to access education, training and employment options to increase financial resilience and break welfare dependency. This approach allows the company to facilitate pathways into and out of the social housing system for current and prospective tenants while also providing a high quality, customer focused service.

The following documents are submitted:

1. Application for Rates Exemption
  - a. Access Housing Owned Properties
  - b. Leased from Housing Authority
2. Schedule of Properties:
  - a. Address
  - b. Certificate of title reference
  - c. Program
  - d. Control (Self or under Managed Lease from Housing Authority)
  - e. Rent received per fortnight from tenant
  - f. Owner (Access Housing or Housing Authority)
3. Certificate of Incorporation
4. Certificate of Tax Exemption
5. Constitution
6. 2 years audited financial statements
7. Statutory Declarations
  - a. Access Housing Owned
  - b. Leased from Housing Authority

**Head Office**

Level 7, 25 Rowe Ave  
Rivervale WA 6103  
PO Box 105  
Burswood WA 6100  
P (08) 9430 0900  
F (08) 9430 5583  
E [info@accesshousing.org.au](mailto:info@accesshousing.org.au)

ABN 67 128 888 157

**Peel Office**

4 Stevenson St  
PO Box 1200  
Mandurah WA 6210

P (08) 9534 0400  
F (08) 9583 5173  
E [mandurah@accesshousing.org.au](mailto:mandurah@accesshousing.org.au)

[accesshousing.org.au](http://accesshousing.org.au)

**South West Office**

1st Floor, 25 Victoria St  
PO Box 1539  
Bunbury WA 6230

P (08) 9722 7200  
F (08) 9721 7222  
E [bunbury@accesshousing.org.au](mailto:bunbury@accesshousing.org.au)

[info@accesshousing.org.au](http://info@accesshousing.org.au)

The properties are utilised for a number of programs for subsidised accommodation for the relief of poverty or distress for people in need, including, but not limited to:

- Community Housing (CH)
  - Subsidised rental housing for Eligible Persons on very low or low to moderate incomes
  
- Community Disability Housing Program (CDHP)
  - Disability Independent Living Units
  - Transitional Housing and Support Program managed by the Drug and Alcohol Office
  - Housing for people with mental health support needs through the Independent Living Program (ILP), Independent Supported Accommodation (ISA) or Mental Health Housing Strategy
  
- Crisis Accommodation Program (CAP)
  - Crisis accommodation for people who are homeless or at risk of homelessness

Access Housing lease these properties to tenants deemed eligible by the Housing Authority and are sourced from the Housing Authorities Joint Wait List. Lease payments are calculated based on 25% to 30% of the primary tenant's eligible assessable income to a maximum of 74.9% of market rental values.

Due to privacy issues, we are not able to provide a copy of the lease agreements between Access Housing and the tenant. The rental amount is included within the Schedule of Properties for reference and where a nil amount is shown, are currently vacant pending allocation.

In relation to the "Leased from Housing Authority" properties, the application is for properties where they are either on individual titles or where we lease and manage all properties within a complex and have excluded properties where we lease and manage properties which are only part of a complex on a single title. We are calculating the proportional area of these properties within each complex to enable the Valuer General to calculate the GRV – these will be submitted under a separate application in the near future.

Access Housing secures the "Leased from Housing Authority" properties are under multiple confidential individual and master agreements. We propose to provide a statutory declaration executed by the Housing Authority that these properties are leased to Access Housing for the purpose described in lieu of each agreement.

We look forward to your favourable response and should you have any queries please do not hesitate to contact me at any time.

Yours sincerely,



**Duane Moroney**  
General Manager Property Assets  
M: 041 938 2054  
E: [duane.moroney@accesshousing.org.au](mailto:duane.moroney@accesshousing.org.au)



## Rates Exemption Application

### Supporting Documentation

1. Certificate of Incorporation
2. Certificate of Tax Exemption
3. Constitution
4. 2 Years audited financial statements

#### Head Office

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[info@accesshousing.org.au](mailto:info@accesshousing.org.au)



## Certificate of Registration of a Company

This is to certify that

**ACCESS HOUSING AUSTRALIA LTD**

**Australian Company Number 128 888 157**

is a registered company under the Corporations Act 2001 and  
is taken to be registered in Western Australia.

The company **is limited by guarantee.**

The company is a **public** company.

The day of commencement of registration is  
**the twelfth day of December 2007.**

Issued by the  
Australian Securities and Investments Commission  
on this twelfth day of December, 2007.



Anthony Michael D'Aloisio  
Chairman



CERTIFICATE





Australian Government  
Australian Taxation Office

28 March 2008

**Notice of endorsement for charity tax concessions**

This endorsement notice has been issued to:

---

|                            |                              |
|----------------------------|------------------------------|
| Name                       | ACCESS HOUSING AUSTRALIA LTD |
| Australian business number | 67 128 888 157               |

---

ACCESS HOUSING AUSTRALIA LTD, a **public benevolent institution**, is endorsed to access the following tax concessions from the dates shown:

- **Income tax exemption** from 12 December 2007 under Subdivision 50-B of the *Income Tax Assessment Act 1997*.
- **GST concessions** from 12 December 2007 under Division 176 of *A New Tax System (Goods and Services Tax) Act 1999*.
- **FBT exemption** from 12 December 2007 under section 123C of the *Fringe Benefits Tax Assessment Act 1986*.

Your organisation's endorsement to access charity tax concessions, together with the date or period of effect, is entered in the public register maintained by the Australian Business Registrar at [www.abn.business.gov.au](http://www.abn.business.gov.au)

Your organisation must notify the Tax Office in writing if it ceases to be entitled to endorsement.

Michael D'Ascenzo  
Commissioner of Taxation and  
Registrar of the Australian Business Register

**Corporations Act  
Company Limited by Guarantee**

**ACCESS HOUSING AUSTRALIA LTD**

**Constitution**

30 July 2014

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## Part A – Definitions and Interpretation

### 1. Definitions and Interpretation

#### 1.1 Definitions

In this Constitution, unless the context otherwise provides:

“**Act**” means the Corporations Act 2001 (Cth);

“**Annual General Meeting**” means the meeting held in accordance with rule 6.2;

“**ASIC**” means the Australian Securities and Investments Commission;

“**Auditor**” means the Auditor of the Company appointed in accordance with rule 12.4;

“**Bankrupt**” means, in relation to a person, the state of being “insolvent under administration” as defined in the Act or having signed an authority under section 188 of the *Bankruptcy Act 1966* (Cth);

“**Board**” includes a meeting of the Directors duly called and constituted at which a quorum shall be present or as the case may be the Directors assembled or represented at such meeting;

“**Chairperson**” means the person appointed under rule 10.7(a);

“**Commissioner**” means the Commissioner of Taxation, a Second Commissioner of Taxation or a Deputy Commissioner of Taxation for the purposes of the ITAA 97;

“**Committee Chairperson**” means the person elected by a committee to be chairperson of the committees meetings in accordance with rule 10.11;

“**Company**” means Access Housing Australia Ltd (ACN 128 888 157);

“**Conflict of Interest**” means a conflict of interest which arises when a personal interest, fiduciary or otherwise, conflicts with, has the potential to conflict with, or is perceived to conflict with, a person’s duty as a Director;

“**Constitution**” means this constitution and any amendments or substitutions to it;

“**Corporation**” means any body corporate, whether formed or registered within or outside the State;

“**Director**” means a director for the time being of the Company appointed under rule 8.5;

“**Deductible Gift Recipient**” means a “deductible gift recipient” as defined in the ITAA 97;

“**Deputy Chairperson**” means the person appointed as deputy chairperson under rule 10.7;

“**General Meetings**” means the meetings held in accordance with rule 6.1;

“**Governance Policy**” means the Company’s policy from time to time for the governance of the Company;

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**Housing Authority** means the body corporate under the *Housing Act 1980 (WA)*

**"ITAA 97"** means the *Income Tax Assessment Act 1997 (Cth)*;

**"Member"** means a person or Corporation admitted to membership of the Company in accordance with this Constitution;

**"Objects"** means the Company's objects as set out in rule 2.1;

**"Officer"** has the meaning given to that term in section 9 of the Act and includes every member of the Board;

**"Proceedings"** mean any proceedings, whether civil or criminal, being proceedings in which it is alleged that the person has done or omitted to do some act, matter or thing in his capacity as an Officer of the Company or of a subsidiary of the Company (including proceedings alleging that he or she was guilty of negligence, default, breach of trust or breach of duty in relation to the Company or a subsidiary of the Company);

**"Public Benevolent Institution"** means an institution, fund, authority or any other entity that satisfies the definition of a public benevolent institution and is a Deductible Gift Recipient, or is eligible to be endorsed by the Commissioner as a Deductible Gift Recipient, in the form of a public benevolent institution under Division 30 of the ITAA 97;

**"Register of Members"** means the register of members kept pursuant to Section 169 of the Act;

**"Registered Community Housing Organisation"** means any community housing organisation that is registered with the Housing Authority under the relevant policies relevant to the provision and management of community housing that are brought into existence or adopted by the Housing Authority as amended from time to time;

**"Seal"** means the Common Seal of the Company (if any);

**"Secretary"** means any person appointed to perform the duties of a Secretary of the Company;

**"State"** means the state or territory of Australia in which the Company is taken to be registered under the Act;

**"Surplus Gifts"** means, after the satisfaction of all debts and liabilities of the Company, any surplus gifts of money or property for the principal purpose of the Company, and any surplus contributions described in items 7 or 8 of the table in section 30-15 of the ITAA 97 in relation to a fundraising event held for that purpose, and any surplus money received by the Company because of such gifts or contributions.

## 1.2 Interpretation

In this Constitution, unless the context otherwise provides:

- (a) A reference to a person includes a reference to a company, trust, partnership, incorporated association, organisation and entity.
- (b) Words importing the singular (including defined terms) includes the plural and words importing the plural includes the singular.
- (c) A word importing any gender includes every other gender.

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- (d) Words or expressions contained in this Constitution shall be interpreted in accordance with Part 1.2 of the Act as in force as the date this Constitution became binding on the Company.
- (e) General expressions used in this Constitution in connection with powers, discretions or things shall not be limited to or controlled by the particular powers, discretions or things.
- (f) A reference to a statute includes its subordinate legislation and a modification or re-enactment of either.
- (g) Any words and expressions denoting authority or permission shall only be construed as words or expressions of authority merely and shall not be construed as words or expressions denoting directions or compulsory trust.

**1.3 Application of the Act**

- (a) Subject to rules 1.1 and 1.2:
  - (i) an expression used in a rule that deals with a matter dealt with by a provision of the Act has the same meaning as in that provision; and
  - (ii) an expression used in a rule that has a defined meaning for the purposes of the Act has the same meaning as in the Act.
- (b) To the extent permitted by law, the provisions of this Constitution displace each provision of a section or subsection of the Act that applies (or would apply but for this rule) to the Company.
- (c) The replaceable rules do not apply to the Company except those which operate as mandatory rules for public companies under the Act.

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## Part B – Objects and Powers

### 2. Objects and Powers

#### 2.1 Objects

The Objects for which this Company has been established are:

- (a) (i) to provide and manage reasonable quality, secure, affordable housing for people on low to moderate incomes;
- (ii) to provide housing that is community-based through open, informative and responsive interaction with the local community;
- (iii) to help arrange appropriate essential in-home support wherever necessary for tenants with special needs that maximise independence, privacy, safety, community access and assist them to maintain tenancies;
- (iv) to ensure that housing is responsive to existing and emerging local needs;
- (v) to acknowledge the importance of localised service provision in building sustainable communities;
- (vi) to provide opportunities for tenant participation in development, design, management of the housing provided and in the development of the Company;
- (vii) to assist in the alleviation of poverty through the provision of affordable housing;
- (viii) to develop and promote community awareness of housing issues and in particular community housing;
- (ix) to raise government and community awareness about the needs of the homeless, the destitute, the sick and the distressed and to assist and encourage the development of government and community policies, programmes and services which will improve the lifestyle and promote the wellbeing of such people;
- (x) to work with and encourage the State and Federal Governments and local Authorities to develop policies and programmes which will promote the well-being of people and to provide such bodies with the necessary statistical and other information available to the Company to assist in the development of such policies or programmes;
- (xi) to seek funds and assistance from governmental and other sources to achieve a quality range of services for which the Company is established;
- (xii) to provide opportunities for new ways of delivering housing assistance in Western Australia;
- (xiii) to ensure equitable access to affordable housing in Western Australia by eligible tenants across a profile of household and income groupings;
- (xiv) to develop innovative ways of delivering housing and to create and improve linkages and strategic partnerships with other entities towards the growth of quality, affordable housing for people in Western Australia;
- (xv) to act in a manner consistent with that of a public benevolent institution;



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- (xvi) maintain an organisational culture that is transparent, accessible and accountable, respectful and inclusive; and
  - (xvii) the property and income of the Company shall be applied solely towards the promotion of the objects of the Company and no part of that property or income may be paid or otherwise distributed, directly or indirectly, to members, except in good faith in the promotion of those objects, provided that nothing herein shall prevent the payment in good faith of reasonable and proper remuneration to any officer or employee of the Company in return for any services rendered to the Company or expenses incurred on behalf of the Company;
- (b) Mental Health Specific Objects:
- (i) to offer community housing options to people who have a mental health diagnosis;
  - (ii) to promote self-sufficiency in people with a mental health diagnosis, their families and the community; and
  - (iii) to offer advice to government and non-government bodies and to promote community living for persons with a mental health diagnosis and the rights of people with a mental health diagnosis to remain in their communities.
- (c) to subscribe to, become a member of and co-operate with any other association or organisation, whether incorporated or not, whose objects are altogether or in part similar to those of the Company provided that the Company shall not subscribe to or support with its funds any association or organisation which does not prohibit the distribution of its income and property among its members to an extent at least as great as that imposed on the Company under or by virtue of Clause 69 of this Constitution.
- (d) in furtherance of the objects of the Company to buy, sell and deal in all kinds of apparatus, literature and other items required by the members of the Company or persons frequenting the Company's premises, if any.
- (e) to purchase, take on lease or in exchange, hire and otherwise acquire any lands, buildings, easements or property, real and personal and any rights or privileges which may be requisite for the purposes of, or capable of being conveniently used in connection with, any of the objects of the Company provided that in case the Company shall take or hold any property which may be subject to any trusts the Company shall only deal with the same in such manner as is allowed by law having regard to such trusts.
- (f) to enter into any arrangements with any Government or authority, supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them; and to obtain from any such Government or authority any rights, privileges and concessions which the Company thinks it desirable to obtain; and carry out, exercise and comply with any such arrangements, rights privileges and concessions.
- (g) to appoint, employ, remove or suspend such managers, clerks, secretaries, servants, workmen and other persons as may be necessary or convenient for the purposes of the Company.
- (h) to establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or past employees of the Company or dependents or connections of any such persons; and to grant pensions and allowances; and to make payments towards insurance; and to subscribe or guarantee money for charitable or benevolent objects, or for any public, general or useful object.

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- (i) to construct, improve, maintain, develop, work, manage, carry out, alter or control any houses, buildings, grounds, works or conveniences which may seem calculated directly or indirectly to advance the Company's interests, and to contribute to, subsidise or otherwise assist and take part in the construction, improvement, development, working, management, carrying out, alteration or control thereof.
  - (j) to invest and deal with the money of the Company not immediately required in such manner as may be permitted by law for the investment of trust funds.
  - (k) to borrow or raise or secure the payment of money in such manner as the Company may think fit and to secure the same or the repayment of performance of any debt liability contract guarantee or other engagement incurred or to be entered into by the Company in any way and in particular by the issue of debentures perpetual or otherwise charged upon all or any of the Company's property (both present and future), and to purchase, redeem or pay off any such securities.
  - (l) to take, draw, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading and other negotiable or transferable instruments.
  - (m) in furtherance of the objects of the Company to sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company.
  - (n) to take or hold mortgages, liens and charges to secure payment of the purchase price or any unpaid balance of the purchase price, of any part of the Company's property of whatsoever kind sold by the Company, or any money due to the Company from purchasers and others;
  - (o) to take any gift of property whether subject to any special trust or not, for any one or more of the objects of the Company but subject always to the proviso in paragraph (g) of this Clause 68.
  - (p) to take such steps by personal or written appeals, public meetings or otherwise, as may from time to time be deemed expedient for the purpose of procuring contributions to the funds of the Company, in the shape of donations, annual subscriptions or otherwise.
  - (q) to print and publish any newspapers, periodicals, books or leaflets that the Company may think desirable for the promotion of its objects.
  - (r) in furtherance of the objects of the Company to amalgamate with any companies, institutions, societies or associations having objects altogether or in part similar to those of the Company and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as that imposed upon the Company under or by virtue of Clause 69 of this Constitution.
  - (s) in furtherance of the objects of the Company to purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more of the companies, institutions, societies or associations with which the Company is authorised to amalgamate.
  - (t) in furtherance of the objects of the Company to transfer all or any part of the property, assets, liabilities and engagements of the Company to any one or more of the Companies, institutions, societies or associations with which the Company is authorised to amalgamate.
  - (u) to make donations for patriotic or charitable purposes.
  - (v) to do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the Company.
- without limiting the generality of the foregoing the Company has the powers set out in the Law.

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## **2.2 Application of the Objects**

The Company must operate solely for the purpose of promoting and advancing the Objects. However, the Company is not required to promote each of the Objects at the same time or in any particular order and may, in its absolute discretion, determine the level and amount of promotion, funding or any other support that should be applied to any one or more specific Objects at any given time.

## **2.3 General Company Powers**

For the sole purpose of promoting, advancing and carrying out the Objects, the Company has the power and capacity to do all such acts, deeds and things as a company has capacity and power to do pursuant to the Act including:

- (a) to accept or refuse any gift, endowment or bequest made to or acquired by the Company generally for the Objects or for the purpose of any specific Object and to undertake, execute and carry out any charitable or other trust which may be considered expedient or desirable in the interests of the Company;
- (b) subject to rule 2.4, to transfer all or any part of the property, assets, liabilities and engagements of the Company to any one or more of the Companies, institutions, societies or associations with which the Company is authorised to amalgamate;
- (c) to establish and maintain any number of companies and trusts, each for a specific purpose, consistent with the Objects; and
- (d) to do all such other things as are incidental or conducive to the attainment of the Objects and the exercise of the powers of the Company.

## **2.4 Power to Amalgamate**

Where it furthers the Objects, the Company may amalgamate with any one or more other institutions, organisations or entities, provided that they:

- (a) have similar objects to the Objects;
- (b) are approved by the Commissioner as a Deductible Gift Recipient or as a Public Benevolent Institution; and
- (c) prohibit distribution of its income and property among its members and directors to an extent at least as great as is imposed on the Company by rule 3.

## **2.5 Constitution to be Read Down**

Notwithstanding any other rule of the Constitution and for the avoidance of doubt, inconsistency or uncertainty, the Constitution is to be read down as required to comply with the requirements contained in Division 30-B of the ITAA 97 and the requirements necessary to be endorsed by the Commissioner as a Deductible Gift Recipient.

## **3. Restrictions on Distribution of Income and Property**

- (a) Subject to rule 3(b), the property and income of the Company shall be applied solely towards the promotion of the Objects. No part of the income or property

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of the Company shall be paid, transferred or distributed, directly or indirectly, by way of dividend, bonus or otherwise to any Member or Director.

- (b) Rule 3(a) does not prohibit the Company making a payment approved by the Board:
- (i) for out-of-pocket expenses incurred by a Director in performing a duty as a Director of the Company;
  - (ii) for a service rendered to the Company by a Director in a professional or technical capacity, other than in the capacity as a Director of the Company, where:
    - A. the provision of the service has the prior approval of the Board; and
    - B. the amount payable is not more than an amount which commercially would constitute reasonable payment for the services;
  - (iii) in good faith to any Member for goods supplied to the Company in the ordinary and usual course of business;
  - (iv) of reasonable and proper interest on money borrowed from a Member by the Company;
  - (v) of reasonable and proper rent for premises let by any Member to the Company; or
  - (vi) for indemnification of or payment of premiums on contracts of insurance for any Director to the extent permitted by law and the Constitution.
- (c) Any payment under rule 3(b) to a Director however must be approved by unanimous Board resolution passed by those Directors eligible to vote.

## Part C – Membership

### 4. Membership

#### 4.1 Number of Members

The minimum number of Members is one (1) but the Board may from time to time register an increase of Members.

#### 4.2 Members

The person specified in the application for the Company's registration and such other persons as the Board shall admit to membership in accordance with this Constitution shall be Members of the Company.

#### 4.3 Rights of Members

The Member is entitled to:

- (a) receive notices of, to attend, be heard and vote (one vote only on any given resolution) at any General Meeting; and
- (b) a copy of the annual financial report of the Company.

#### 4.4 Directors as Members

Each Director is deemed to be a Member on and from the date of appointment or election as a Director until the date on which the Director ceases to be a Director in accordance with this Constitution.

#### 4.5 Register of Members

Upon appointment of a Member or a Member ceasing to be a Member, the Secretary must update the Register of Members as soon as practicable to reflect the appointment or that person ceasing to be Member.

#### 4.6 Duties of Members

The Members of the Company must:

- (a) act honestly, diligently and with reasonable care;
- (b) act respectfully towards other Members and not engage in personal attacks;
- (c) not behave in a way that significantly interferes with the operation of the Company or of Company meetings;
- (d) advance the Company Objects in accordance with the Constitution and the Act;
- (e) not make improper use of information or opportunities received through being a Member of the Company; and
- (f) not make any public statement on behalf of the Company unless authorised by the Board.

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#### **4.7 Member Liability**

- (a) The Company is a public company limited by guarantee and accordingly, the liability of the Members is limited.
- (b) Each Member undertakes to contribute an amount not more than \$1.00 to the property of the Company if the Company is wound up while it is a Member or within 1 year after it ceases to be a Member for:
  - (i) payment of the Company's debts and liabilities contracted before the time it ceased to be a Member; and
  - (ii) the costs, charges and expenses of winding up.

### **5. Cessation of Membership**

#### **5.1 Automatic Cessation of Membership**

A Member immediately ceases to be a Member of the Company if the Member:

- (a) being an individual:
  - (i) dies;
  - (ii) is or becomes Bankrupt;
  - (iii) is or becomes of unsound mind; or
  - (iv) is or becomes a person whose property is liable to be dealt with in any way under a law relating to mental health;
- (b) being a corporation or association:
  - (i) is wound up; or
  - (ii) is or becomes insolvent;
- (c) ceases to be a Director of the Company;
- (d) resigns as a Member by giving written notice to the Company; or
- (e) is expelled under rule 5.3.

#### **5.2 Resignation**

A Member may at any time by giving notice in writing to the Secretary resign his membership of the Company but shall continue to be liable for any moneys due by him to the Company and for which he is liable as a Member of the Company under rule 4.7.

#### **5.3 Conduct Unbecoming**

- (a) If any Member:
  - (i) refuses or neglects to comply with the provisions of this Constitution; or

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- (ii) is guilty of any conduct which in the opinion of the Board is unbecoming of a Member or prejudicial to the interests of the Company,

the Board shall have power to expel the Member from the Company and remove the Member's name from the Register of Members provided that:

- (iii) at least one week before the meeting of the Board at which a resolution for the Member's expulsion is to be considered, the Member shall have notice of such meeting and what is alleged against the Member and of the intended resolution for the Member's expulsion; and
  - (iv) the Member shall at the Board meeting and before the passing of the resolution to expel the Member, have an opportunity to give an oral or written explanation or defence; or
  - (v) the Member may, by notice in writing lodged with the Secretary at least twenty four (24) hours before the time for holding the meeting at which the resolution for the Member's expulsion is to be considered by the Board, elect to have the question of the Member's expulsion dealt with by the Company in General Meeting and in that event a General Meeting of the Company shall be called for that purpose.
- (b) If at the Board meeting or General Meeting a resolution for the expulsion of the Member is passed by a majority of two-thirds of those present and voting, excluding the Member the subject of the resolution, (such vote to be taken by ballot) the Member shall be expelled and his name removed from the Register of Members.

## Part D – General Meetings

### 6. General Meetings

#### 6.1 General Meetings

A General Meeting shall be held once in every calendar year at such time and place as may be determined by the Board.

#### 6.2 Annual General Meeting

- (a) The Company must hold an Annual General Meeting each year within 5 months after the end of its financial year.
- (b) The Company may apply to ASIC to extend the period of time within which it must hold its Annual General Meeting under rule 6.2(a), provided that the application is made before the expiration of the period mentioned in rule 6.2(a).
- (c) If ASIC grants an extension, the Company must hold its Annual General Meeting within the extended period granted by ASIC.

#### 6.3 Business of Annual General Meeting

The business of an Annual General Meeting may include any of the following, even if not referred to in the notice of meeting:

- (a) confirmation of the minutes of the previous General Meeting, except at the first Annual General Meeting;
- (b) the consideration of the reports that under the Corporations Act are required to be presented at the Annual General Meeting;
- (c) the appointment of Directors;
- (d) the appointment and remuneration of the Directors and the Auditor; and
- (e) asking questions about the management of the Company and asking questions of the Auditor.

#### 6.4 How Convened

- (a) One third of the members of the Board may convene a General Meeting of Members at any time and must convene a General Meeting if required to do so under section 249D of the Act.
- (b) The Members of the Company may convene a General Meeting of Members provided that the requirements in sections 249E or 249F of the Act are satisfied.

#### 6.5 Notice

- (a) Subject to the provision of the Act relating to special resolutions and agreements for shorter notice, at least twenty one (21) days notice of every General Meeting convened under rule 6.4 must be given to:
  - (i) the Members;



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- (ii) each Director; and
  - (iii) the Auditor.
- (b) A notice of General Meeting must specify:
- (i) the date, time and place of the meeting;
  - (ii) the general nature of the business to be transacted at the meeting;
  - (iii) if the meeting is to be held at two or more places, the technology that will be used to facilitate the meeting;
  - (iv) any other matters as are required by the Act.
- (c) The Board may extend an invitation to any person, corporation or other entity to sit at a General Meeting, provided that any such invitee is not entitled to vote on matters.

#### **6.6 Waiving Notice**

- (a) A person or entity may waive notice of a General Meeting by written notice to the Company or by attendance at the General Meeting.
- (b) The non-receipt of notice of a General Meeting, or a failure to give notice of a General Meeting to any person or entity entitled to receive notice of a General Meeting does not invalidate any act, matter or thing done or resolution passed at the General Meeting if:
  - (i) the non-receipt or failure occurred by accident or error;
  - (ii) before or after the meeting, the person or entity has waived or waives notice of that meeting; or
  - (iii) before or after the meeting, the person has notified or notifies the Company of the person's or entity's agreement to that act, matter, thing or resolution by written notice to the Company.

#### **6.7 Postponing or Cancelling a Meeting**

The Board may change the venue for, postpone, or cancel a General Meeting, other than a General Meeting which they are required to convene and hold under the Act.

#### **6.8 Ordinary/Special Business**

All business transacted at a General Meeting and also all that is transacted at any Annual General Meeting shall be special business except for:

- (a) consideration of the accounts, balance-sheets and reports of the Board and Auditors;
- (b) the election of members of the Board in the place of those retiring; and
- (c) the appointment and fixing of the remuneration of the Auditors.

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## **7. Proceedings at General Meetings**

### **7.1 Quorum**

- (a) No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business.
- (b) The presence of 50% of Members (or 1 Member if there is only 1 Member of the Company) shall constitute a quorum for any General Meeting.
- (c) For the purpose of this rule "Member" includes a person attending as a proxy or as representing a Corporation which is a Member.

### **7.2 In default of a Quorum**

- (a) If a quorum is not present within 30 minutes after the time appointed for a General Meeting:
  - (i) where the meeting was convened by the Board on the request of a Member, the meeting must be dissolved; or
  - (ii) in any other case:
    - A. the meeting stands adjourned to the day, and at the time and place, that the Board decides or, if the Board does not make a decision, to the same day in the next week at the same time and place; and
    - B. if at the adjourned meeting a quorum is not present, the meeting shall again be adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Board may determine. No adjourned meeting can take place without the required quorum in rule 7.1.

### **7.3 Use of Technology at General Meeting**

- (a) The Company may hold a General Meeting at two or more venues using any technology that gives the Members entitled to be heard at a General Meeting, including telephone or other electronic means, a reasonable opportunity to participate.
- (b) The linking together by telephone or other electronic means of the Members to constitute a quorum under rule 7.1 constitutes a General Meeting. All the provisions in the Constitution relating to General Meetings apply, so far as they can and with any necessary changes, to General Meetings by telephone or other electronic means.
- (c) If the Members take part in a General Meeting by telephone or other electronic means the Members are taken to be present in person at the meeting.
- (d) A General Meeting by telephone or other electronic means is taken to be held at the place decided by the Chairperson of the meeting.

### **7.4 Appointment of a Chairperson**

- (a) If the Board has elected one of their number as Chairperson, that person shall preside at every General Meeting of the Company.

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- (b) The Deputy Chairperson shall preside at the General Meeting if:
  - (i) there is no Chairperson; or
  - (ii) if the Chairperson is not present within fifteen ten (15) minutes after the time appointed for the holding of the meeting; or
  - (iii) if the Chairperson is unable or unwilling to act.
- (c) If the Deputy Chairperson is not present or is unable or unwilling to act then the Members present shall elect one of their number to be Chairperson of the meeting.

#### **7.5 Adjournment**

- (a) The Chairperson of a General Meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (b) When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. It is not otherwise necessary to give any notice of an adjournment for the business to be transacted at an adjourned meeting.
- (c) Where a meeting is adjourned, the Board may change the venue for, postpone or cancel the adjourned meeting, unless the meeting was called and arranged to be held under the Act.

#### **7.6 Motion : How Carried**

- (a) A resolution put to the vote at any General Meeting shall be decided by the Members on a show of hands unless a poll is demanded under rule 7.7.
- (b) A declaration by a Chairperson that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect has been made in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

#### **7.7 Effect of a Poll**

- (a) A poll may only be demanded by:
  - (i) the Chairperson; or
  - (ii) at least two (2) Members present in person or by proxy.
- (b) The demand for a poll may be withdrawn.
- (c) If a poll is duly demanded, it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the Chairperson directs.
- (d) The result of the poll shall be the resolution of the meeting at which the poll was demanded but a poll demanded on the election of a Chairperson or on a question of adjournment shall be taken forthwith.

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**7.8 Auditor's Right to be Heard**

The Auditor is entitled to be heard at a General Meeting on any part of the business of that meeting that concerns the Auditor in their professional capacity.

**7.9 Chairperson's Casting Vote**

In the case of an equality of votes, whether on a show of hands or on a poll, the Chairperson of the meeting shall be entitled to a second or casting vote.

**7.10 Manner of Voting**

By a show of hands or by poll, a Member may vote:

- (a) in person and each Member is entitled to one vote; or
- (b) by proxy and each proxy is entitled to a separate vote for each Member the person represents, in addition to any vote the person may have as a Member in his or her own right.

**7.11 Proxy**

- (a) A proxy must be a Member of the Company.
- (b) The instrument appointing a proxy must be in writing and signed by the appointer or the appointer's attorney. If the appointer is a Corporation, then the instrument appointing the proxy must either:
  - (i) be under the seal of the Corporation; or
  - (ii) be signed by an officer or attorney duly authorised.
- (c) The signature of the appointor or his attorney shall be witnessed by a person other than the proxy.
- (d) The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- (e) A Member shall be entitled to instruct his proxy to vote in favour of or against any proposed resolutions.
- (f) Unless otherwise instructed the proxy may vote as he thinks fit.

**7.12 Form of Proxy**

The instrument appointing a proxy may be in the following form or in a common or usual form.

|   |    |
|---|----|
| I   | of |
| being a Member of   |    |
| hereby appoint  | of |
| or failing him  | of |
| as my proxy to vote for me on my behalf at the (annual or general as the case may be) meeting of the Company to be held on the _____ day of _____ and at any adjournment thereof. |    |
| My proxy is hereby authorised to vote *in favour of/*against the following resolutions:   |    |

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Signed this                      day of                      20     .

Note: in the event of the Member desiring to vote for or against any resolution he shall instruct his proxy accordingly, unless otherwise instructed, the proxy may vote as he thinks fit.

**7.13 Validity of Instrument**

For an appointment of a proxy to be valid, the following documents must be deposited at the Company's registered office, or such other place specified in the notice convening the meeting, at least 48 hours before the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll:

- (a) the instrument appointing the proxy; and
- (b) if the instrument of appointment is signed, the power of attorney or other authority, if any, under which the appointment was signed or authenticated or a certified copy of the authority.

**7.14 Validity of Proxy Vote**

A vote given in accordance with the terms of an instrument appointing a proxy is valid despite the death or unsoundness of mind of the principal or revocation of the instrument unless written notice is received by the Company at least 24 hours before the meeting.

## Part E – Board

### 8. Directors

#### 8.1 Number

- (a) The Board of Directors shall consist of at least six (6) and no more than nine (9) persons.

#### 8.2 Qualifications of Directors

A person is eligible as a Director if the person substantially satisfies the skills and competencies outlined in the Governance Policy.

#### 8.3 Assessing the Suitability of Persons

In assessing whether a person satisfies the criteria outlined in rule 8.2, the Board may have regard to any information supplied by that person and any information obtained from other sources.

#### 8.4 Rotation and Term of Directors

- (a) Subject to clause 8.4(f), at each Annual General Meeting of the Company, one third ( $\frac{1}{3}$ ) of the Directors, or if their number is not a multiple of 3 then the number nearest to but not exceeding one third ( $\frac{1}{3}$ ), must retire from office as Directors.
- (b) The Directors to retire by rotation at each Annual General Meeting must include any Director who wishes to retire and does not wish to be re-elected as a Director. Any further Director required to retire must be the Director who has been in office the longest as Director.
- (c) If there are two or more Directors that have been in office for an equal amount of time, and an agreement cannot be reached between those Directors on who will retire, the Members will determine the Director or Directors who will retire.
- (d) Subject to clause 8.4(f), a retiring Director is eligible for re-election.
- (e) Unless a resolution is passed to appoint some other person to fill the office of Director to be vacated by the retiring Director, a retirement by rotation at a General Meeting does not become effective until the end of the meeting.
- (f) No Director may retain office for more than 3 years without submitting himself or herself for re-election even though the submission results in more than one third ( $\frac{1}{3}$ ) of the Directors retiring from office.
- (g) No Director may retain office for more than 3 consecutive terms.

#### 8.5 Appointment and Removal of Directors

- (a) Subject to rule 8.1 and in accordance with section 203D of the Act, at any time the Company may by resolution of the Members, passed at a duly convened General Meeting of the Company:
- (i) increase or reduce the number of Directors;

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- (ii) appoint a new Director to replace a Director who has been removed from office under this rule or whose office has been vacated pursuant to rule 8.7;
  - (iii) appoint 1 or more additional Directors; and
  - (iv) appoint a Director as Chairperson.
- (b) The new Director appointed under rule 8.5(a)(ii) shall hold office until the date that the person who was removed was due to retire in accordance with rule 8.4(a).
- (c) The Members may by resolution remove any Director from office for any reason, provided the removal process is strictly in accordance with section 203D of the Act.

#### **8.6 Method of Appointment**

The election of persons to the Board shall take place in the following manner:

- (a) any two (2) Members of the Company, or one (1) Member and the Chief Executive Officer, shall be at liberty to nominate persons who satisfy the criteria set out in Governance Policy to serve as a Director;
- (b) the nomination, which shall be in writing and signed by the person so nominated, and his proposer and seconder, shall be lodged with the Secretary at least twenty-one (21) days before the Annual General Meeting at which the election is to take place;
- (c) a list of the candidates' names in alphabetical order, with the proposers' and seconders' names, shall be posted in a conspicuous place in the registered office of the Company for at least seven (7) days immediately preceding the Annual General Meeting;
- (d) balloting lists shall be prepared (if necessary) containing the names of the candidates only in alphabetical order, and each Member present at the Annual General Meeting shall be entitled to vote for any number of such candidates not exceeding the number of vacancies; and
- (e) in case there shall not be sufficient number of candidates nominated the Board shall appoint persons to the remaining vacancy or vacancies under rule 8.9.

#### **8.7 Disqualification**

The office of a member of the Board shall become vacant if the member:

- (a) ceases to be a member of the Board by virtue of the Act;
- (b) ceases to be a Member of the Company;
- (c) becomes Bankrupt or makes any arrangement or composition with his creditors generally;
- (d) becomes prohibited from being a director of a Company;
- (e) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
- (f) resigns his office as Director by notice in writing to the Company;

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- (g) is absent for 3 consecutive meetings or 50% of meetings in a 12 month period without permission of the Board;
- (h) holds any office of profit under the Company; or
- (i) is directly or indirectly interested in any contracted or proposed contract with the Company provided, however, that a member shall not vacate his office by reason of his being a member of any corporation, society or association which has entered or proposes to enter into a contract with the Company if such corporation, society or association is among the class of companies, referred to in rule 3(b) and if he shall have declared that nature of his interest in the manner required by the Act.

#### **8.8 Effect of Vacancy**

The continuing Directors may act notwithstanding any vacancy in their number, but for as long as the numbers of Directors is below the minimum fixed by this Constitution, the Directors will not act except in emergencies or for the purpose of filling up vacancies or convening a General Meeting of the Company.

#### **8.9 Filling Casual Vacancies**

- (a) The Board shall have power at any time, and from time to time, to appoint any person to the Board, either to fill a casual vacancy or as an addition to the existing member of the Board but so that the total number of members of the Board shall not at any time exceed the number fixed in accordance with this Constitution.
- (b) Any person appointed:
  - (i) to fill a casual vacancy, shall hold office until the date that the person who resigned or was removed was due to retire in accordance with rule 8.4; or
  - (ii) if appointed as an addition to the existing Board members, until the next following Annual General Meeting.

#### **8.10 Duties of Officers of the Company**

The Directors, Secretary and any other officers of the Company must comply with the duties imposed on them by the Act and the general law, including the following duties:

- (a) care and diligence;
- (b) good faith;
- (c) disclosure of personal interests;
- (d) not to improperly use position or information; and
- (e) prevent insolvent trading.

#### **8.11 Director's Fees**

- (a) Each Director is entitled to the amount of remuneration as the Members in General Meeting decides, having regard to the not-for-profit nature of the Company.



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- (b) In determining the amount of remuneration, the Members shall take into account that the Company is a not for profit entity and remuneration of Directors is not intended to be commensurate with the remuneration that might otherwise be paid to a director with the same qualifications and experience.
- (c) If the Commissioner (in relation to charitable institutions or entities) or the Members has fixed a limit on the amount of remuneration payable to the Directors, the total remuneration of the Directors under this rule must not exceed that limit.
- (d) The Directors' remuneration (if any) is considered to accrue from day to day.

#### **9. Powers and Duties of the Board**

- (a) The business of the Company shall be managed by the Board which shall exercise all the powers of the Company as are not, by the Act or by the provisions of the Constitution, required to be exercised by the Company in General Meeting.
- (b) Subject to the Constitution, the provisions of the Act and any resolution as may be prescribed by the Company in General Meeting, no resolution made by the Company in General Meeting will operate to invalidate any prior act of the Board that would have been valid if that resolution had not been made.
- (c) The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its property, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt liability, or obligation of the Company.
- (d) All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for money paid to the Company, shall be signed drawn accepted endorsed or otherwise executed, as the case may be, by any two (2) members of the Board or in such other manner as the Board from time to time determines.
- (e) The Board may by power of attorney appoint any person or other legal entity, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for the purposes, with the powers, authorities, and discretions (not exceeding those vested in or exercisable by the Board under the Constitution) for the period and subject to the conditions as the Board thinks fit.
- (f) Any power of attorney may contain provisions for the protection and convenience of persons dealing with any such attorney as the Board thinks fit and may also authorise the attorney to delegate all or any of the powers, authorities, and discretions vested in the attorney.

#### **9.2 Minutes**

- (a) The Board shall cause minutes to be made:
  - (i) of all appointments of officers and servants;
  - (ii) of names of members of the Board present at all meetings of the Company and of the Board; and
  - (iii) of all proceedings at all meetings of the Company and of the Board.

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- (b) Such minutes shall be signed by the Chairperson of the meeting at which the proceedings were held or by the Chairperson of the next succeeding meeting.
- (c) When the minutes have been confirmed under rule 9.2(b), the minutes are, unless and until the contrary is proved, conclusive evidence that:
  - (i) the General Meeting to which they relate was duly convened and held;
  - (ii) all proceedings recorded as having taken place at the General Meeting did in fact take place at the General Meeting; and
  - (iii) all appointments or elections purporting to have been made at the General Meeting have been validly made.

## **10. Proceedings of the Board**

### **10.1 Meeting Proceedings**

- (a) The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit.
- (b) A member of the Board may at any time and the Secretary shall on the requisition of a member of the Board summon a meeting of the Board.
- (c) The Board may extend an invitation to any person or representative of a corporation it considers appropriate to attend Board meetings, provided that any such invitee is not entitled to vote on matters and is bound by the same information and confidentiality provisions applying to the Board.

### **10.2 Notice of Board Meetings**

- (a) Subject to the Constitution, notice of a meeting of the Board must be given to each person who is, at the time of giving the notice, a Director, except a Director on a leave of absence approved by the Board.
- (b) A notice of a Board meeting:
  - (i) must specify the date, time and place of the meeting;
  - (ii) need not state the nature of the business to be transacted at the meeting; and
  - (iii) may be given in person or by post, telephone, fax or other electronic means.
- (c) A Director may waive receipt of a notice of a meeting of the Board by notifying the Board to that effect in person or by post, telephone, fax or other electronic means.
- (d) The non-receipt of notice of a meeting of the Board by, or a failure to give notice of a meeting of the Board to, a Director does not invalidate any act, matter or thing done or resolution passed at the meeting if:
  - (i) the non-receipt or failure occurred by accident or error;
  - (ii) before or after the meeting, the Director:
    - A. has waived or waives receipt of the notice of that meeting; or

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B. has notified or notifies the Company of his or her agreement to that act, matter, thing or resolution personally or by post, telephone, fax or other electronic means; or

(iii) the Director attended the meeting.

#### **10.3 Quorum**

- (a) No business may be transacted at a meeting of the Board unless a quorum of Directors is present at the time business is dealt with.
- (b) Subject to the Act, the quorum necessary for the transaction of the business of the Board shall be not less than 50% of Directors or such greater number as may be fixed by the Board.
- (c) If a quorum is not present within 30 minutes after the time appointed for the meeting of the Board, the meeting stands adjourned to the date, time and place as the Board decides.
- (d) If the number of Directors in office at any time is not sufficient to constitute a quorum at a meeting of the Board or is less than the minimum number of Directors fixed under the Constitution, the remaining Directors or Director may only act to the extent that there is an emergency requiring them to act.

#### **10.4 Voting**

- (a) A meeting of the Board at which a quorum is present may exercise all the powers and discretions vested or exercisable by the Board under the Constitution.
- (b) Subject to these regulations questions arising at any meeting of the Board shall be decided by a majority of votes and a determination by a majority of the members of the Board shall for all purposes be deemed a determination of the Board.
- (c) In case of an equality of votes the Chairperson of the meeting shall have a second or casting vote.

#### **10.5 Disclosure of Conflicts of Interest and other Interests**

- (a) A Director who has a Conflict of Interest in a contract or arrangement, or proposed contract or arrangement, in a matter being considered or about to be considered by the Board must disclose the nature of that interest at a meeting of the Board as soon as possible after the relevant facts have come to his or her knowledge and record of such disclosure must be made in the minutes of that meeting.
- (b) A Director who has disclosed a Conflict of Interest must not:
  - (i) be present during any deliberation about that matter;
  - (ii) receive the relevant Board papers in relation to that matter; or
  - (iii) cast any vote in relation to that matter,without the prior approval of the Board.
- (c) The Board may make regulations requiring the disclosure of Conflicts of Interest that a Director, and any person considered by the Board to be related to or

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associated with a Director, may have in any matter concerning the Company or a related corporation. Any regulations made under this rule bind all Directors.

**10.6 Use of Technology at Board Meeting**

- (a) The linking together by telephone or other electronic means of a sufficient number of the Directors to constitute a quorum constitutes a Board meeting. All the provisions in the Constitution relating to Board meetings apply, so far as they can and with any necessary changes, to Board meetings by telephone or other electronic means.
- (b) A Director who takes part in a Board meeting by telephone or other electronic means is taken to be present in person at the meeting.
- (c) A Board meeting by telephone or other electronic means is taken to be held at the place decided by the Chairperson of the meeting, as long as at least 1 of the Directors involved was at that place for the duration of the meeting.

**10.7 Chairperson**

- (a) The Board may elect 1 of the Directors as Chairperson and may decide the period for which that Director is to be the Chairperson.
- (b) The Board may elect 1 of the Directors as Deputy Chairperson and may decide the period for which that Director is to be the Chairperson.
- (c) The Chairperson must (if present within 15 minutes after the time appointed for the meeting and is willing to act) preside as Chairperson at each meeting of the Board.
- (d) The Deputy Chairperson shall chair the meeting if:
  - (i) there is no Chairperson;
  - (ii) the Chairperson is not present within 15 minutes after the time appointed for the meeting; or
  - (iii) the Chairperson is present within that time but is not willing to act as Chairperson of the meeting.

**10.8 Alternate Directors**

- (a) Subject to rule 8.1, a Director may, with the prior written approval of the other Directors, appoint a person to be an alternate or substitute Director in his or her place for the period as he or she thinks fit. Any person appointed as an alternate Director must meet the qualification requirements to be a Director under rule 8.2.
- (b) An alternate Director is entitled to notice of Board meetings and if the appointer is not present, is entitled to attend and vote in his or her stead.
- (c) An alternate Director may exercise any powers that the appointer may exercise and the exercise of any such power by the alternate Director is considered to be the exercise of the power by the appointer.
- (d) The appointment of an alternate Director can be terminated at any time by the appointer notwithstanding that the period of the appointment of the alternate Director has not expired, and terminates in any event if the appointer's office as a Director is vacated.

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- (e) An appointment or the termination of an appointment of an alternate Director must be effected by a notice in writing signed by the Director who makes or made the appointment and served on the Company.
- (f) If the Deputy Chairperson is not present at the meeting then the members may choose one of their number to be Chairperson of the meeting.

**10.9 Delegation to Committees**

- (a) The Board may delegate any of its powers to committees consisting of such member or members of the Board as they think fit.
- (b) Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.

**10.10 Committee Chairperson**

- (a) A committee may elect a chairperson of its meetings.
- (b) If no Committee Chairperson is elected, or if at any meeting the Committee Chairperson is not present within ten (10) minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Committee Chairperson of the meeting.

**10.11 Committee Meetings**

- (a) A committee may meet and adjourn as it thinks proper.
- (b) Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the Committee Chairperson shall have a second or casting vote.

**10.12 Defect in Appointment**

All acts done by any meeting of the Board or of a committee or by any person acting as a Director shall not be invalidated merely because of:

- (a) a defect in the appointment of any such Director; or
- (b) the person being disqualified from being a member of the Board; or
- (c) the person not being entitled to vote,

if that circumstance was not known by the person or the Board (as applicable) when the act was done.

**10.13 Resolutions in Writing**

- (a) A resolution in writing signed by all members of the Board for the time being entitled to receive notice of a meeting of the Board, shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held.
- (b) Any such resolution may consist of several documents in like form, each signed by one or more members of the Board and if so signed, takes effect on the latest date on which a Director signs 1 of the documents.

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- (c) A document generated by electronic means which purports to be a facsimile or scanned electronic copy of a resolution of Directors is to be treated as a resolution in writing.
- (d) A document bearing a facsimile or scanned electronic copy of a signature is to be treated as signed.

**11. Secretary**

- (a) The Board may appoint a Secretary for such term, at such remuneration and upon such conditions as it thinks fit and may at any time terminate the appointment with or without cause and without giving any reasons.
- (b) The Secretary may carry out any act or deed required by the Constitution, the Act or by any other statute to be carried out by the Secretary of the Company.

## Part F – General Legal Provisions

### 12. General Legal Provisions

#### 12.1 Seal

- (a) The Board shall provide for the safe custody of the Seal and the circumstances when the Seal shall be used (if at all).
- (b) The Seal shall only be used by the authority of the Board or a committee of members of the Board authorised by the Board.
- (c) Every instrument to which the Seal is affixed shall be signed by a member of the Board and shall be countersigned by the Secretary or by a second member of the Board or by some other person appointed by the Board for that purpose.

#### 12.2 Records to be Kept

- (a) The Board must cause proper accounting and other records to be kept in accordance with the Act.
- (b) The Board must distribute copies of every profit and loss account and balance sheet (including every document required by law to be attached thereto) as required by the Act.

#### 12.3 Inspection of Records

- (a) Subject to the Act, the Board may determine:
  - (i) whether and to what extent;
  - (ii) at what times and places; and
  - (iii) under what conditions,the accounting records and other documents of the Company or any of them are open to the inspection of the Member.
- (b) The Member does not have the right to inspect any document of the Company except as provided by the Constitution, law or authorised by the Board.

#### 12.4 Audit

- (a) The Company must appoint a registered company Auditor whose duties will be regulated in accordance with the Act.
- (b) The remuneration of the Auditor must be fixed.

#### 12.5 Amending the Constitution

The Constitution may be amended at any time by special resolution of the Members provided that if an amendment has the potential to affect the endorsement of the Company as a Deductible Gift Recipient, the Commissioner must first provide his or her written consent to that amendment (and any resolution purporting to make the amendment must be expressed to be subject to the receipt of the Commissioner's written consent).

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### **13. Notices**

#### **13.1 Persons authorised to give notices generally**

- (a) A notice by the Company in connection with the Constitution may be given on behalf of the Company by a solicitor, Director or Secretary of the Company.
- (b) The signature of a person on a notice given by the Company may be written, printed or stamped.

#### **13.2 Method of giving notices**

In addition to the method for giving notices permitted by statute, a notice may be given by the Company to a Member by:

- (a) delivering it to the Member personally or to their street address stated in the Register of Members;
- (b) posting it by prepaid post to the Member's street or postal address stated in the Register of Members; or
- (c) if the Member has nominated a facsimile or e-mail address to the Company, facsimile or e-mail.

#### **13.3 Address for giving notices to the Company**

- (a) The street and postal address of the Company is its registered office.
- (b) The facsimile number or e-mail address of the Company is the number or email address which the Company may specify by written notice to the Members as the facsimile number or e-mail address to which notices may be sent to the Company.

#### **13.4 Time notice is given**

A notice is deemed as given by the Company and received by the Member:

- (a) if delivered, at the time of delivery;
- (b) if sent by facsimile, when the sender of the facsimile receives a confirmation report that all pages of the facsimile have been transmitted to the recipient's facsimile number, but if transmission or receipt is after 5.00 pm WST, it is taken as received on the next Business Day;
- (c) if sent electronically, on the next Business Day; and
- (d) if posted, on the third Business Day after it was posted.

#### **13.5 Entitlement**

Notice of every General Meeting shall be given in any manner hereinbefore authorised to:

- (a) every Member, except those Members who (having no registered address) have not supplied to the Company an address for the giving of notice to them; and
- (b) the Auditor.



## Part G – Indemnities and Insurance

### 14. Officers: Indemnities and Insurance

#### 14.1 Indemnities

To the extent permitted by law:

- (a) every person who is or has been an Officer of the Company or of a subsidiary of the Company will be indemnified out of the property of the Company against any liability for costs and expenses incurred by that person in defending any Proceedings in which judgment is given in that person's favour, or in which the person is acquitted, or in connection with an application in relation to any Proceedings in which the Court grants relief to the person under the Act; and
- (b) every person who is or has been an Officer of the Company or of a subsidiary of the Company will be indemnified out of the property of the Company against any liability to another person (other than the Company or a related body corporate of the Company) where the liability is incurred by the Officer in his or her capacity as an Officer of the Company or a subsidiary of the Company provided that this indemnity shall not apply where the liability arises out of conduct involving a lack of good faith.

#### 14.2 Payment for Insurance Premiums

To the extent permitted by law the Company may pay, or agree to pay, a premium in respect of a contract insuring a person who is or has been an Officer of the Company or of a subsidiary of the Company against a liability:

- (a) incurred by the person in his capacity as an Officer of the Company or a subsidiary of the Company provided that the liability does not arise out of conduct involving a wilful breach of duty in relation to the Company or a subsidiary of the Company or a contravention of sections 182 or 183 of the Act; or
- (b) for costs and expenses incurred by that person in defending Proceedings, whatever their outcome.

## Part H – Winding Up and Loss of Endorsement

### 15.1 Winding Up

If upon the winding up or dissolution of the Company, there remains, after satisfaction of all its debts and liabilities, any money or property other than Surplus Gifts, the same must not be paid to or distributed among the Members but will be distributed as follows:

- (a) any land or premises the subject of an agreement with the Housing Authority requiring such transfer, must be transferred to another Registered Community Housing Organisation which is a Deductible Gift Recipient that is approved by the Housing Authority (if approval is required by that agreement) or to the Housing Authority;
- (b) money and any other remaining property must be transferred to:
  - (i) the same Registered Community Housing Organisation that receives land or premises under rule 15.1(a); or
  - (ii) another Registered Community Housing Organisation which is a Deductible Gift Recipient; or
  - (iii) any other institution, fund, authority or entity which:
    - A. has similar objects to the Objects;
    - B. is a Deductible Gift Recipient; and
    - C. prohibits distribution of its income and property among its members and directors (if any) to an extent at least as great as imposed on the Company by rule 3(a).

### 15.2 Surplus Gifts

If upon the earlier of the winding up or dissolution of the Company or, if the Company is endorsed as a Deductible Gift Recipient, the revocation of the Company's endorsement, there remains, after satisfaction of all its debts and liabilities, any Surplus Gifts, the same must not be paid to or distributed among the Members but will be distributed to another institution, fund or authority mentioned in rule 15.1(b)(iii).



### AUDITOR'S INDEPENDENCE DECLARATION

To The Board of Directors

**Auditor's Independence Declaration**

As lead audit director for the audit of the financial statements of Access Housing Australia Limited for the financial year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

  
**BENTLEYS**  
Chartered Accountants

  
**MARK DELAURENTIS CA**  
Director

Dated at Perth this 27<sup>th</sup> day of September 2017

  
**Bentleys**  
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A member of Bentleys, a member of independent member of the Big 4 Chartered Accountants, firm. Does not provide any other services to the client. All members of the firm are members of the Institute of Chartered Accountants in Australia. Licensed to provide a restricted approved service (RAPS) of the Institute of Chartered Accountants in Australia.



Accountants  
Auditors  
Advisors



## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2017  
Access Housing Australia Limited

|   | NOTE | 2017<br>\$ '000 | 2016<br>\$ '000 |
|---|------|-----------------|-----------------|
| Revenue   | 2    | 24,883          | 48,472          |
| Cost of goods sold                                      | 7    | (2,907)         | (1,244)         |
|   |      | 21,976          | 47,228          |
| Other income  |      | 346             | 133             |
| Employee benefits expense                               |      | (7,929)         | (7,754)         |
| Depreciation and amortisation expense                   | 3    | (3,243)         | (2,917)         |
| Doubtful debts expense                                  | 3    | (353)           | (247)           |
| Rental expense  | 3    | (362)           | (360)           |
| Property expenses                                       | 3    | (3,730)         | (3,755)         |
| Ongoing maintenance expenses                            | 3    | (2,884)         | (2,923)         |
| Finance expenses  |      | (758)           | (545)           |
| Other expenses  |      | (2,172)         | (1,995)         |
| Impairment loss on properties                           | 3    | (297)           | (209)           |
| Projects costs  | 3    | (1,506)         | -               |
| Share of net profit from Joint Venture operations       | 11   | -               | 42              |
| (Loss) / Profit before income tax expense               |      | (912)           | 26,698          |
| Income tax benefit                                      | 4    | 44              | 30              |
| (Loss) / Profit for the year after tax                  |      | (868)           | 26,728          |
| Other comprehensive income                              |      | -               | -               |
| <b>Total comprehensive (loss) / income for the year</b> |      | <b>(868)</b>    | <b>26,728</b>   |

The accompanying notes form part of these financial statements.

## STATEMENT OF FINANCIAL POSITION

as at 30 June 2017, Access Housing Australia Limited

|                                      | NOTE | 2017<br>\$ '000 | 2016<br>\$ '000 |
|--------------------------------------|------|-----------------|-----------------|
| <b>CURRENT ASSETS</b>                |      |                 |                 |
| Cash and cash equivalents            | 5    | 721             | 3,455           |
| Trade and other receivables          | 6    | 3,468           | 4,459           |
| Inventories                          | 7    | 10,711          | 277             |
| Current tax assets                   | 4    | 1               | 21              |
| <b>TOTAL CURRENT ASSETS</b>          |      | <b>14,901</b>   | <b>8,212</b>    |
| <b>NON CURRENT ASSETS</b>            |      |                 |                 |
| Deferred tax assets                  | 4    | 85              | 41              |
| Property, plant and equipment        | 8    | 176,221         | 156,796         |
| Development projects in progress     | 9    | 5,895           | 18,225          |
| Intangible assets                    | 10   | 663             | 771             |
| <b>TOTAL NON CURRENT ASSETS</b>      |      | <b>182,864</b>  | <b>175,833</b>  |
| <b>TOTAL ASSETS</b>                  |      | <b>197,765</b>  | <b>184,045</b>  |
| <b>CURRENT LIABILITIES</b>           |      |                 |                 |
| Trade and other payables             | 12   | 3,608           | 6,832           |
| Provisions                           | 14   | 960             | 745             |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <b>4,568</b>    | <b>7,577</b>    |
| <b>NON-CURRENT LIABILITIES</b>       |      |                 |                 |
| Other payable                        | 12   | -               | 15              |
| Provisions                           | 14   | 268             | 156             |
| Financial liabilities                | 13   | 39,500          | 22,000          |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <b>39,768</b>   | <b>22,171</b>   |
| <b>TOTAL LIABILITIES</b>             |      | <b>44,336</b>   | <b>29,748</b>   |
| <b>NET ASSETS</b>                    |      | <b>153,429</b>  | <b>154,297</b>  |
| <b>EQUITY</b>                        |      |                 |                 |
| Retained earnings                    |      | 153,429         | 154,297         |
| <b>TOTAL EQUITY</b>                  |      | <b>153,429</b>  | <b>154,297</b>  |

The accompanying notes form part of these financial statements.

## STATEMENT OF CASH FLOWS

for the year ended 30 June 2017  
Access Housing Australia Limited

|   | NOTE | 2017<br>\$ '000 | 2016<br>\$ '000 |
|---|------|-----------------|-----------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                        |      |                 |                 |
| Rental income received  |      | 16,849          | 16,885          |
| Proceeds from development property sales                          |      | 3,327           | 1,485           |
| Other receipts  |      | 444             | 300             |
| Receipt of grants   |      | 3,337           | 3,465           |
| Interest received   |      | 31              | 24              |
| Payments to suppliers and employees                               |      | (16,947)        | (17,887)        |
| Payments for development properties held for sale                 |      | (9,829)         | (7,261)         |
| Finance costs paid  |      | (776)           | (535)           |
| Tax refund / (Tax paid)   |      | 20              | (27)            |
| <b>Net cash used in operating activities</b>                      | 17   | <b>(3,544)</b>  | <b>(3,551)</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                       |      |                 |                 |
| Proceeds from sale of property, plant and equipment               |      | -               | 25              |
| Payments for property, plant and equipment                        |      | (464)           | (631)           |
| Payments for development projects                                 |      | (16,200)        | (4,705)         |
| Payment for intangible assets                                     |      | (26)            | (62)            |
| Distributions from Joint Ventures                                 |      | -               | 96              |
| <b>Net cash used in investing activities</b>                      |      | <b>(16,690)</b> | <b>(5,277)</b>  |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                        |      |                 |                 |
| Proceeds from borrowings  |      | 17,500          | 9,000           |
| <b>Net cash from financing activities</b>                         |      | <b>17,500</b>   | <b>9,000</b>    |
| Net (decrease) / increase in cash and cash equivalents            |      | (2,734)         | 172             |
| Cash and cash equivalents at the beginning of the financial year  |      | 3,455           | 3,283           |
| <b>Cash and cash equivalents at the end of the financial year</b> | 5    | <b>721</b>      | <b>3,455</b>    |

The accompanying notes form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2017  
Access Housing Australia Limited

|   | RETAINED EARNINGS<br>\$ '000 |
|---|------------------------------|
| <b>Balance as at 1 July 2015</b>        | 127,569                      |
| Profit for the year                     | 26,728                       |
| Other comprehensive income for the year | -                            |
| Total comprehensive income for the year | 26,728                       |
| <b>Balance at 30 June 2016</b>          | <b>154,297</b>               |
| <b>Balance as at 1 July 2016</b>        | <b>154,297</b>               |
| Loss for the year                       | (868)                        |
| Other comprehensive income for the year | -                            |
| Total comprehensive loss for the year   | (868)                        |
| <b>Balance at 30 June 2017</b>          | <b>153,429</b>               |

The accompanying notes form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2017  
Access Housing Australia Limited

### NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements comprise the consolidated financial statements of the Group. Access Housing Australia Limited (Access Housing) is incorporated and domiciled in Australia. Access Housing Australia Limited is a not-for-profit Company limited by guarantee and governed by the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012*. The address of its registered office and its principal place of business is Level 1, 39 Adelaide Street, Fremantle WA 6160.

### BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.



2017 ACCESS HOUSING ANNUAL REPORT

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are presented in Australian dollars, which is the company's functional currency. The company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the director's report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

The financial statements were authorised for issue on 27 September 2017 by the directors of the Company.

### ACCOUNTING POLICIES

#### BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Group and entities (including structured entities) controlled by the Group and its subsidiaries. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically,

income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit or Loss and Other comprehensive Income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

#### A. REVENUE

Revenue including rental income is recognised upon the delivery of the service to the customer.

Grant revenue is recognised in the Statement of Profit or Loss and Other Comprehensive Income when the Group obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Group and the amount of the grant can be measured reliably.

When grant revenue is received and the Group incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is deferred in the statement of financial position until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Access Housing receives non-reciprocal contributions of assets from the Government for no nominal value. These assets are recognised at fair value on the date of acquisition in the Statement of Financial Position with a corresponding amount of income recognised in the Statement of Profit or Loss and Other Comprehensive Income. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Revenue from properties held for sales is recognised when the equitable interest in a property is vested in the buyer and the risks and rewards of ownership have been transferred.

Donations and bequests are recognised as revenue when received.



Access Housing has contractual relationships with the Government of Western Australia Housing Authority where Access Housing has management rights to the Government of Western Australia Housing Authority properties. Access Housing is entitled to receive rental income from these properties and has an ongoing commitment to ensure that they are maintained on an ongoing basis which, depending on the condition and age of the properties, will include some extensive renovation costs on a cyclical basis.

All revenue is stated net of the amount of goods and services tax (GST).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised at the time the right to receive payment is established.

#### **B. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with AASB 5. Under the equity method, an investment in an associate or a joint venture is initially recognised in the Statement of Financial Position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term

interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of AASB 139 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with AASB 136 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 *Impairment of Assets* to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with AASB 139. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that



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associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

#### C. PROPERTY, PLANT AND EQUIPMENT

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

##### PROPERTY

Freehold land and buildings that have been contributed at no cost are recognised at the fair value of the asset at the date that it is received.

The cost of property constructed within the Group includes the cost of materials, direct labour and borrowing costs.

##### PLANT AND EQUIPMENT

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of depreciated replacement cost.

##### DEPRECIATION

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

The following useful lives are used in the calculation of depreciation:

| Class of Fixed Asset       | Useful life  |
|----------------------------|--------------|
| Buildings and improvements | 3 - 40 years |
| Plant and equipment        | 2 - 10 years |
| Motor vehicles             | 3 - 8 years  |

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Profit or Loss and Other Comprehensive Income.

##### DEVELOPMENT PROJECTS IN PROGRESS

Capital work in progress is measured at cost. Cost includes both the fixed and variable cost relating to the specific contracts and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

##### REVALUATIONS

The Group's policy is to have its secured properties valued on at least a three year basis in compliance with the finance facility agreement. The directors elected to value the non-secured properties on a three year basis or where it believes there is an indication that its property assets have been impaired.

##### EQUITY PROJECTS

Equity projects represent the investments in properties jointly owned by the Group and the Government of Western Australia Housing Authority. The Group has contributed between 2% and 20% of the capital value of the properties. These are recognised at cost.



**D. INVENTORIES**

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

The cost of inventories includes fixed and variable costs relating to the specific contracts and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

**E. BORROWINGS**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

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

**F. BORROWING COSTS**

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of the assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in Statement of Profit or Loss and Other Comprehensive Income in the period in which they are incurred.

**G. LEASES**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

**H. FINANCIAL INSTRUMENTS  
INITIAL RECOGNITION AND  
MEASUREMENT**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Group 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 method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

**(i) Financial assets at fair value  
through profit or 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, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personal on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (i.e. gains or losses) being recognised in profit or loss.

**(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.

**(iii) Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are measured at amortised cost using the effective interest method less any impairment.

**(iv) Financial Liabilities**

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost.

**(v) Impairment**

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired.

In the case of available-for-sale financial assets, a prolonged decline in the value of the instrument is considered to constitute 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.

**(vi) Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Group no longer has any significant continuing 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 value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer on non-cash assets or liabilities assumed, is recognised in profit or loss.

**I. IMPAIRMENT OF ASSETS**

At the end of each reporting period, the Group reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If 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.

Where the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and when the Group would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset class, the Group estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

**J. EMPLOYEE BENEFITS**

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period.

Contributions are made by the Group to an employee superannuation fund and are charged as expenses when incurred.

**K. MAINTENANCE COSTS**

Day to day servicing costs or maintenance are charged to profit or loss when expenses are incurred, except where they relate to the replacement of a part or components of an asset, which extends its life or increases the value of the asset in which case the costs are capitalised within property plant and equipment.

**L. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash on hand, deposits available on demand with banks and other short-term highly liquid investments.

**M. 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 Tax Office ("ATO").

Receivables and payables are stated inclusive of the amount of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other 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 included in receipts from customers or payments to suppliers.

**N. INCOME TAX**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**CURRENT TAX**

The current income tax payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated Statement of Profit or Loss and Other Comprehensive Income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**DEFERRED TAX**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be

available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

#### O. INTANGIBLES COMPUTER SOFTWARE

Computer software is initially recorded at cost, has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of 3 to 8 years and is assessed annually for impairment.

The development expenditure of computer software developed within the Group includes costs of services and costs of employee benefits arising from the generation of the asset.

#### DERECOGNITION OF INTANGIBLE ASSETS

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

#### P. PROVISIONS

Provisions are recognised when the Group has a 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### Q. TRADE AND OTHER PAYABLES

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of the recognition of the liability.

#### R. COMPARATIVE FIGURES

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

#### S. FAIR VALUE OF ASSETS AND LIABILITIES

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an 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 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.

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 or minimises the payments made to transfer the liability, 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.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

#### VALUATION TECHNIQUES

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group 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 Group 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 Group 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.

#### FAIR VALUE HIERARCHY

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements 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.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- (i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- (ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

#### T. OTHER KEY ESTIMATES

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

##### VALUATION OF LAND AND BUILDINGS

The Group engaged the services of independent Valuation companies not related to the Group to conduct the valuation of land and buildings. During the financial year ending on 30 June 2017 the Group has undertaken valuations of properties identified for potential sale.

Based on these independent valuations an impairment loss of \$297,000 (2016: \$209,000) was recognised to reduce the carrying amount to be in line with the independent valuations.

##### ESTIMATION OF USEFUL LIVES OF ASSETS

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment, and finite life intangible assets.

The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

##### IMPAIRMENT OF TRADE AND OTHER RECEIVABLES

Included in accounts receivable is an allowance for doubtful debts of Trade and Other Receivables of \$502,000 (2016: \$371,000). This is based on the historical level of bad debts written-off as unrecoverable and the age of the related debts.

##### CAPITALISED MAJOR MAINTENANCE

The Group capitalises major maintenance costs which are outside the scope of routine day to day maintenance. The Directors believe these costs improve the properties and allow the Group to continue to generate income from these assets.

The improvements for leasehold properties are depreciated over the shorter of the estimated useful life of that improvement and unexpired term of lease if applicable.

#### U. CHANGE IN ACCOUNTING POLICY

From this year, the Group undertakes property development sales in the course of its ordinary activities. Income from these sales is considered part of the Group's main revenue streams and accordingly the income is presented as Revenue and the carrying amount of the properties sold is presented as Cost of Sales. Development units identified for sale are presented as Inventories.

The Group had previously presented the development sales as Gain or Loss on Disposal of Assets and the carrying amount of the properties as Property, Plant and Equipment.

The change in accounting policy is applied retrospectively.

#### V. APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS NEW, REVISED OR AMENDING ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial year.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

##### NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET MANDATORY OR EARLY ADOPTED

Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2017. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.



|   |   |
|---|---|
| <p><b>AASB 9: Financial Instruments and associated Amending Standards</b> (applicable to annual reporting periods beginning on or after 1 January 2018).</p>                            | <p>The Standard will be applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments.</p> <p>The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income.</p> <p>Although the directors anticipate that the adoption of AASB 9 may have an impact on the Group's financial instruments, an assessment of the likely impact has yet to be performed.</p>  |
| <p><b>AASB 1058 Income of Not for Profit Entities</b> (applicable to annual reporting periods beginning on or after 1 January 2019)</p>   | <p>When effective, this standard replaces the existing requirements in AASB 1004 Contribution. It clarifies the income recognition requirements applying to not-for-profit entities in conjunction with AASB 15 Revenue from Contracts with Customers.</p> <p>The new requirements are expected to result in better matching of income and related expenses as income recognition will now be deferred when there is a performance obligation or any other liability. It also establishes principles applying to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit entity to further its objectives.</p> <p>Although the directors anticipate that the adoption of AASB 1058 may have an impact on the Group's financial statements, an assessment of the likely impact has yet to be performed.</p>  |
| <p><b>AASB 15: Revenue from Contracts with Customers</b> (applicable to annual reporting periods beginning on or after 1 January 2019 for NFP Entities, as deferred by AASB 2016-7)</p> | <p>When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Apart from a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.</p> <p>The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:</p> <ul style="list-style-type: none"> <li>• identify the contract(s) with a customer;</li> <li>• identify the performance obligations in the contract(s);</li> <li>• determine the transaction price;</li> <li>• allocate the transaction price to the performance obligations in the contract(s); and</li> <li>• recognise revenue when (or as) the performance obligations are satisfied.</li> </ul> <p>The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.</p> <p>Although the directors anticipate that the adoption of AASB 15 may have an impact on the Group's financial statements, an assessment of the likely impact has yet to be performed.</p> |
| <p><b>AASB 16: Leases</b> (applicable to annual reporting periods beginning on or after 1 January 2019).</p>  | <p>When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.</p> <p>The main changes introduced by the new Standard are as follows:</p> <ul style="list-style-type: none"> <li>• recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);</li> <li>• depreciation of right-of-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;</li> <li>• inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;</li> <li>• application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and</li> <li>• inclusion of additional disclosure requirements.</li> </ul> <p>The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.</p> <p>Although the directors anticipate that the adoption of AASB 16 will impact the Group's financial statements, an assessment of the likely impact has yet to be performed.</p>   |

|   | 2017          | 2016          |
|---|---------------|---------------|
|   | \$ '000       | \$ '000       |
| <b>NOTE 2. REVENUE</b>                          |               |               |
| <b>Revenue from development property sales</b>  |               |               |
| - Proceeds from development property sales      | 3,247         | 1,372         |
|   | <b>3,247</b>  | <b>1,372</b>  |
| <b>Revenue from government and other grants</b> |               |               |
| - Contributions - Gifted properties             | -             | 25,645        |
| - State / Federal Government grants             | 3,981         | 3,686         |
|   | <b>3,981</b>  | <b>29,331</b> |
| <b>Revenue from services rendered</b>           |               |               |
| - Rental income                                 | 17,191        | 17,128        |
| - Property management fees                      | 393           | 415           |
| - Sundry revenue                                | 71            | 226           |
|   | <b>17,655</b> | <b>17,769</b> |
| <b>Total revenue</b>                            | <b>24,883</b> | <b>48,472</b> |

|  | 2017         | 2016         |
|--|--------------|--------------|
|  | \$ '000      | \$ '000      |
| <b>NOTE 3. EXPENSES</b>                        |              |              |
| Doubtful debts expense                         | 353          | 247          |
| Rental expense                                 | 362          | 360          |
| Property expenses                              | 3,730        | 3,755        |
| Ongoing maintenance expenses                   | 2,884        | 2,923        |
| Audit services                                 |              |              |
| - Current audit fees                           | 34           | 35           |
| - (Over) / Under provision from previous years | (1)          | 13           |
| Directors fees                                 | 15           | 14           |
| Impairment loss on properties                  | 297          | 209          |
| Project costs                                  | 1,506        | -            |
| <b>Depreciation and Amortisation</b>           |              |              |
| - Depreciation of Property Plant and Equipment | 3,109        | 2,770        |
| - Amortisation of Intangibles                  | 134          | 147          |
|  | <b>3,243</b> | <b>2,917</b> |



|  | 2017        | 2016        |
|--|-------------|-------------|
|  | \$ '000     | \$ '000     |
| <b>NOTE 4. INCOME TAX</b>  |             |             |
| <b>(a) Income tax (benefit)</b>  |             |             |
| Current tax  | -           | -           |
| Deferred tax   | (44)        | (30)        |
|  | <b>(44)</b> | <b>(30)</b> |
| Deferred income tax (benefit) included in income tax (benefit) comprises:  |             |             |
| - Increase in deferred tax assets  | (44)        | (30)        |
|  | <b>(44)</b> | <b>(30)</b> |
| <b>(b) Reconciliation of income tax expense to prima facie tax payable</b>   |             |             |
| (Loss) / Profit from ordinary activities before income tax   | (912)       | 26,698      |
| The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows: |             |             |
| Prima facie tax on operating (loss) / profit at 30%  | (274)       | 8,009       |
| Add / (Less)   |             |             |
| Tax effect of :  |             |             |
| Loss / (Profit) attributable to income tax exempt entities   | 230         | (8,039)     |
| Income tax benefit   | <b>(44)</b> | <b>(30)</b> |
| Balance of franking account at year end  | nil         | nil         |
| <b>(c) Current tax assets</b>  |             |             |
| Income tax refundable  | 1           | 21          |
|  | <b>1</b>    | <b>21</b>   |
| <b>(d) Deferred tax assets</b>   |             |             |
| Provisions & accruals  | 7           | 6           |
| Unused tax losses  | 78          | 35          |
| Net deferred tax assets  | <b>85</b>   | <b>41</b>   |

|   | 2017       | 2016         |
|---|------------|--------------|
|   | \$ '000    | \$ '000      |
| <b>NOTE 5. CASH AND CASH EQUIVALENTS</b>  |            |              |
| <b>CURRENT</b>  |            |              |
| Cash at bank  | 625        | 3,343        |
| Short-term deposits   | 94         | 110          |
| Cash on hand  | 2          | 2            |
| <b>Total cash and cash equivalents as stated in the statement of financial position</b>   | <b>721</b> | <b>3,455</b> |
| The effective interest rate on short term bank deposit varied between 0.05%-2.35%   |            |              |
| <b>Reconciliation of cash and cash equivalents</b>  |            |              |
| Cash and cash equivalents at the end of financial year as shown in the Statement of Cash Flows are reconciled to items in the Statement of Financial Position as follows: |            |              |
| <b>Cash and cash equivalents</b>  | <b>721</b> | <b>3,455</b> |



|   | 2017<br>\$ '000 | 2016<br>\$ '000 |
|---|-----------------|-----------------|
| <b>NOTE 6. TRADE AND OTHER RECEIVABLES</b>            |                 |                 |
| <b>CURRENT</b>  |                 |                 |
| Trade receivables                                     | 923             | 758             |
| Allowance for doubtful debts                          | (488)           | (310)           |
|   | <b>435</b>      | <b>448</b>      |
| Prepayments   | 277             | 199             |
| Receivable under National Rental Affordability Scheme | 1,699           | 2,448           |
| Other receivables                                     | 1,071           | 1,425           |
| Allowance for doubtful debts                          | (14)            | (61)            |
| <b>Total current trade and other receivables</b>      | <b>3,468</b>    | <b>4,459</b>    |

**(i) Credit Risk – Trade and Other Receivables**

The Group does not have any material credit risk exposure to any one receivable.

The following table details the Group's trade and other receivables exposed to credit risk with ageing analysis and impairment. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

A bond not exceeding four weeks rent is held from tenants as security for costs upon vacating a property, which further reduces the credit risk to the Group. In line with the Department of Commerce requirement, bond money is lodged with the Bond Administrator no later than 14 days after the receipt of the money.

The Group believes it has adequately provided for doubtful debts.

Invoices are raised with the terms of trade of 15 days. The Group has recognised an allowance for doubtful debts of 100% against items 180 days and older.

| 2017                          | GROSS<br>AMOUNT<br>\$ '000 | PAST<br>DUE AND<br>IMPAIRED<br>\$ '000 | PAST DUE BUT NOT IMPAIRED<br>(DAYS OVERDUE) |                    |                    |                     |                 | WITHIN INITIAL<br>TRADE TERMS<br>\$ '000 |
|-------------------------------|----------------------------|--|---|--------------------|--------------------|---------------------|-----------------|--|
|                               |                            |  | <30<br>\$ '000                              | 31 - 60<br>\$ '000 | 61 - 90<br>\$ '000 | 91 - 150<br>\$ '000 | >150<br>\$ '000 |  |
| Trade and term<br>receivables | 923                        | 488                                    | 181   | 66                 | 62                 | 86                  | 40              | -  |
| Other<br>receivables          | 2,770                      | 14                                     | -   | -                  | -                  | -                   | -               | 2,756                                    |
|                               | <b>3,693</b>               | <b>502</b>                             | <b>181</b>                                  | <b>66</b>          | <b>62</b>          | <b>86</b>           | <b>40</b>       | <b>2,756</b>                             |

| 2016                          | GROSS<br>AMOUNT<br>\$ '000 | PAST<br>DUE AND<br>IMPAIRED<br>\$ '000 | PAST DUE BUT NOT IMPAIRED<br>(DAYS OVERDUE) |                    |                    |                     |                 | WITHIN INITIAL<br>TRADE TERMS<br>\$ '000 |
|-------------------------------|----------------------------|--|---|--------------------|--------------------|---------------------|-----------------|--|
|                               |                            |  | <30<br>\$ '000                              | 31 - 60<br>\$ '000 | 61 - 90<br>\$ '000 | 91 - 150<br>\$ '000 | >150<br>\$ '000 |  |
| Trade and term<br>receivables | 758                        | 310                                    | 189   | 71                 | 41                 | 92                  | 55              | -  |
| Other<br>receivables          | 3,873                      | 61                                     | -   | -                  | -                  | -                   | -               | 3,812                                    |
|                               | <b>4,631</b>               | <b>371</b>                             | <b>189</b>                                  | <b>71</b>          | <b>41</b>          | <b>92</b>           | <b>55</b>       | <b>3,812</b>                             |



|  | 2017    | 2016    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

**NOTE 7. INVENTORIES**

|  |               |            |
|--|---------------|------------|
| Development properties held for sale - at cost | 10,711        | 277        |
|  | <b>10,711</b> | <b>277</b> |

The cost of inventories recognised as an expense during the year was \$2,684,000 (2016: \$1,221,000).

|  | 2017    | 2016    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

**NOTE 8. PROPERTY, PLANT AND EQUIPMENT**

**LAND AND BUILDINGS**

|  |                |                |
|--|----------------|----------------|
| Freehold land at cost:                         |                |                |
| - Gifted land                                  | 58,305         | 58,299         |
| - Freehold land                                | 10,352         | 4,858          |
| - Less accumulated impairment                  | (317)          | (72)           |
| <b>Total Land</b>                              | <b>68,340</b>  | <b>63,085</b>  |
| Buildings at cost                              |                |                |
| - Gifted buildings                             | 78,213         | 78,303         |
| - Freehold buildings                           | 40,499         | 23,132         |
| - Less accumulated depreciation and impairment | (12,438)       | (9,549)        |
| <b>Total buildings</b>                         | <b>106,274</b> | <b>91,886</b>  |
| Equity interests in properties                 | 1,334          | 1,334          |
| <b>Total Land and Buildings</b>                | <b>175,948</b> | <b>156,305</b> |

**PLANT AND EQUIPMENT**

|  |            |            |
|--|------------|------------|
| Office furniture and equipment                   |            |            |
| - At cost  | 740        | 721        |
| - Less accumulated depreciation                  | (659)      | (596)      |
|  | <b>81</b>  | <b>125</b> |
| Leasehold Improvements                           |            |            |
| - At cost  | 1,693      | 1,693      |
| - Less accumulated depreciation                  | (1,572)    | (1,406)    |
|  | <b>121</b> | <b>287</b> |
| Independent Living Program and general furniture |            |            |
| - At cost  | 207        | 207        |
| - Less accumulated depreciation                  | (191)      | (172)      |
|  | <b>16</b>  | <b>35</b>  |
| <b>Total Plant and Equipment</b>                 | <b>218</b> | <b>447</b> |

**MOTOR VEHICLES**

|                                 |           |           |
|---------------------------------|-----------|-----------|
| - At cost                       | 76        | 53        |
| - Less accumulated depreciation | (21)      | (9)       |
| <b>Total Motor Vehicles</b>     | <b>55</b> | <b>44</b> |

|  |                |                |
|--|----------------|----------------|
| <b>Total Property, Plant and Equipment</b> | <b>176,221</b> | <b>156,796</b> |
|--|----------------|----------------|

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Equity interests in properties represent investments in properties jointly owned by the Group and Government of Western Australia Housing Authority. Per various agreements the Group has contributed up to 20% of the capital value of these properties.

### MOVEMENTS IN CARRYING AMOUNTS

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

|  | NOTE | LAND AND BUILDINGS<br>\$ '000 | PLANT AND EQUIPMENT<br>\$ '000 | MOTOR VEHICLES<br>\$ '000 | TOTAL<br>\$ '000 |
|--|------|-------------------------------|--------------------------------|---------------------------|------------------|
| <b>2016</b>                            |      |                               |                                |                           |                  |
| Balance at 1 July 2015                 |      | 130,398                       | 755                            | -                         | 131,153          |
| Additions                              |      | 26,179                        | 44                             | 53                        | 26,276           |
| Transferred from Development Projects  | 9    | 2,371                         | -                              | -                         | 2,371            |
| Disposals                              |      | (20)                          | -                              | -                         | (20)             |
| Write offs                             |      | (5)                           | -                              | -                         | (5)              |
| Impairment losses                      |      | (209)                         | -                              | -                         | (209)            |
| Depreciation expense                   |      | (2,409)                       | (352)                          | (9)                       | (2,770)          |
| <b>Carrying amount at 30 June 2016</b> |      | <b>156,305</b>                | <b>447</b>                     | <b>44</b>                 | <b>156,796</b>   |

|  | NOTE | LAND AND BUILDINGS<br>\$ '000 | PLANT AND EQUIPMENT<br>\$ '000 | MOTOR VEHICLES<br>\$ '000 | TOTAL<br>\$ '000 |
|--|------|-------------------------------|--------------------------------|---------------------------|------------------|
| <b>2017</b>                            |      |                               |                                |                           |                  |
| Balance at 1 July 2016                 |      | 156,305                       | 447                            | 44                        | 156,796          |
| Additions                              |      | 366                           | 19                             | 23                        | 408              |
| Transferred from Development Projects  | 9    | 22,528                        | -                              | -                         | 22,528           |
| Write off                              |      | (105)                         | -                              | -                         | (105)            |
| Impairment losses                      |      | (297)                         | -                              | -                         | (297)            |
| Depreciation expense                   |      | (2,849)                       | (248)                          | (12)                      | (3,109)          |
| <b>Carrying amount at 30 June 2017</b> |      | <b>175,948</b>                | <b>218</b>                     | <b>55</b>                 | <b>176,221</b>   |



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**Restricted Covenants and Caveats registered over land and buildings**

Restricted Covenants and Caveats have been registered in favour of the Government of Western Australia Housing Authority over certain land and buildings. These Restricted Covenants and Caveats require the Government of Western Australia Housing Authority's permission should the Group wish to deal with the properties in any way.

**Assets pledged as security**

Land and buildings amounting to \$93.4 million of net book value as at 30 June 2017 have been pledged to secure borrowings of the Group (see note 13). They have been pledged as security for the bank loans under mortgage. The Group cannot pledge these assets as security for other borrowings or sell them without approval from the mortgagee.

**Measurement of the Group's gifted land and buildings**

The Group's gifted land and buildings are stated at cost less any subsequent accumulated depreciation on buildings and subsequent accumulated impairment losses. The gifted land and buildings that have been contributed at no cost are recognised at the fair value of the asset at the date that they are received.

**Measurement of the Group's freehold land and buildings**

The Group's freehold land and buildings are stated at cost incurred in development less any subsequent accumulated depreciation on buildings and subsequent accumulated impairment losses.

**Impairment losses recognised in the year**

During the year the Group contracted independent valuers not related to the Group to undertake fair market valuation of selected properties that have been identified for potential sale. Where these market valuations were below the current net book value, these assets have been impaired to reflect the market value.

In review of the fair values based on the market comparable approach for individual property assets, the Group decided to recognise an impairment loss of \$297,000 (2016: \$209,000) on assets where the fair values are less than the carrying amounts. The recoverable amount of the relevant assets has been determined on the basis of their fair value less costs of disposal.

|      | 2017    | 2016    |
|------|---------|---------|
| NOTE | \$ '000 | \$ '000 |

**NOTE 9. DEVELOPMENT PROJECTS IN PROGRESS**

**NON-CURRENT**

|                                       |              |               |
|---------------------------------------|--------------|---------------|
| Balance at the beginning of the year  | 18,225       | 8,059         |
| Additions during the year             | 24,244       | 14,108        |
| Transferred to properties             | 8 (22,528)   | (2,371)       |
| Transferred to inventories            | (13,063)     | (1,503)       |
| Project costs written off             | (983)        | (68)          |
| <b>Balance at the end of the year</b> | <b>5,895</b> | <b>18,225</b> |

In relation to the acquisition and construction of the development projects borrowing costs amounting to \$432,000 (2016: \$199,000) have been capitalised during the period.

|  | 2017    | 2016    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

**NOTE 10. INTANGIBLE ASSETS**

|                   |            |            |
|-------------------|------------|------------|
| Computer software | 663        | 771        |
|                   | <b>663</b> | <b>771</b> |

**Computer software**

**Cost**

|                                       |              |
|---------------------------------------|--------------|
| Balance at the beginning of year      | 1,350        |
| Additions during the period           | 26           |
| <b>Balance at the end of the year</b> | <b>1,376</b> |

**Computer software**

**Accumulated Amortisation and Impairment**

|                                       |              |
|---------------------------------------|--------------|
| Balance at the beginning of year      | (579)        |
| Amortisation expense                  | (134)        |
| <b>Balance at the end of the year</b> | <b>(713)</b> |

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|  | 2017    | 2016    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

#### NOTE 11. INTEREST IN JOINT VENTURES

The Group had a 50% interest in the Eaton Joint Venture, whose principle activities were the development and construction of properties.

The interests in the Joint Ventures are accounted for in the financial statement using the equity method.

|  |          |          |
|--|----------|----------|
| Balance at the beginning of the year     | -        | 54       |
| Distributions received during the period | -        | (96)     |
| Profit on discontinuation of JV          | -        | 42       |
| <b>Investment in Joint Ventures</b>      | <b>-</b> | <b>-</b> |

|  | 2017    | 2016    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

#### NOTE 12. TRADE AND OTHER PAYABLES

##### CURRENT

|                                       |              |              |
|---------------------------------------|--------------|--------------|
| Trade payables                        | 1,173        | 2,453        |
| Government grants received in advance | -            | 1,969        |
| Other current payables                | 2,383        | 2,385        |
| Employee benefits payable             | 52           | 25           |
|                                       | <b>3,608</b> | <b>6,832</b> |

##### NON-CURRENT

|                           |          |           |
|---------------------------|----------|-----------|
| Other non-current payable | -        | 15        |
|                           | <b>-</b> | <b>15</b> |

All trade and other payables are unsecured and the average credit period on purchases is between 14 and 60 days.

|  | 2017    | 2016    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

#### NOTE 13. FINANCIAL LIABILITIES

##### NON - CURRENT - SECURED

|              |               |               |
|--------------|---------------|---------------|
| Bank loan    | 39,500        | 22,000        |
| <b>Total</b> | <b>39,500</b> | <b>22,000</b> |

#### (a) Facility

The total facility available to Access Housing Australia Limited as of 30 June 2017 is \$44.5 million being the lesser of \$44.5 million and an amount equivalent to 45% of the aggregate independent in line value of properties as specified in the loan agreement based on the independent in line valuation performed in FY'2016, which amounted to \$111 million. On 20 March 2018 this reverts back to being the lesser of \$40 million and an amount equivalent to 40% of the aggregate independent in line value of properties. There is a tripartite agreement in place between the Commonwealth Bank of Australia, Government of Western Australia Housing Authority and Access Housing Australia Limited covering this facility.

#### (b) Assets pledged as security

- First ranking charge over assets pledged as security.
- Fixed property mortgages over residential property portfolio valued at circa \$111 million consisting of 422 properties.

#### (c) Interest terms

Interest rates are set based on the average Bank Bill Swap Bid Rate ("BBSY") plus a margin of 0.7% for a term equivalent to the interest period.

#### (d) Loan repayment terms

As per the extended facility arrangement that came into effect on 20 March 2017, the borrower must repay any amount borrowed in excess of \$40 million by 20 March 2018 being the termination date of this extension.

As per the extended facility arrangement that came into effect on 20 May 2015, the borrower must repay all outstanding principal amounts by 30 November 2019, the termination date of the facility.

#### (e) Financial undertakings

As per the extended finance facility arrangement the borrower must operate above specified hurdle ratios for interest cover and debt service.

As at 30 June 2017 the Group was in compliance with all the required financial undertakings.



|  | 2017    | 2016    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

**NOTE 14. PROVISIONS**

**CURRENT**

|                                  |            |            |
|----------------------------------|------------|------------|
| Provision for annual leave       | 571        | 527        |
| Provision for long service leave | 249        | 218        |
| Provision for make good costs    | 140        | -          |
|                                  | <b>960</b> | <b>745</b> |

**NON CURRENT**

|                                  |            |            |
|----------------------------------|------------|------------|
| Provision for long service leave | 268        | 156        |
|                                  | <b>268</b> | <b>156</b> |

**NOTE 15. EQUITY**

The Group is incorporated under the *Corporation Act 2001* and is limited by guarantee and has no paid up capital. The members' guarantee is limited to \$1 per member. At 30 June 2017 the number of members was 9 (2016: 8).

|  | 2017    | 2016    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

**NOTE 16. COMMITMENTS**

**Operating Lease Commitments**

|  |              |            |
|--|--------------|------------|
| Non-cancellable operating leases contracted for but not recognised |              |            |
| Payable – minimum lease payments                                   |              |            |
| - not later than 12 months   | 963          | 574        |
| - later than 12 months but not later than 5 years                  | 3,025        | 364        |
| - later than 5 years   | 3,927        | -          |
|  | <b>7,915</b> | <b>938</b> |

The property lease commitments are non-cancellable operating leases contracted for but not recognised in the financial statements. Increase in lease commitments may occur in line with the Consumer Price Index (CPI).

The motor vehicle lease commitments are operating leases contracted for a term of less than one year.

**Capital Commitments**

The Group has a number of contracts in place in relation to the development project. The outstanding commitments on these contracts at 30 June 2017 were \$313,000 (2016: \$26,497,000). The Group had no other capital commitments at 30 June 2017.

|  | 2017    | 2016    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

**NOTE 17. CASH FLOW INFORMATION**

Reconciliation of profit for the year to net cash flows from operating activities

|  |                |                |
|--|----------------|----------------|
| (Loss) / Profit after tax                                | (868)          | 26,728         |
| Income tax benefit recognised in profit or loss          | (44)           | (30)           |
| Non cash flows   |                |                |
| - Depreciation and amortisation                          | 3,243          | 2,917          |
| - Gifted properties                                      | -              | (25,645)       |
| - Increase / (Decrease) in provision for doubtful debts  | 130            | (50)           |
| - Share of profits of joint ventures                     | -              | (42)           |
| - Property, plant and equipment impaired and written off | 402            | 214            |
| - Project costs written off                              | 1,516          | 68             |
| - Provision for make good costs                          | 140            | -              |
| Movements in Working Capital                             |                |                |
| - Decrease in trade and other payables                   | (2,120)        | (150)          |
| - Decrease / (Increase) in trade and other receivables   | 121            | (1,783)        |
| - Increase in inventories                                | (6,251)        | (6,039)        |
| - Increase in provisions                                 | 187            | 261            |
| <b>Net cash used in operating activities</b>             | <b>(3,544)</b> | <b>(3,551)</b> |

**NOTE 18. CONTINGENT ASSETS AND LIABILITIES**

The Group has entered into unconditional sales contracts with external parties for the sale of some of its inventories. The contracted value as at 30 June 2017 was \$2,793,000 net of selling costs. From this, \$1,698,000 worth of contracts have been settled to the date of this financial report.

There are no contingent liabilities as at 30 June 2017.

**NOTE 19. EVENTS AFTER THE REPORTING PERIOD**

No material events have occurred subsequent to the reporting period.



**NOTE 20. RELATED PARTY TRANSACTIONS**

The Group's related parties include its key management personnel and related entities as described below.

**A) REMUNERATION OF KEY MANAGEMENT PERSONNEL**

Name, position held of key management personnel and their remuneration disclosed below:

| NAME OF THE KEY MANAGEMENT PERSONNEL | POSITION HELD                               |
|--------------------------------------|---|
| David Lantzke                        | Director / Chairperson                      |
| Malcolm O'Dell                       | Director                                    |
| Rebecca Strom                        | Director                                    |
| Christopher Parkinson                | Director                                    |
| Matthew Raison                       | Director                                    |
| Geoff Lotter                         | Director                                    |
| Debra Bakker                         | Director                                    |
| Hon. James (Jim) McGinty AM          | Director                                    |
| Rebecca Tomkinson                    | Director (appointed 5 April 2017)           |
| Garry Ellender                       | Chief Executive Officer                     |
| Allan Wilkerson                      | General Manager Tenancy Services (resigned) |
| Ian Aiyathurai                       | Chief Financial Officer                     |
| Susan Groome                         | General Manager Community Housing           |

| KEY MANAGEMENT PERSONNEL REMUNERATION | 2017<br>\$ '000 | 2016<br>\$ '000 |
|---------------------------------------|-----------------|-----------------|
| Short term employee benefits          | 915             | 819             |
| Other benefits                        | 36              | 41              |
|                                       | <b>951</b>      | <b>860</b>      |

Of the above, \$15,000 (2016: \$14,000) relates to directors fees which directors have not taken in cash but have been set aside to be donated to charity.

**B) TRANSACTIONS WITH RELATED ENTITIES**

Balances and transactions between the company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

**Other Related Party Transactions**

During the period Access Housing Group incurred legal costs from Corrs Chambers Westgarth Lawyers an entity which Rebecca Strom was a Partner. Costs incurred for the financial year ended 30 June 2017 amounted to \$97,000 (2016: \$122,000). At 30 June 2017 \$Nil (2016: \$8,500) remained unpaid.

The Group had obtained consultancy services from Private Invest, an entity which Mark Roberts (ex-Director of CCIN) is the Owner. Costs incurred for the financial year ended 30 June 2017 amounted to \$355,000 (2016: \$364,000). At 30 June 2017 \$ Nil (2016: \$ Nil) remained unpaid.

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

**NOTE 21. INVESTMENTS IN SUBSIDIARY AND JOINT VENTURE ENTITIES**

**A) SHAREHOLDING**

|                               | 2017 | 2016 |
|-------------------------------|------|------|
| <b>Name of the entity</b>     |      |      |
| Access Housing Realty Pty Ltd | 100% | 100% |
| Access CCIN Ltd               | 100% | 100% |

**B) COMPOSITION OF THE GROUP**

Information about the composition of the Group at the end of the reporting period is as follows:

| Principal activity                                 | Place of incorporation and operation | Number of wholly-owned subsidiaries |          |
|--|--------------------------------------|-------------------------------------|----------|
|  |                                      | 2017                                | 2016     |
| Provider of Real Estate services                   | Australia                            | 1                                   | 1        |
| Development of Private Equity investment structure | Australia                            | 1                                   | 1        |
|  |                                      | <b>2</b>                            | <b>2</b> |

**NOTE 22. FINANCIAL RISK MANAGEMENT**

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in accounting policies to these financial statements, are as follows:

|   | NOTE | 2017<br>\$ '000 | 2016<br>\$ '000 |
|---|------|-----------------|-----------------|
| <b>Financial Assets</b>                 |      |                 |                 |
| Cash and cash equivalents               | 5    | 721             | 3,455           |
| Trade and other receivables             | 6    | 3,468           | 4,459           |
| <b>Total Financial Assets</b>           |      | <b>4,189</b>    | <b>7,914</b>    |
| <b>Financial Liabilities</b>            |      |                 |                 |
| Financial Liabilities at amortised cost |      |                 |                 |
| Trade and other payables                | 12   | 3,608           | 6,847           |
| Bank loans                              | 13   | 39,500          | 22,000          |
| <b>Total Financial Liabilities</b>      |      | <b>43,108</b>   | <b>28,847</b>   |



**FINANCIAL RISK MANAGEMENT POLICIES**

The finance and audit committee consists of four committee members. The committee's overall risk management strategy is to assist the Group in meeting its financial targets whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the finance and audit committee on a regular basis. These include credit risk policies and future cash flow requirements.

**SPECIFIC FINANCIAL RISK EXPOSURE AND MANAGEMENT**

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

**(A) CREDIT RISK**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

The Group does not have any material credit risk exposures as its major source of revenue is the receipt of rent. Rent is largely directly debited from Centrelink or client bank accounts, which further mitigates credit risk.

*Credit Risk Exposures*

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the Statement of Financial Position.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 6.

The Group has no significant concentrations of credit risk with any single counterparty or Group of counterparties. Details in relation to the credit risk of trade and other receivables are provided in Note 6.

Credit risk related to balances with banks and other financial institutions is managed by the finance and audit committee in accordance with approved board policy. Such policy requires that surplus funds are only invested with one of the larger banking institutions in Australia.

|   |      | 2017       | 2016         |
|---|------|------------|--------------|
|   | NOTE | \$ '000    | \$ '000      |
| Cash and cash equivalents - S&P rated AA- | 5    | 721        | 3,455        |
|   |      | <b>721</b> | <b>3,455</b> |

**(B) LIQUIDITY RISK**

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The table below summarises the maturity profile of the Group's financial liabilities at the reporting date based on contractual undiscounted repayments obligations:

|                           | 2017                              |                   |                   |                           |               | 2016                              |                   |                   |                           |               |
|---------------------------|-----------------------------------|-------------------|-------------------|---------------------------|---------------|-----------------------------------|-------------------|-------------------|---------------------------|---------------|
|                           | On demand within one year \$ '000 | 1-2 years \$ '000 | 2-5 years \$ '000 | 5 years and above \$ '000 | Total \$ '000 | On demand within one year \$ '000 | 1-2 years \$ '000 | 2-5 years \$ '000 | 5 years and above \$ '000 | Total \$ '000 |
| Trade payables            | 1,173                             | -                 | -                 | -                         | 1,173         | 2,453                             | -                 | -                 | -                         | 2,453         |
| Other payables            | 2,383                             | -                 | -                 | -                         | 2,383         | 2,385                             | 15                | -                 | -                         | 2,400         |
| Employee benefits payable | 52                                | -                 | -                 | -                         | 52            | 25                                | -                 | -                 | -                         | 25            |
| Bank loan                 | -                                 | -                 | 39,500            | -                         | 39,500        | -                                 | -                 | 22,000            | -                         | 22,000        |
|                           | <b>3,608</b>                      | <b>-</b>          | <b>39,500</b>     | <b>-</b>                  | <b>43,108</b> | <b>4,863</b>                      | <b>15</b>         | <b>22,000</b>     | <b>-</b>                  | <b>26,878</b> |



**(C) INTEREST RATE RISK**

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

|                                    | FIXED INTEREST RATE |                 | FLOATING INTEREST RATE |                 |                 |                 | NON-INTEREST BEARING |                 | TOTAL           |                 | WEIGHT EFFECTIVE INTEREST RATE |           |
|------------------------------------|---------------------|-----------------|------------------------|-----------------|-----------------|-----------------|----------------------|-----------------|-----------------|-----------------|--------------------------------|-----------|
|                                    | 2017<br>\$ '000     | 2016<br>\$ '000 | 1 YEAR OR LESS         |                 | 1 TO 5 YEARS    |                 | 2017<br>\$ '000      | 2016<br>\$ '000 | 2017<br>\$ '000 | 2016<br>\$ '000 | 2017<br>%                      | 2016<br>% |
|                                    |                     |                 | 2017<br>\$ '000        | 2016<br>\$ '000 | 2017<br>\$ '000 | 2016<br>\$ '000 |                      |                 |                 |                 |                                |           |
| <b>Financial Assets</b>            |                     |                 |                        |                 |                 |                 |                      |                 |                 |                 |                                |           |
| Cash                               | 667                 | 2,793           | -                      | -               | -               | -               | 54                   | 662             | 721             | 3,455           | 1.56%                          | 1.93%     |
| Trade and other receivables        | -                   | -               | -                      | -               | -               | -               | 3,468                | 4,459           | 3,468           | 4,459           | NA                             | NA        |
| <b>Total Financial Assets</b>      | <b>667</b>          | <b>2,793</b>    | <b>-</b>               | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>3,522</b>         | <b>5,121</b>    | <b>4,189</b>    | <b>7,914</b>    |                                |           |
| <b>Financial Liabilities</b>       |                     |                 |                        |                 |                 |                 |                      |                 |                 |                 |                                |           |
| Trade and other payables           | -                   | -               | -                      | -               | -               | -               | 3,608                | 6,847           | 3,608           | 6,847           | NA                             | NA        |
| Bank loans                         | -                   | -               | -                      | -               | 39,500          | 22,000          | -                    | -               | 39,500          | 22,000          | 2.53%                          | 3.00%     |
| <b>Total Financial Liabilities</b> | <b>-</b>            | <b>-</b>        | <b>-</b>               | <b>-</b>        | <b>39,500</b>   | <b>22,000</b>   | <b>3,608</b>         | <b>6,847</b>    | <b>43,108</b>   | <b>28,847</b>   | <b>-</b>                       | <b>-</b>  |

**Sensitivity Analysis**

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period.

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended 30 June 2017 would decrease / increase by \$388,000 (2016: decrease / increase by \$192,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

The Group's sensitivity to interest rates has increased during the current year mainly due to the additional draw down made on the variable rate borrowing facility as a result of increased level of development project activities.

**NOTE 23. CAPITAL MANAGEMENT**

Management controls the capital of the Group to ensure that adequate cash flows are generated to fund its proposed development programs and that returns from investments are maximised within tolerable risk parameters. The finance and audit committee ensures that the overall risk management strategy is in line with this objective. The finance and audit committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements. The Group's capital consists of financial liabilities, supported by financial assets. Management effectively managed the Group's capital by assessing the Group's financial risks and responding to changes in these risks and in the market. These responses include the consideration of debt levels.

The Group is in compliance with its commitments to the Commonwealth Bank of Australia and the Government of Western Australia Housing Authority.



**DIRECTORS' DECLARATION**

Access Housing Australia Limited

The directors of the Group declare that:

1. The consolidated financial statements and notes, as set out on pages 6 to 36, are in accordance with the *Corporations Act 2001* and the *ACNC Act 2012* and:
  - a) comply with Australian Accounting Standards; and
  - b) give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the Group.
2. In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read "David Lantzke".

Director

**David William Lantzke**

Dated this 27th day of September 2017



## Independent Auditor's Report

### To the Members of Access Housing Australia Limited

#### Report on the Audit of the Financial Report

**Opinion:**

We have audited the financial report of Access Housing Australia Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.


In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission ("ACNC") Act 2012*, including:
  - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
  - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001* and the *ACNC Regulations 2013*;

**Basis for Opinion**


We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. 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 Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001*; the *Australian Charities and Not-for-profits Commission ("ACNC") Act 2012* and the ethical 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 other ethical responsibilities 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.




**Bentleys**  
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## Independent Auditor's Report

To the Members of Access Housing Australia Limited (Continued)



### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2017, but does not include the financial report and our 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.

### Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. 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 this financial report.

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

- Identify and assess the 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.

### Independent Auditor's Report

To the Members of Access Housing Australia Limited (Continued)



- Obtain an 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 Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Consolidated Entity'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 Consolidated Entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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 the directors 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.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**BENTLEYS**  
Chartered Accountants

**MARK DELAURENTIS CA**  
Director

Dated at Perth this 27<sup>th</sup> day of September 2017



## AUDITOR'S INDEPENDENCE DECLARATION

To The Board of Directors

**Auditor's Independence Declaration**

As lead audit director for the audit of the financial statements of Access Housing Australia Limited for the financial year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

  
**BENTLEYS**  
Chartered Accountants

  
**MARK DELAURENTIS CA**  
Director

Dated at Perth this 28<sup>th</sup> day of September 2016



**Bentleys<sup>®</sup>**  
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- Accountants
- Auditors
- Advisors



## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2016,  
Access Housing Australia Limited

|   | NOTE | 2016<br>\$ '000 | 2015<br>\$ '000 |
|---|------|-----------------|-----------------|
| Revenue   | 2    | 47,100          | 19,842          |
| Other Income                                      |      | 133             | 276             |
| Gain on disposal of property, plant and equipment |      | 128             | 216             |
|   |      | 47,361          | 20,334          |
| Employee benefits expense                         |      | (7,754)         | (6,942)         |
| Depreciation and amortisation expense             | 3    | (2,917)         | (2,670)         |
| Doubtful debts expense                            | 3    | (247)           | (306)           |
| Rental expense                                    | 3    | (360)           | (355)           |
| Property expenses                                 | 3    | (3,755)         | (3,394)         |
| Ongoing maintenance expenses                      | 3    | (2,923)         | (2,621)         |
| Finance expenses                                  |      | (545)           | (429)           |
| Other expenses                                    |      | (1,995)         | (2,705)         |
| Impairment loss on properties                     | 3    | (209)           | (-)             |
| Share of net profit from Joint Venture operations | 10   | 42              | -               |
| Profit before income tax expense                  |      | 26,698          | 912             |
| Income tax benefit                                | 4    | 30              | 5               |
| Profit for the year after tax                     |      | 26,728          | 917             |
| Other comprehensive income                        |      | -               | -               |
| Total comprehensive income for the year           |      | 26,728          | 917             |

The accompanying notes form part of these financial statements.

## STATEMENT OF FINANCIAL POSITION

as at 30 June 2016, Access Housing Australia Limited

|   | NOTE | 2016<br>\$ '000 | 2015<br>\$ '000 |
|---|------|-----------------|-----------------|
| <b>CURRENT ASSETS</b>                       |      |                 |                 |
| Cash and cash equivalents                   | 5    | 3,455           | 3,283           |
| Trade and other receivables                 | 6    | 4,459           | 2,648           |
| Current tax assets                          | 4    | 21              | -               |
| <b>TOTAL CURRENT ASSETS</b>                 |      | <b>7,935</b>    | <b>5,931</b>    |
| <b>NON CURRENT ASSETS</b>                   |      |                 |                 |
| Deferred tax assets                         | 4    | 41              | 11              |
| Property, plant and equipment               | 7    | 157,073         | 131,153         |
| Development projects under work in progress | 8    | 18,225          | 8,059           |
| Intangible assets                           | 9    | 771             | 857             |
| Investment in Joint Venture                 | 10   | -               | 54              |
| <b>TOTAL NON CURRENT ASSETS</b>             |      | <b>176,110</b>  | <b>140,134</b>  |
| <b>TOTAL ASSETS</b>                         |      | <b>184,045</b>  | <b>146,065</b>  |
| <b>CURRENT LIABILITIES</b>                  |      |                 |                 |
| Trade and other payables                    | 11   | 6,832           | 4,850           |
| Current tax liabilities                     | 4    | -               | 6               |
| Provisions                                  | 13   | 745             | 546             |
| <b>TOTAL CURRENT LIABILITIES</b>            |      | <b>7,577</b>    | <b>5,402</b>    |
| <b>NON-CURRENT LIABILITIES</b>              |      |                 |                 |
| Other Payable                               | 11   | 15              | -               |
| Provisions                                  | 13   | 156             | 94              |
| Financial liabilities                       | 12   | 22,000          | 13,000          |
| <b>TOTAL NON-CURRENT LIABILITIES</b>        |      | <b>22,171</b>   | <b>13,094</b>   |
| <b>TOTAL LIABILITIES</b>                    |      | <b>29,748</b>   | <b>18,496</b>   |
| <b>NET ASSETS</b>                           |      | <b>154,297</b>  | <b>127,569</b>  |
| <b>EQUITY</b>                               |      |                 |                 |
| Retained earnings                           |      | 154,297         | 127,569         |
| <b>TOTAL EQUITY</b>                         |      | <b>154,297</b>  | <b>127,569</b>  |

The accompanying notes form part of these financial statements.

## STATEMENT OF CASH FLOWS

for the year ended 30 June 2016  
Access Housing Australia Limited

| NOTE  | 2016<br>\$ '000 | 2015<br>\$ '000 |
|---|-----------------|-----------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                        |                 |                 |
| Rental income received  | 16,885          | 15,915          |
| Other receipts  | 300             | 473             |
| Receipt of grants   | 3,465           | 4,292           |
| Interest received   | 24              | 29              |
| Payments to suppliers and employees                               | (17,752)        | (15,715)        |
| Finance costs paid  | (535)           | (357)           |
| Tax paid  | (27)            | (33)            |
| <b>Net cash generated by operating activities</b>                 | <b>6</b>        | <b>4,604</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                       |                 |                 |
| Proceeds from sale of property, plant and equipment               | 1375            | 786             |
| Payment for property, plant and equipment                         | (12,597)        | (11,055)        |
| Payment for intangible assets                                     | (62)            | (199)           |
| Distributions from Joint Venture                                  | 96              | 200             |
| <b>Net cash used in investing activities</b>                      | <b>(11,188)</b> | <b>(10,268)</b> |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                        |                 |                 |
| Proceeds from borrowings  | 9,000           | 5,500           |
| <b>Net cash used in financing activities</b>                      | <b>9,000</b>    | <b>5,500</b>    |
| Net increase / (decrease) in cash held                            | 172             | (164)           |
| Cash and cash equivalents at the beginning of the financial year  | 3,283           | 3,447           |
| <b>Cash and cash equivalents at the end of the financial year</b> | <b>5</b>        | <b>3,283</b>    |

The accompanying notes form part of these financial statements.

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## STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2016  
Access Housing Australia Limited

|  | RETAINED EARNINGS<br>\$ '000 |
|--|------------------------------|
| <b>Balance as at 1 July 2014</b>               | <b>126,652</b>               |
| Profit for the year                            | 917                          |
| Other comprehensive income for the year        | -                            |
| <b>Total comprehensive income for the year</b> | <b>917</b>                   |
| <b>Balance at 30 June 2015</b>                 | <b>127,569</b>               |
| <b>Balance as at 1 July 2015</b>               | <b>127,569</b>               |
| Profit for the year                            | 26,728                       |
| Other comprehensive income for the year        | -                            |
| <b>Total comprehensive income for the year</b> | <b>26,728</b>                |
| <b>Balance at 30 June 2016</b>                 | <b>154,297</b>               |

The accompanying notes form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016  
Access Housing Australia Limited

### NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements comprise the consolidated financial statements of the Group. Access Housing Australia Limited (Access Housing) is incorporated and domiciled in Australia. Access Housing Australia Limited is a not-for-profit Company limited by guarantee and governed by the Corporations Act 2001 and the Australian Charities and Not-for-profits Commission Act 2012. The address of its registered office and its principal place of business is Level 1, 39 Adelaide Street, Fremantle WA 6959.

### BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.



The financial statements are presented in Australian dollars, which is the company's functional currency. The company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the director's report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

The financial statements were authorised for issue on 28 September 2016 by the directors of the Group.

## ACCOUNTING POLICIES

### BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Group and entities (including structured entities) controlled by the Group and its subsidiaries. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit or Loss and Other Comprehensive Income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total

comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### A. REVENUE

Grant revenue is recognised in the Statement of Profit or Loss and Other Comprehensive Income when the Group obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Group and the amount of the grant can be measured reliably.

When grant revenue is received and the Group incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Access Housing receives non-reciprocal contributions of assets from the Government for no nominal value. These assets are recognised at fair value on the date of acquisition in the Statement of Financial Position with a corresponding amount of income recognised in the Statement of Profit or Loss and Other Comprehensive Income. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Donations and bequests are recognised as revenue when received.

Access Housing has contractual relationships with the Government of Western Australia Housing Authority where Access Housing has management rights to the Government of Western Australia Housing Authority properties. Access Housing is entitled to receive rental income from these properties and has an ongoing commitment to ensure that they are maintained on an ongoing basis, which depending on the condition and age of the properties will include some extensive renovation costs on a cyclical basis.

Revenue including rental income is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax (GST).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal

outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised at the time the right to receive payment is established.

#### B. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with AASB 5. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of AASB 139 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with AASB 136 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 *Impairment of Assets* to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with AASB 139. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.



When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

**C. PROPERTY, PLANT AND EQUIPMENT**

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

**PROPERTY**

Freehold land and buildings that have been contributed at no cost are recognised at the fair value of the asset at the date that it is received.

**PLANT AND EQUIPMENT**

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of depreciated replacement cost.

The cost of fixed assets constructed within the Group includes the cost of materials, direct labour and borrowing costs.

Plant and equipment that have been contributed at no nominal cost are recognised at the fair value of the asset at the date that it is acquired.

**DEPRECIATION**

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

The depreciation rates used for each class of depreciable assets are:

| Class of Fixed Asset       | Depreciation Rate |
|----------------------------|-------------------|
| Buildings and improvements | 2.5% - 12.5%      |
| Plant and equipment        | 10% - 50%         |
| Motor Vehicles             | 12.5% - 33.3%     |

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Profit or Loss and Other comprehensive income.

**CAPITAL WORK IN PROGRESS**

Capital work in progress is measured at cost. Cost includes both the fixed and variable cost relating to the specific contracts and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

**REVALUATIONS**

The Group's policy is to have its secured properties valued on at least a three year basis in compliance with the finance facility agreement. The directors elected to value the non-secured properties on a three year basis or where it believes there is an indication that its property assets have been impaired.

**EQUITY PROJECTS**

Equity projects represent the investments in properties jointly owned by the Group and the Government of Western Australia Housing Authority. The Group has contributed between 2% and 20% of the capital value of the properties. These are recognised at cost.

**D. BORROWINGS**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

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

**E. BORROWING COSTS**

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of the assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in Statement of Profit or Loss and Other Comprehensive Income in the period in which they are incurred.

**F. LEASES**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.



## G. FINANCIAL INSTRUMENTS

### INITIAL RECOGNITION AND MEASUREMENT

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Group 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 method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

#### (i) Financial assets at fair value through profit or 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, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (i.e. gains or losses) being recognised in profit or loss.

#### (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.

#### (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are measured at amortised cost using the effective interest method less any impairment.

#### (iv) Financial Liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost.

#### (v) Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired.

In the case of available-for-sale financial assets, a prolonged decline in the value of the instrument is considered to constitute 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.

#### (vi) Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Group no longer has any significant continuing 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 value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer on non-cash assets or liabilities assumed, is recognised in profit or loss.

## H. IMPAIRMENT OF ASSETS

At the end of each reporting period, the Group reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If 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.

Where the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and when the Group would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset class, the Group estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

## I. EMPLOYEE BENEFITS

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period.

Contributions are made by the Group to an employee superannuation fund and are charged as expenses when incurred.

## J. MAINTENANCE COSTS

Day to day servicing costs or maintenance are charged to profit or loss when expenses are incurred, except where they relate to the

replacement of a part or components of an asset, which extends its life or increases the value of the asset in which case the costs are capitalised within property plant and equipment.

**K. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash on hand, deposits available on demand with banks and other short-term highly liquid investments.

**L. 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 Tax Office ("ATO").

Receivables and payables are stated inclusive of the amount of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other 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 included in receipts from customers or payments to suppliers.

**M. INCOME TAX**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**CURRENT TAX**

The current income tax payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated Statement of Profit or Loss and Other comprehensive Income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**DEFERRED TAX**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

**N. INTANGIBLES**

**COMPUTER SOFTWARE**

Computer software is initially recorded at cost, has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of 3 to 8 years and is assessed annually for impairment.

The development expenditure of computer software developed within the Group includes costs of services and costs of employee benefits arising from the generation of the asset.

**DERECOGNITION OF INTANGIBLE ASSETS**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

**O. PROVISIONS**

Provisions are recognised when the Group has a 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**P. TRADE AND OTHER PAYABLES**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of the recognition of the liability.

**Q. COMPARATIVE FIGURES**

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

**R. FAIR VALUE OF ASSETS AND LIABILITIES**

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an 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 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.

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 or minimises the payments made to transfer the liability, 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.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market

price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

**VALUATION TECHNIQUES**

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group 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 Group 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 Group 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.

**FAIR VALUE HIERARCHY**

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements 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.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- (i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- (ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

#### S. OTHER KEY ESTIMATES

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

#### VALUATION OF LAND AND BUILDINGS

The Group engaged the services of an independent Valuation company approved by the finance facility provider to conduct the valuation of land and buildings. During the financial year ending on 30 June 2016 the group had undertaken valuations of approximately one third of the carrying value of the assets.

Based on these independent valuations an impairment loss of \$209,000 was recognised to reduce the carrying amount to be in line with independent valuation.

#### ESTIMATION OF USEFUL LIVES OF ASSETS

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment, and finite life intangible assets.

The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### IMPAIRMENT OF TRADE RECEIVABLES

Included in accounts receivable is an allowance for doubtful debts of Trade Receivables of \$371000 (2015: \$421000). This is based on the historical level of bad debts written-off as unrecoverable and the age of the related debts.

#### CAPITALISED MAJOR MAINTENANCE

The Group capitalises major maintenance costs which are outside the scope of routine day to day maintenance. The Directors believe these costs improve the properties and allow the Group to continue to generate income from these assets.

The improvements for leasehold properties are depreciated over the shorter of the estimated useful life of that improvement and unexpired term of lease if applicable.

#### T. APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS NEW, REVISED OR AMENDING ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group during the financial year.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET MANDATORY OR EARLY ADOPTED

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the group for the annual reporting period ended 30 June 2016. The group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the group, are set out below.



|   |  |
|---|--|
| AASB 9 Financial Instruments                  | <p>This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The group will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the group.</p>  |
| AASB 15 Revenue from Contracts with Customers | <p>This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The group will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the group.</p> |
| AASB 16 Leases                                | <p>This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The group will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the group.</p>   |





|   | NOTE | 2016<br>\$ '000 | 2015<br>\$ '000 |
|---|------|-----------------|-----------------|
| <b>NOTE 2. REVENUE</b>                          |      |                 |                 |
| Revenue from government grants and other grants |      |                 |                 |
| - Contributions – Gifted properties             |      | 25,645          | -               |
| - State / federal government grants             |      | 3,686           | 2,925           |
|   |      | <b>29,331</b>   | <b>2,925</b>    |
| Other revenue                                   |      |                 |                 |
| - Rental income                                 |      | 17,128          | 16,314          |
| - Property management fees                      |      | 45              | 432             |
| - Sundry revenue                                |      | 226             | 171             |
|   |      | <b>17,769</b>   | <b>16,917</b>   |
| Total revenue                                   |      | <b>47,100</b>   | <b>19,842</b>   |

|  | NOTE | 2016<br>\$ '000 | 2015<br>\$ '000 |
|--|------|-----------------|-----------------|
| <b>NOTE 3. EXPENSES</b>                        |      |                 |                 |
| Doubtful debts expense                         |      | 247             | 306             |
| Rental expense                                 |      | 360             | 355             |
| Property expenses                              |      | 3,755           | 3,394           |
| Ongoing maintenance expenses                   |      | 2,923           | 2,621           |
| Audit services                                 |      |                 |                 |
| - Current audit fees                           |      | 35              | 41              |
| - Under provision from previous year           |      | 13              | 10              |
| Directors Fees                                 |      | 14              | 14              |
| Impairment loss on properties                  |      | 209             | -               |
| <b>Depreciation and Amortisation</b>           |      |                 |                 |
| - Depreciation of Property Plant and Equipment |      | 2,770           | 2,532           |
| - Amortisation of Intangibles                  |      | 147             | 138             |
|  |      | <b>2,917</b>    | <b>2,670</b>    |



|  | NOTE | 2016<br>\$ '000 | 2015<br>\$ '000 |
|--|------|-----------------|-----------------|
| <b>NOTE 4. INCOME TAX</b>  |      |                 |                 |
| <b>(a) Income tax (benefit)/expense</b>  |      |                 |                 |
| Current tax  |      | -               | 6               |
| Deferred tax   |      | (30)            | (11)            |
|  |      | <b>(30)</b>     | <b>(5)</b>      |
| Deferred income tax expense included in income tax expense comprises:  |      |                 |                 |
| - (Increase) in deferred tax assets  |      | (30)            | (11)            |
|  |      | <b>(30)</b>     | <b>(11)</b>     |
| <b>(b) Reconciliation of income tax expense to prima facie tax payable</b>   |      |                 |                 |
| Profit from ordinary activities before income tax  |      | 26,698          | 92              |
| The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows: |      |                 |                 |
| Prima facie tax on operating profit at 30 %  |      | 8,009           | 273             |
| Add / (Less)   |      |                 |                 |
| Tax effect of:   |      |                 |                 |
| Profit attributable to income tax exempt entities  |      | (8,039)         | (273)           |
| Non-deductible expenses  |      | (6)             | 6               |
| Movement in temporary differences  |      | 6               | (11)            |
| Income tax attributable to operating profit  |      | <b>(30)</b>     | <b>(5)</b>      |
| Balance of franking account at year end  |      | nil             | nil             |
| <b>(c) Current tax assets and liabilities</b>  |      |                 |                 |
| Income tax refundable  |      | 21              | -               |
| Income tax payable   |      | -               | (6)             |
|  |      | <b>21</b>       | <b>(6)</b>      |
| <b>(d) Deferred tax assets</b>   |      |                 |                 |
| Provisions & accruals  |      | 6               | 11              |
| Unused tax losses  |      | 35              | -               |
| Net deferred tax assets  |      | <b>41</b>       | <b>11</b>       |

|   | NOTE | 2016<br>\$ '000 | 2015<br>\$ '000 |
|---|------|-----------------|-----------------|
| <b>NOTE 5. CASH AND CASH EQUIVALENTS</b>  |      |                 |                 |
| <b>CURRENT</b>  |      |                 |                 |
| Cash at bank  |      | 3,343           | 2,312           |
| Short-term deposits   |      | 10              | 969             |
| Cash on hand  |      | 2               | 2               |
| <b>Total cash and cash equivalents as stated in the statement of financial position</b>   |      | <b>3,455</b>    | <b>3,283</b>    |
| The effective interest rate on short term bank deposit varied between 1.75%-2.60 %  |      |                 |                 |
| <b>Reconciliation of cash and cash equivalents</b>  |      |                 |                 |
| Cash and cash equivalents at the end of financial year as shown in the Statement of Cash Flows are reconciled to items in the balance sheet as follows: |      |                 |                 |
| <b>Cash and cash equivalents</b>  |      | <b>3,455</b>    | <b>3,283</b>    |



| NOTE  | 2016<br>\$ '000 | 2015<br>\$ '000 |
|---|-----------------|-----------------|
| <b>NOTE 6. TRADE AND OTHER RECEIVABLES</b>                        |                 |                 |
| <b>CURRENT</b>  |                 |                 |
| Trade receivables   | 758             | 799             |
| Allowance for doubtful debts                                      | (310)           | (369)           |
|   | <b>448</b>      | <b>430</b>      |
| Prepayments   | 199             | 78              |
| Receivable under National Rental A <sup>+</sup> ordability Scheme | 2,448           | 1499            |
| Other receivables   | 1425            | 693             |
| Allowance for doubtful debts                                      | (61)            | (52)            |
| <b>Total current trade and other receivables</b>                  | <b>4,459</b>    | <b>2,648</b>    |

*(i) Credit Risk – Trade and Other Receivables*

The Group does not have any material credit risk exposure to any receivable.

The following table details the Group's trade and other receivables exposed to credit risk with ageing analysis and impairment. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

A bond not exceeding four weeks rent is held from tenants as security for costs upon vacating a property, which further reduces the credit risk to the Group. In line with the Department of Commerce requirement, bond money is lodged with the Bond Administrator no later than 14 days after the receipt of the money.

The Group believes it has adequately provided for doubtful debts.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

Invoices are raised with the terms of trade of 15 days. The Group has recognised an allowance for doubtful debts of 100% against items 180 days and older.

| 2016                       | GROSS<br>AMOUNT<br>\$ '000 | PAST<br>DUE AND<br>IMPAIRED<br>\$ '000 | PAST DUE BUT NOT IMPAIRED (DAYS OVERDUE) |                   |                   |                   |                 | WITHIN INITIAL<br>TRADE TERMS<br>\$ '000 |
|----------------------------|----------------------------|--|--|-------------------|-------------------|-------------------|-----------------|--|
|                            |                            |  | <30<br>\$ '000                           | 31– 60<br>\$ '000 | 61– 90<br>\$ '000 | 91-150<br>\$ '000 | >150<br>\$ '000 |  |
| Trade and term receivables | 758                        | 310                                    | 189                                      | 71                | 41                | 92                | 55              | -  |
| Other receivables          | 3,873                      | 61                                     | -  | -                 | -                 | -                 | -               | 3,812                                    |
|                            | <b>4,631</b>               | <b>371</b>                             | <b>189</b>                               | <b>71</b>         | <b>41</b>         | <b>92</b>         | <b>55</b>       | <b>3,812</b>                             |

| 2015                       | GROSS<br>AMOUNT<br>\$ '000 | PAST<br>DUE AND<br>IMPAIRED<br>\$ '000 | PAST DUE BUT NOT IMPAIRED (DAYS OVERDUE) |                   |                   |                   |                 | WITHIN INITIAL<br>TRADE TERMS<br>\$ '000 |
|----------------------------|----------------------------|--|--|-------------------|-------------------|-------------------|-----------------|--|
|                            |                            |  | <30<br>\$ '000                           | 31– 60<br>\$ '000 | 61– 90<br>\$ '000 | 91-150<br>\$ '000 | >150<br>\$ '000 |  |
| Trade and term receivables | 799                        | 369                                    | 185                                      | 35                | 48                | 87                | 75              | -  |
| Other receivables          | 2,192                      | 52                                     | -  | -                 | -                 | -                 | -               | 2,140                                    |
|                            | <b>2,991</b>               | <b>421</b>                             | <b>185</b>                               | <b>35</b>         | <b>48</b>         | <b>87</b>         | <b>75</b>       | <b>2,140</b>                             |

|  | NOTE | 2016<br>\$ '000 | 2015<br>\$ '000 |
|--|------|-----------------|-----------------|
| <b>NOTE 7. PROPERTY PLANT AND EQUIPMENT</b>        |      |                 |                 |
| <b>LAND AND BUILDINGS</b>                          |      |                 |                 |
| Freehold land at cost:                             |      |                 |                 |
| - Gifted land at acquisition                       |      | 58,299          | 43,508          |
| - Freehold land at acquisition                     |      | 5,035           | 4,293           |
| <b>Total Land</b>                                  |      | <b>63,334</b>   | <b>47,801</b>   |
| Buildings  |      |                 |                 |
| - Freehold buildings at cost                       |      | 23,232          | 20,989          |
| - Gifted buildings at cost                         |      | 78,303          | 67,283          |
| - Less accumulated depreciation and impairment     |      | (9,621)         | (7,009)         |
| <b>Total buildings</b>                             |      | <b>91,914</b>   | <b>81,263</b>   |
| Equity interests in properties                     |      | 1,334           | 1,334           |
| <b>Total Land and Buildings</b>                    |      | <b>156,582</b>  | <b>130,398</b>  |
| <b>PLANT AND EQUIPMENT</b>                         |      |                 |                 |
| Office furniture and equipment                     |      |                 |                 |
| - At cost  |      | 721             | 692             |
| - Less accumulated depreciation                    |      | (596)           | (505)           |
|  |      | <b>125</b>      | <b>187</b>      |
| Leasehold Improvements                             |      |                 |                 |
| - At cost  |      | 1,693           | 1,677           |
| - Less accumulated depreciation                    |      | (1,406)         | (1,167)         |
|  |      | <b>287</b>      | <b>510</b>      |
| Independent living programme and general furniture |      |                 |                 |
| - At cost  |      | 207             | 207             |
| - Less accumulated depreciation                    |      | (172)           | (149)           |
|  |      | <b>35</b>       | <b>58</b>       |
| <b>Total Plant and Equipment</b>                   |      | <b>447</b>      | <b>755</b>      |
| <b>MOTOR VEHICLES</b>                              |      |                 |                 |
| - At cost  |      | 53              | -               |
| - Less accumulated depreciation                    |      | (9)             | -               |
| <b>Total Motor Vehicles</b>                        |      | <b>44</b>       | <b>-</b>        |
| <b>Total Property, Plant and Equipment</b>         |      | <b>157,073</b>  | <b>131,153</b>  |

Equity interests in properties represent investments in properties jointly owned by the Group and Government of Western Australia Housing Authority. Per various agreements the Group has contributed up to 20% of the capital value of these properties.



**MOVEMENTS IN CARRYING AMOUNTS**

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

|   | NOTE | LAND AND BUILDINGS<br>\$ '000 | PLANT AND EQUIPMENT<br>\$ '000 | MOTOR VEHICLES<br>'000 | TOTAL<br>\$ '000 |
|---|------|-------------------------------|--------------------------------|------------------------|------------------|
| <b>2015</b>                                     |      |                               |                                |                        |                  |
| Balance at 1 July 2014                          |      | 125,547                       | 957                            | -                      | 126,504          |
| Additions                                       |      | 844                           | 200                            | -                      | 10,44            |
| Transferred from Development Projects Under WIP | 8    | 6,909                         | -                              | -                      | 6,909            |
| Disposals                                       |      | (568)                         | -                              | -                      | (568)            |
| Write-offs                                      |      | (162)                         | (42)                           | -                      | (204)            |
| Depreciation expense                            |      | (2,172)                       | (360)                          | -                      | (2,532)          |
| <b>Carrying amount at 30 June 2015</b>          |      | <b>130,398</b>                | <b>755</b>                     | <b>-</b>               | <b>131,153</b>   |

|   | NOTE | LAND AND BUILDINGS<br>\$ '000 | PLANT AND EQUIPMENT<br>\$ '000 | MOTOR VEHICLES<br>\$ '000 | TOTAL<br>\$ '000 |
|---|------|-------------------------------|--------------------------------|---------------------------|------------------|
| <b>2016</b>                                     |      |                               |                                |                           |                  |
| Balance at 1 July 2015                          |      | 130,398                       | 755                            | -                         | 131,153          |
| Additions                                       |      | 26,179                        | 44                             | 53                        | 26,277           |
| Transferred from Development Projects Under WIP | 8    | 3,874                         | -                              | -                         | 3,874            |
| Disposals                                       |      | (1,246)                       | -                              | -                         | (1,246)          |
| Write-offs                                      |      | (5)                           | -                              | -                         | (5)              |
| Impairment losses                               |      | (209)                         | -                              | -                         | (209)            |
| Depreciation expense                            |      | (2,409)                       | (352)                          | (9)                       | (2,770)          |
| <b>Carrying amount at 30 June 2016</b>          |      | <b>156,582</b>                | <b>447</b>                     | <b>44</b>                 | <b>157,073</b>   |

The following useful lives are used in the calculation of depreciation:

|                            |              |
|----------------------------|--------------|
| Buildings and improvements | 8 - 40 years |
| Plant and equipment        | 2 - 10 years |
| Motor Vehicles             | 3 - 8 years  |

**Restricted Covenants and Caveats registered over Land and Buildings**

Restricted Covenants and Caveats have been registered in favour of the Government of Western Australia Housing Authority, over certain Land and Buildings. These restricted covenants and caveats require the Government of Western Australia Housing Authority's permission should the Group wish to deal with the properties in any way.

**Assets pledged as security**

Land and buildings amounting to \$96.7 million of net book value as at 30 June 2016 have been pledged to secure borrowings of the Group (see note 12). They have been pledged as security for the bank loans under mortgage. The Group cannot pledge these assets as security for other borrowings or sell them without approval from the mortgagee.

**Measurement of the Group's gifted land and buildings**

The Group's gifted land and buildings are stated at cost less any subsequent accumulated depreciation on buildings and subsequent accumulated impairment losses.

The gifted land and buildings that have been contributed at no nominal cost are recognised at the fair value of the asset at the date that they are received. The Group has not subsequently fair valued the gifted land and buildings and therefore are deemed to be at cost.

**Measurement of the Group's freehold land and buildings**

The Group's freehold land and buildings are stated at cost incurred in development less any subsequent accumulated depreciation on buildings and subsequent accumulated impairment losses.

During the year, the business contracted LMW Hegney Perth, an independent valuer not related to the Group, to undertake a fair market valuation of a portion of its properties as required by the finance facility

agreement. The Group has valued approximately one third of its land and buildings with a carrying amount of \$52.9 million as at June 2016. The fair value of the properties was determined based on the market comparable approach that reflects recent transaction prices for similar properties. These land and buildings were fair valued by LMW Hegney at \$67.7 million which is an excess of \$14.8 million over the net book value as at June 2016.

*Impairment losses recognised in the year*

In review of the fair values based on the market comparable approach for individual property assets, the Group decided to recognise an impairment loss of \$209,000 on all assets where the fair values are less than the carrying amounts. The recoverable amount of the relevant assets has been determined on the basis of their fair value less costs of disposal. Those assets impaired belonged to the Group's Gifted Properties asset class.

|  | 2016          | 2015         |
|--|---------------|--------------|
| NOTE   | \$ '000       | \$ '000      |
| <b>NOTE 8. DEVELOPMENT PROJECTS UNDER WORK IN PROGRESS</b> |               |              |
| NON-CURRENT  |               |              |
| Balance at the beginning of year                           | 8,059         | 4,536        |
| Additions during the year                                  | 14,108        | 10,432       |
| Transferred to properties                                  | 7 (3,874)     | (6,909)      |
| Project costs write off                                    | (68)          | -            |
| <b>Balance at the end of the year</b>                      | <b>18,225</b> | <b>8,059</b> |

In relation to the acquisition and construction of the development projects borrowing costs amounting to \$199,000 (2015: \$325,000) have been capitalised during the period.

|                                  | 2016       | 2015       |
|----------------------------------|------------|------------|
| NOTE                             | \$ '000    | \$ '000    |
| <b>NOTE 9. INTANGIBLE ASSETS</b> |            |            |
| Computer software                | 771        | 857        |
|                                  | <b>771</b> | <b>857</b> |

| Computer software                              |  |              |
|--|--|--------------|
| <b>Cost</b>                                    |  |              |
| Balance at the beginning of year               |  | 1288         |
| Additions during the period                    |  | 62           |
| <b>Balance at end of year</b>                  |  | <b>1,350</b> |
| <b>Accumulated Amortisation and Impairment</b> |  |              |
| Balance at the beginning of year               |  | (432)        |
| Amortisation expense                           |  | (147)        |
| <b>Balance at the end of the year</b>          |  | <b>(579)</b> |
|  |  | <b>771</b>   |

|   | 2016     | 2015      |
|---|----------|-----------|
| NOTE  | \$ '000  | \$ '000   |
| <b>NOTE 10. INTEREST IN JOINT VENTURES</b>  |          |           |
| The Group had a 50% interest in the Eaton Joint Venture, whose principle activities are the development and construction of properties. The interests in the Joint Ventures are accounted for in the financial statement using the equity method. |          |           |
| Balance at the beginning of the year  | 54       | 322       |
| Distributions received during the period  | (96)     | (200)     |
| Profit on discontinuation of JV   | 42       | -         |
| Impairment  | -        | (68)      |
| <b>Investment in Joint Ventures</b>   | <b>-</b> | <b>54</b> |

|  | 2016         | 2015         |
|--|--------------|--------------|
| NOTE                                     | \$ '000      | \$ '000      |
| <b>NOTE 11. TRADE AND OTHER PAYABLES</b> |              |              |
| <b>CURRENT</b>                           |              |              |
| Trade payables                           | 2,453        | 159          |
| Government grants received in advance    | 1969         | 1969         |
| Other current payables                   | 2,385        | 2,476        |
| Employee benefits payable                | 25           | 246          |
|  | <b>6,832</b> | <b>4,850</b> |
| <b>NON-CURRENT</b>                       |              |              |
| Other non-current payable                | 15           | -            |
|  | <b>15</b>    | <b>-</b>     |

All trade and other payables are unsecured and the average credit period on purchases is between 14 and 60 days.

|                                       | 2016          | 2015          |
|---------------------------------------|---------------|---------------|
| NOTE                                  | \$ '000       | \$ '000       |
| <b>NOTE 12. FINANCIAL LIABILITIES</b> |               |               |
| <b>NON-CURRENT- SECURED</b>           |               |               |
| Bank Loan                             | 22,000        | 13,000        |
| <b>Total</b>                          | <b>22,000</b> | <b>13,000</b> |

*(a) Facility*

The total facility available to Access Housing Australia Limited as of 30 June 2016 is \$40 million being the lesser of \$40 million and an amount equivalent to 40% of the aggregate independent in line value of properties as specified in the loan agreement based on the independent in line valuation performed in 2015/16, which amounted to \$111 million. There is a tripartite agreement in place between the Commonwealth Bank of Australia, Government of Western Australia Housing Authority and Access Housing Australia Limited covering this facility.



(b) *Assets pledged as security*

- First ranking charge over assets pledged as security.
- Fixed property mortgages over residential property portfolio valued at circa \$111 million consisting of 422 properties.

(c) *Interest terms*

Interest rates are set based on the average Bank Bill Swap Bid Rate ("BBSY") plus a margin of 0.7% for a term equivalent to the interest period.

(d) *Loan Repayment Terms*

As per the extended facility arrangement that came into effect on 20 May 2015, the borrower must repay all outstanding principal amounts by 30 November 2019, the termination date of the facility.

(e) *Financial undertakings*

As per the extended finance facility arrangement the borrower must operate above specified hurdle ratios for interest cover and debt service.

As at 30 June 2016, the Group was in compliance with all the required financial undertakings.

|                                  | 2016       | 2015       |
|----------------------------------|------------|------------|
| NOTE                             | \$ '000    | \$ '000    |
| <b>NOTE 13. PROVISIONS</b>       |            |            |
| <b>CURRENT</b>                   |            |            |
| Provision for annual leave       | 527        | 402        |
| Provision for long service leave | 218        | 144        |
|                                  | <b>745</b> | <b>546</b> |
| <b>NON CURRENT</b>               |            |            |
| Provision for long service leave | 156        | 94         |
|                                  | <b>156</b> | <b>94</b>  |

**NOTE 14. EQUITY**

The Group is incorporated under the Corporation Act 2001 and is limited by guarantee and has no paid up capital. The members' guarantee is limited to \$1 per member. At 30 June 2016 the number of members was 8 (2015: 9).

|  | 2016       | 2015         |
|--|------------|--------------|
| NOTE   | \$ '000    | \$ '000      |
| <b>NOTE 15. COMMITMENTS</b>  |            |              |
| <b>Operating Lease Commitments</b>                                 |            |              |
| Non-cancellable operating leases contracted for but not recognised |            |              |
| Payable – minimum lease payments                                   |            |              |
| - not later than 12 months   | 574        | 564          |
| - later than 12 months but not later than 5 years                  | 364        | 595          |
| - later than 5 years   | -          | -            |
|  | <b>938</b> | <b>1,159</b> |

The property lease commitments are non-cancellable operating leases contracted for but not recognised in the financial statements. Increase in lease commitments may occur in line with the Consumer Price Index (CPI).

The motor vehicle lease commitments are operating leases contracted for a term of less than one year.

**CAPITAL COMMITMENTS**

The Group has a number of building contracts in place in relation to nine development projects. The outstanding commitments on these contracts at 30 June 2016 was \$26,497,000 (2015: \$9,328,000). The Group had no other capital commitments at 30 June 2016.

|   | 2016         | 2015         |
|---|--------------|--------------|
| NOTE  | \$ '000      | \$ '000      |
| <b>NOTE 16. CASH FLOW INFORMATION</b>   |              |              |
| Reconciliation of profit for the year to net cash flows from operating activities |              |              |
| Profit after tax  | 26,728       | 917          |
| Income tax benefit recognised in profit or loss                                   | (30)         | (5)          |
| Non cash flows  |              |              |
| - Depreciation and amortisation   | 2,917        | 2,670        |
| - Gifted properties   | (25,645)     | -            |
| - Gain on disposal of property, plant and equipment                               | (128)        | (216)        |
| - (Decrease) / increase in provision for doubtful debts                           | (50)         | 94           |
| - Share of profits of joint ventures  | (42)         | -            |
| - Property, plant and equipment impaired and written off                          | 214          | 204          |
| - Investment impaired   | 68           | 68           |
| Movements in Working Capital  |              |              |
| - (Decrease) / increase in trade and other payables                               | (150)        | 2,107        |
| - Increase in trade and other receivables   | (1,783)      | (1,333)      |
| - Increase in provisions  | 261          | 98           |
| <b>Net cash generated by operating activities</b>                                 | <b>2,360</b> | <b>4,604</b> |

**NOTE 17. CONTINGENT LIABILITIES**

There are no contingent liabilities as at 30 June 2016.

**NOTE 18. EVENTS AFTER THE REPORTING PERIOD**

No material events have occurred subsequent to the reporting period.

#### NOTE 19. RELATED PARTY TRANSACTIONS

The Group's related parties include its key management personnel and related entities as described below.

##### (A) REMUNERATION OF KEY MANAGEMENT PERSONNEL

Name, position held of key management personnel and their remuneration disclosed below:

| NAME OF THE KEY MANAGEMENT PERSONNEL | POSITION HELD                    |
|--------------------------------------|----------------------------------|
| David Lantzke                        | Director / Chairperson           |
| Malcolm O'Dell                       | Director                         |
| Rebecca Strom                        | Director                         |
| Christopher Parkinson                | Director                         |
| Matthew Raison                       | Director                         |
| Geo <sup>o</sup> Lotter              | Director                         |
| Debra Bakker                         | Director                         |
| Hon. James (Jim) McGinty AM          | Director                         |
| Michael Mitchell                     | Director (resigned 08/06/2016)   |
| Garry Ellender                       | Chief Executive Officer          |
| Allan Wilkerson                      | General Manager Tenancy Services |
| Ian Aiyathurai                       | Chief Financial Officer          |
| Susan Groome                         | General Manager Property Assets  |

##### KEY MANAGEMENT PERSONNEL REMUNERATION

|                              | 2016<br>\$ '000 | 2015<br>\$ '000 |
|------------------------------|-----------------|-----------------|
| Short term employee benefits | 89              | 781             |
| Other benefits               | 41              | 30              |
|                              | <b>860</b>      | <b>811</b>      |

Of the above, \$14,000 (2015: \$14,000) relates to directors fees which directors have not taken in cash but have been set aside to be donated to charity.

(B) TRANSACTIONS WITH RELATED ENTITIES  
Balances and transactions between the company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

##### OTHER RELATED PARTY TRANSACTIONS

During the period Access Housing Group incurred legal costs from Corrs Chambers Westgarth Lawyers, an entity which Rebecca Strom is a Partner. Costs incurred for the financial year ended 30 June 2016 amounted to \$122,000 (2015: \$274,000). At 30 June 2016 \$8,500 (2015: \$138,000) remained unpaid.

The Group has obtained consultancy services from Private Invest an entity of which Mark Roberts (Director - CCIN) is the Owner. Costs incurred for

the financial year ended 30 June 2016 amounted to \$364,000 (2015: \$364,000). At 30 June 2016 \$ Nil (2015: \$14,000) remained unpaid.

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

#### NOTE 20. INVESTMENTS IN SUBSIDIARY AND JOINT VENTURE ENTITIES

##### (A) SHAREHOLDING

|                               | 2016 | 2015 |
|-------------------------------|------|------|
| <b>Name of the entity</b>     |      |      |
| Access Housing Realty Pty Ltd | 100% | 100% |
| Access CCIN Ltd               | 100% | 100% |
| Eaton Joint Venture Pty Ltd   | -    | 50%  |

##### (B) COMPOSITION OF THE GROUP

Information about the composition of the Group at the end of the reporting period is as follows:

| PRINCIPAL ACTIVITY                                 | PLACE OF INCORPORATION AND OPERATION | NUMBER OF WHOLLY-OWNED SUBSIDIARIES | 2016     | 2015 |
|--|--------------------------------------|-------------------------------------|----------|------|
| Provider of Real Estate services                   | Australia                            | 1                                   | 1        |      |
| Development of Private Equity Investment structure | Australia                            | 1                                   | 1        |      |
|  |                                      | <b>2</b>                            | <b>2</b> |      |

#### NOTE 21. FINANCIAL RISK MANAGEMENT

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in accounting policies to these financial statements, are as follows:

|   | NOTE | 2016<br>\$ '000 | 2015<br>\$ '000 |
|---|------|-----------------|-----------------|
| <b>Financial Assets</b>                 |      |                 |                 |
| Cash and cash equivalents               | 5    | 3,455           | 3,283           |
| Trade and other receivables             | 6    | 4,459           | 2,648           |
| <b>Total Financial Assets</b>           |      | <b>7,914</b>    | <b>5,931</b>    |
| <b>Financial Liabilities</b>            |      |                 |                 |
| Financial Liabilities at amortised cost |      |                 |                 |
| Trade and other payables                | 11   | 6,847           | 4,850           |
| Bank loans                              | 12   | 22,000          | 13,000          |
| <b>Total Financial Liabilities</b>      |      | <b>28,847</b>   | <b>17,850</b>   |





**FINANCIAL RISK MANAGEMENT POLICIES**

The finance and audit committee consists of five committee members, and the committee's overall risk management strategy is to assist the Group in meeting its financial targets whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the finance and audit committee on a regular basis. These include credit risk policies and future cash flow requirements.

**SPECIFIC FINANCIAL RISK EXPOSURE AND MANAGEMENT**

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

**(A) CREDIT RISK**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

The Group does not have any material credit risk exposures as its major source of revenue is the receipt of rent. Rent is largely directly debited from centrelink or client bank accounts which further mitigates credit risk.

**CREDIT RISK EXPOSURES**

The maximum exposure to credit risk by class of recognised financial assets at the end of the

reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the Statement of Financial Position.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 6.

The Group has no significant concentrations of credit risk with any single counterparty or Group of counterparties. Details in relation to the credit risk of trade and other receivables are provided in Note 6.

Credit risk related to balances with banks and other financial institutions is managed by the finance and audit committee in accordance with approved board policy. Such policy requires that surplus funds are only invested with one of the larger banking institutions in Australia.

|   | NOTE | 2016<br>\$ '000 | 2015<br>\$ '000 |
|---|------|-----------------|-----------------|
| Cash and cash equivalents – S&P rated AA- | 5    | 3,455           | 3,283           |
|   |      | <b>3,455</b>    | <b>3,283</b>    |

**(B) LIQUIDITY RISK**

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The table below summarises the maturity profile of the Group's financial liabilities at the reporting date based on contractual undiscounted repayments obligations:

|                           | 2016                                 |                      |                      |                              |                  | 2015                                 |                      |                      |                              |                  |
|---------------------------|--------------------------------------|----------------------|----------------------|------------------------------|------------------|--------------------------------------|----------------------|----------------------|------------------------------|------------------|
|                           | ON DEMAND WITHIN ONE YEAR<br>\$ '000 | 1-2 YEARS<br>\$ '000 | 2-5 YEARS<br>\$ '000 | 5 YEARS AND ABOVE<br>\$ '000 | TOTAL<br>\$ '000 | ON DEMAND WITHIN ONE YEAR<br>\$ '000 | 1-2 YEARS<br>\$ '000 | 2-5 YEARS<br>\$ '000 | 5 YEARS AND ABOVE<br>\$ '000 | TOTAL<br>\$ '000 |
| Trade payables            | 2,453                                | -                    | -                    | -                            | 2,453            | 159                                  | -                    | -                    | -                            | 159              |
| Other payables            | 2,385                                | 15                   | -                    | -                            | 2,400            | 2,476                                | -                    | -                    | -                            | 2,476            |
| Employee benefits payable | 25                                   | -                    | -                    | -                            | 25               | 246                                  | -                    | -                    | -                            | 246              |
| Bank loan                 | -                                    | -                    | 22,000               | -                            | 22,000           | -                                    | -                    | 13,000               | -                            | 13,000           |
|                           | <b>4,863</b>                         | <b>15</b>            | <b>22,000</b>        | <b>-</b>                     | <b>26,878</b>    | <b>2,881</b>                         | <b>-</b>             | <b>13,000</b>        | <b>-</b>                     | <b>15,881</b>    |

(C) INTEREST RATE RISK

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

|                                    | FIXED INTEREST RATE |            | FLOATING INTEREST RATE |          |               |               | NON-INTEREST BEARING |              | TOTAL         |               | WEIGHT EFFECTIVE INTEREST RATE |          |
|------------------------------------|---------------------|------------|------------------------|----------|---------------|---------------|----------------------|--------------|---------------|---------------|--------------------------------|----------|
|                                    | 2016                | 2015       | 1 YEAR OR LESS         |          | 1 TO 5 YEARS  |               | 2016                 | 2015         | 2016          | 2015          | 2016                           | 2015     |
|                                    | \$ '000             | \$ '000    | \$ '000                | \$ '000  | \$ '000       | \$ '000       | \$ '000              | \$ '000      | \$ '000       | \$ '000       | %                              | %        |
| <b>Financial Assets</b>            |                     |            |                        |          |               |               |                      |              |               |               |                                |          |
| Cash                               | 10                  | 969        | -                      | -        | -             | -             | 3,345                | 2,314        | 3,455         | 3,283         | 2.20%                          | 2.35%    |
| Trade and other receivables        | -                   | -          | -                      | -        | -             | -             | 4,459                | 2,648        | 4,459         | 2,648         | NA                             | NA       |
| <b>Total Financial Assets</b>      | <b>10</b>           | <b>969</b> | <b>-</b>               | <b>-</b> | <b>-</b>      | <b>-</b>      | <b>7,804</b>         | <b>4,962</b> | <b>7,914</b>  | <b>5,931</b>  | <b>-</b>                       | <b>-</b> |
| <b>Financial Liabilities</b>       |                     |            |                        |          |               |               |                      |              |               |               |                                |          |
| Trade and other payables           | -                   | -          | -                      | -        | -             | -             | 6,847                | 4,850        | 6,847         | 4,850         | NA                             | NA       |
| Bank loans                         | -                   | -          | -                      | -        | 22,000        | 13,000        | -                    | -            | 22,000        | 13,000        | 3.00%                          | 3.89%    |
| <b>Total Financial Liabilities</b> | <b>-</b>            | <b>-</b>   | <b>-</b>               | <b>-</b> | <b>22,000</b> | <b>13,000</b> | <b>6,847</b>         | <b>4,850</b> | <b>28,847</b> | <b>17,850</b> | <b>-</b>                       | <b>-</b> |

**SENSITIVITY ANALYSIS**

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period.

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 30 June 2016 would decrease/increase by \$220,000 (2015: decrease/increase by \$130,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

The Group's sensitivity to interest rates has increased during the current year mainly due to the additional draw down made on variable rate borrowing facility as a result of increased level of development project activities.

**NOTE 22. CAPITAL MANAGEMENT**

Management controls the capital of the Group to ensure that adequate cash flows are generated to fund its proposed development programs and that returns from investments are maximised within tolerable risk parameters. The finance and audit committee ensures that the overall risk management strategy is in line with this objective. The finance and audit committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These

include credit risk policies and future cash flow requirements. The Group's capital consists of financial liabilities, supported by financial assets. Management effectively managed the Group's capital by assessing the Group's financial risks and responding to changes in these risks and in the market. These responses include the consideration of debt levels.

The Group is in compliance with its commitments to the Commonwealth Bank of Australia and the Government of Western Australia Housing Authority.



## DIRECTORS' DECLARATION

Access Housing Australia Limited

The directors of the Group declare that:

- 1 The financial statement and notes, as set out on pages 7 to 37, are in accordance with the Corporations Act 2001 and the ACNC Act 2012 and:
  - a) comply with Australian Accounting Standards; and
  - b) give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date of the Group.
2. In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read "David Lantzke".

*Director*

**David William Lantzke**

Dated this 28th day of September 2016



## Independent Auditor's Report

### To the Members of Access Housing Australia Limited

We have audited the accompanying financial report of Access Housing Australia Limited ("the Company") and Controlled Entities ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

### Directors Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission ("ACNC") Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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



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**Independent Auditor's Report**  
To the Members of Access Housing Australia Limited *(Continued)*



**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements, the *Corporations Act 2001* and the *ACNC Act 2012*.

**Opinion**

In our opinion:

- a. The financial report of Access Housing Australia Limited and Controlled Entities is in accordance with the *Corporations Act 2001* and the *ACNC Act 2012*, including:
  - i. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
  - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and the *ACNC Regulations 2013*;

**BENTLEYS**  
Chartered Accountants

**MARK DELAURENTIS CA**  
Director

Dated at Perth this 28<sup>th</sup> day of September 2016

12.4 Finance Committee - 17/01/2019 - APPLICATION FOR RATE EXEMPTION - LAMP INCORPORATED

|                             |   |
|-----------------------------|---|
| <b>SUBJECT INDEX:</b>       | Exemptions and Appeals (Rates)  |
| <b>STRATEGIC OBJECTIVE:</b> | Governance systems, process and practices are responsible, ethical and transparent.   |
| <b>BUSINESS UNIT:</b>       | Rates   |
| <b>ACTIVITY UNIT:</b>       | Rates   |
| <b>REPORTING OFFICER:</b>   | Rates Coordinator - David Nicholson   |
| <b>AUTHORISING OFFICER:</b> | Director Finance and Corporate Services - Tony Nottle   |
| <b>VOTING REQUIREMENT:</b>  | Simple Majority   |
| <b>ATTACHMENTS:</b>         | Attachment A Rate Exemption Application <a href="#">↓</a><br>Attachment B Auditors Report <a href="#">↓</a><br>Attachment C Consitution <a href="#">↓</a> |

**This item was considered by the Finance Committee at its meeting on 17 January 2019, the recommendations from which have been included in this report.**

## PRÉCIS

An application has been received from Lamp Incorporated for rate exemption. On the basis of the application this report recommends that the request for exemption be granted.

## BACKGROUND

The Lamp Incorporated organisation is a not for profit/charitable group that purchased a residential property at 13 Billabong Street, Yalyalup in August 2017. The purposes of the property is to provide supported short term accommodation for people with mental illness while they await permanent residency with Housing WA (NE: Department of Housing) or family reunification.

The Annual Information Statement 2017 as lodged with the Australian Charities and Not for Profits Commission (ACNC) details the organisations activities and outcomes as:

*“A community support service for people with Mental Health issues, their families and carers. Lamp activities cover a diverse range of community settings including supporting people with severe and persistent mental illness to live independently, to live in their homes, provide education, training and advocacy for carers and families, work with youth in crisis, self-harm and suicide prevention, homelessness, indigenous and family mental health support, work with school and juvenile justice systems providing early intervention for young people at risk. Lamp works with an individualised recovery model and the supports services it offers allows people with mental illness to optimise their lifestyle choices and become active and welcome members of communities.”*

Documentation provided in a previous rate exemption application for 226 Bussell Highway, West Busselton that was approved and/or as part of the application includes:

- Application for Rate Exemption including property use Statutory Declaration.
- Constitution and rules for Lamp Inc.
- Australian Charities and Not for Profits Commission (ACNC) registration summary
- ACNC annual information statement 2017
- Australian Tax Office notice of endorsement for charity tax concessions
- Lamp Inc. Financial Report year ending 30 June 2017

Principal funding is provided by grants through such organisations as:

- Disability Services Commission
- Department of Child Protection
- Mental Health Commission
- Department of Health D2D Living Community Program
- Department of Social Services

While it was a different type of property and location, Lamp Incorporated's office location at 226 Bussell Highway, West Busselton was deemed exempt from rates at Council's ordinary meeting held on the 13<sup>th</sup> June 2018. At this meeting it was resolved:

*C1806/110 Moved Councillor J McCallum, seconded Councillor P Carter*

*That the Council in accordance with Section 6.26 (2)(g) of the Local Government Act 1995 declare 226 Bussell Hwy, West Busselton, as leased by the Lamp Incorporation be declared exempt from rating on the basis that the property is used exclusively for a charitable purpose, with the effective date being the date of application, namely, 28th March 2018.*

*CARRIED 9/0  
EN BLOC*

## **STATUTORY ENVIRONMENT**

Section 6.26 of the *Local Government Act 1995* (the Act) provides broad definitions for rateable and non-rateable land. Moreover, Section 6.26 (2) (g) states that land is not rateable if it is "used exclusively for charitable purposes".

## **RELEVANT PLANS AND POLICIES**

There are no relevant plans or policies in relation to this item.

## **FINANCIAL IMPLICATIONS**

The rates levied for 13 Billabong Street Yalyalup totalled \$1,651 for the 2018/19 financial year.

An application for rate exemption was lodged on the 22<sup>nd</sup> August 2018, immediately after the issuance of the 2018/2019 annual rate notice and within the rate objection period. As such, a rate exemption if granted should be effective 1<sup>st</sup> July 2018 resulting in a \$1,651 reduction to the 2018/2019 rating income and similar amounts for each of the following financial periods.

## **LONG-TERM FINANCIAL PLAN IMPLICATIONS**

There will be no significant implication to the City's long term financial plan due to the amount of the proposed rate exemption.

While a broader local government issue, there is a concern that a large number of organisations claiming charitable status could result in a long term effect on the City's rate base into the future. This matter was raised at the recent South West WALGA Zone (SWZ) meeting in Capel on the 23 November 2018. The SWZ has since advocated for clarity and consideration of the impacts of rates exempt properties within the current Local Government Act Review (Phase 2).

## STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 of the Strategic Community Plan 2017 and more specifically Community Objective 6.1 - 'Governance systems, process and practices are responsible, ethical and transparent'.

## RISK ASSESSMENT

There are no risks identified of a medium or greater level associated with the Officers recommendation. Having said that, if Council chooses to not approve the application for rate exemption then staffing and/or legal costs may be incurred if the applicant refers the matter to the State Administrative Tribunal for review of the decision.

## CONSULTATION

No consultation was considered necessary in relation to this matter.

## OFFICER COMMENT

In accordance with Section 6.26 (2) (g) of the Act land is not rateable if it is used exclusively for charitable purposes. Rate exemption applications need only be considered in two parts – being firstly is the use itself “charitable” and secondly if the use is considered to be charitable, then is the property being used exclusively for such use.

In considering the first part, that is, are the operations of Lamp Incorporated considered to be a charitable use, legal opinions have been consistent in defining a charitable purpose as land used for:

1. The relief of poverty;
2. The advancement of education;
3. The advancement of religion; and
4. Other purposes beneficial to the community.”

The services provided by Lamp Incorporated are, apart from a small once off membership fee of \$60.00 for insurance purposes, provided free of charge. Provision of services to those suffering from mental health issues within the community would meet the “other purposes beneficial to the community” charitable definition.

In considering the second part, that is, ‘is the property being exclusively used for a charitable purpose’; this criteria is being met as Lamp Incorporated owns the property and uses it exclusively for the purpose of providing accommodation for people with mental illness.

There has been no physical inspection of the property due to its residential purpose and that to do so could cause anxiety to any occupant/s. Included however with the rate exemption application was a statutory declaration stating that the property’s purpose is “*Transitional housing for people with mental illness short term whilst awaiting public housing*”.

The City’s Planning and Development Services Directorate have reviewed this request and determined that the property and its proposed uses do not require further assessment or approvals.

If rate exemption is granted then the applicant will be instructed to confirm by the 30<sup>th</sup> April annually that the property continues to be used for the purposes stated in the application. If a change has occurred and the new use is not eligible for rate exemption then the property will become rateable.



**CONCLUSION**

It is considered, based on the application and associated documentation provided by Lamp Incorporated, prior rate exemption granted to Lamp Incorporated by Council as well as the legal opinions on charitable purposes, that 13 Billabong Street, Yalyalup is eligible for rate exemption as it is being used exclusive for such charitable purposes.

**OPTIONS**

Council may decline the rate exemption application on the basis that it considers that Lamp Incorporated is not providing a charitable purpose to the community or that such charitable use is not considered an exclusive use of the property.

Should the application be declined for either of the above reasons then Lamp Incorporated will have the option to refer the matter to the State Administrative Tribunal for a review of the decision. Such referral will see Council needing to defend its decision and thereby incurring staffing and/or legal costs.

**TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION**

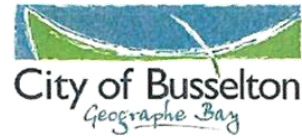
The proposed effective date for rate exemption if granted would be the 1<sup>st</sup> July 2018 due to the application being lodged on the 22<sup>nd</sup> August 2018, immediately after the issuance of the 2018/2019 annual rate notice and within the rate objection period.

**COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION**

That the Council:

1. grant rate exemption under section 6.26 (2)(g) of the *Local Government Act 1995*, "land used exclusively for charitable purposes", on 13 Billabong Street Yalyalup effective from the 1<sup>st</sup> July 2018; and
2. determine that the above rate exemption is to continue where Lamp Incorporated confirms in writing by the 30th April annually that the property continues to be used for the purposes stated in the application.

**APPLICATION FOR RATES EXEMPTION**  
Local Government Act 1995 – Section 6.26



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This application form is to be used by organisations seeking exemption from rates, pursuant to the provisions of Section 6.26 of the Local Government Act 1995. The application for exemption will be checked based on the information you have provided, and you will be advised of the outcome in due course.

Please attach any additional documents requested, as failure to do so may result in the application being refused.

**Please note that where exemption from rates is approved, the property will still be subject to the Emergency Services Levy and any other charges, if applicable, such as rubbish collection charges. All properties which are granted exemption from rates are subject to periodic reviews to ensure continued approval.**

**Instructions:** Please print clearly in the spaces provided.

**1. PROPERTY ADDRESS DETAILS**

|                                    |                     |
|------------------------------------|---------------------|
| Street address                     | 13 Billabong Street |
| Suburb                             | Yalyalup, WA 6280   |
| Rates Assessment Number (if known) | 100048490           |

**2. WHAT IS THE CURRENT USE OF THE PROPERTY? Please provide full details:**

The house is a charity house that is used to provide supported short term accommodation for people with mental illness awaiting depart of housing permanent residency or reunification with family. The property is a not for profit investment with all overheads and charges being sourced through fundraising activities.

**3. PROPERTY OWNER DETAILS**

|   |                           |                   |             |
|---|---------------------------|-------------------|-------------|
| <b>Organisation:</b>                            | Lamp Incorporated         |                   |             |
| <b>Property Owner:</b><br>if different to above |                           |                   |             |
| <b>Postal Address:</b>                          | PO BOX 5056, BUSSELTON WA |                   |             |
| <b>Telephone:</b>                               | 08 97541834               | <b>Postcode:</b>  | 6280        |
| <b>Mobile:</b>                                  |                           | <b>Facsimile:</b> | 08 97541836 |
| <b>E-mail:</b>                                  |                           |                   |             |

**4. APPLICANT DETAILS**

|                        |                           |                   |             |
|------------------------|---------------------------|-------------------|-------------|
| <b>Contact Person:</b> | Lorrae Loud               |                   |             |
| <b>Position Title:</b> | CEO                       |                   |             |
| <b>Postal Address:</b> | PO BOX 5056, BUSSELTON WA |                   |             |
| <b>Telephone:</b>      | 08 97541834               | <b>Postcode:</b>  | 6280        |
| <b>Mobile:</b>         | 0413 656 900              | <b>Facsimile:</b> | 08 97541836 |
| <b>E-mail:</b>         | lloud@lampinc.org.au      |                   |             |

**5. ORGANISATION INFORMATION**

**Is/does the organisation:**

An incorporated body as per the Associations Incorporated Act 1987?  
*If yes, provide a Certificate of Incorporation*      Yes  No

Considered "not for profit"?      Yes  No

Have a tax exemption from the Australian Tax Office (ATO)?  
*If yes, provide a certificate of tax exemption from the ATO*      Yes  No

Leasing the property?  
*If yes, provide a copy of the lease and confirm if the lessee is responsible for payment of the rates*      Yes  No

Have planning approval for the land use of the property?  
*A site inspection may be required before the application is processed*      Yes  No

**6.DOCUMENTATION REQUIREMENTS**

Please provide a copy of (in addition to those specified in Section 5):

Organisation's Constitution

Written statement outlining the nature of the Organisation's operations.

It should include the following details:

- Use and occupancy of the property
- Type of service provided (e.g. food, accommodation etc)
- Frequency of service provision (e.g. full-time, daily, weekly etc)
- Whether payment is received for the service

A plan of the property, showing all buildings and outbuildings

OR

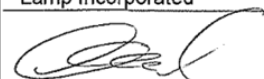
A Floor plan of the leased property area, if only part of the property is the subject of this application

A Copy of the current years audited financial statements for the Organisation  
*(If this exemption applies to only a portion of land owned by this Organisation, provide the relevant statements for the land this application applies to.)*

---

**7. AUTHORISATION**

By signing this application, I hereby certify that the information provided is true and correct to the best of my knowledge.

|  |   |              |           |
|--|---|--------------|-----------|
| <b>Name:</b>                           | Lorrae Loud   |              |           |
| <b>Position:</b>                       | CEO   |              |           |
| <b>Organisation:</b>                   | Lamp Incorporated   |              |           |
| <b>Signature: of<br/>CEO / Trustee</b> |  | <b>Date:</b> | 21-8-2018 |

---

### OFFICE USE ONLY

---

#### 1. CONSIDERATIONS

Approval with the City's Town Planning Scheme?      YES       NO   
Has the property been inspected?      YES       NO   
Recommend for non-rateable status?      YES       NO

Section of the Local Government Act 1995 6.26(2) \_\_\_\_\_

Classification: \_\_\_\_\_

Person/s or Classes of Persons Affected by this decision:  
\_\_\_\_\_

Reason for non-rateable status:

New Application       Review of Exemption

If yes, amount of rates to be exempted and dates to be applicable from (application date).  
The approval will be for a period of 3 years, unless circumstances change.

Amount: \_\_\_\_\_      Date (from): \_\_\_\_\_

Rubbish bin changes to be levied and dates to be applicable from:

Amount: \_\_\_\_\_      Date (from): \_\_\_\_\_

---

#### 2. DECISION

This application has been: **Approved / Not Approved**

Council resolution # \_\_\_\_\_ Council meeting date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Effective Date of Approval (if applicable): \_\_\_\_/\_\_\_\_/\_\_\_\_

---

WESTERN AUSTRALIA

**OATHS, AFFIDAVITS AND STATUTORY DECLARATIONS ACT 2005**

**STATUTORY DECLARATION**

**APPLICATION FOR RATES EXEMPTION UNDER  
SECTION 6.26 OF THE LOCAL GOVERNMENT ACT 1995.**

**STATEMENT OF PROPERTY USE FOR THE YEAR ENDING 30 JUNE 2018**

|   |  |
|---|--|
| (1) Christian name or names<br>and surname of declarant in full | (1)<br><b>I Lorrae Loud</b>  |
| (2) Address   | (2)<br><b>Of 226 Bussell Highway</b><br><b>In the State of Western Australia</b> |
| 3) Occupation   | (3)CEO – Lamp Inc  |

Sincerely declare as follows:-

|   |  |
|---|--|
| <b>The property located at</b>                            | 13 Billabong Street, Yalyalup, WA 6280   |
| is used by  | Lamp Inc   |
| for the purposes of                                       | Transitional Housing for people with Mental Illnesses<br>short term whilst waiting for public housing. |
| Description of the activities the<br>property is used for | Domestic living for people with mental health illnesses  |
| for the period  | to or from July 2017 to June 2018  |

|   |
|---|
| The applicant agrees to advise the Local Government's Rating Services Section as soon as there is <b>ANY</b> change to the purpose/s as stated above. |
|---|

This declaration is made under the *Oaths, Affidavits and Statutory Declarations Act 2005*

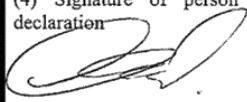
Declared at Busselton

This 21st day of August 2018

In the presence of Debra L Prime JP 29181  
(Signature of authorised witness)

DEBRA L PRIME JUSTICE OF THE PEACE  
(Name of authorised witness and qualification as such a witness)

(4) Signature of person making the  
declaration



(4)

**\*Important** This Declaration must be made before any of the following persons:-

Academic {post-secondary institution}  
Accountant  
Architect  
Australian Consular Officer  
Australian Diplomatic Officer  
Bailiff  
Bank Manager  
Chartered secretary  
Chemist  
Chiropractor  
Company auditor or liquidator  
Court officer {Judge, magistrate, registrar or clerk}  
Defence Force officer {Commissioned, Warrant or NCO {with 5 years continuous service}}  
Dentist  
Doctor  
Electorate Officer {State – WA only}  
Engineer  
Industrial organisation secretary  
Insurance broker  
Justice of the Peace {any State}  
Lawyer  
Local government CEO or deputy CEO  
Local government councillor  
Loss adjuster  
Marriage Celebrant  
Member of Parliament {State or Commonwealth}  
Minister of religion  
Nurse  
Optometrist  
Patent Attorney  
Physiotherapist  
Podiatrist  
Police officer  
Post Officer manager  
Psychologist  
Public Notary,  
Public Servant {State or Commonwealth}  
Real Estate agent  
Settlement agent  
Sheriff or deputy Sheriff  
Surveyor  
Teacher  
Tribunal officer  
Veterinary surgeon

Or,

Any person before whom, under the *Statutory Declarations Act 1959* of the Commonwealth, a Statutory Declaration may be made.

---

**FOR INFORMATION:** Any authorised witness for the State of Western Australia may also witness a Commonwealth Statutory Declaration, as long as they are in Western Australia at the time of witnessing {Schedule 2, item 231 of the Commonwealth Statutory Declarations Regulations 1993}.

**IMPORTANT INFORMATION:**

AS OF 1 JANUARY 2006 THERE IS NO PROVISION FOR COMMISSIONERS FOR DECLARATIONS IN THE STATE OF WESTERN AUSTRALIA



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Lamp Inc  
226 Bussell Highway  
PO Box 5056  
Busselton WA 6280  
ABN: 81 359 568 293

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21 August 2018

City of Busselton  
Locked Bag 1  
Busselton WA 6280

To whom it may concern

**RE: 13 Billabong Street, Yalyalup WA 6280**

**Use and occupancy of the property**

The use of this property is to house persons (No more than 2 at a time) with a mental illness and in danger of homelessness while waiting for a permanent home either through the Department of Housing, private rental or reunification.

**Type of service provided**

We provide this housing as a short term solution whilst other housing is sort.

**Frequency of service provision**

There is usually at least one person living in the premises at any time but no more than two.

**Whether payment received for service**

A basic maintenance fee is charged to the tenant to cover water, electricity and maintenance of these premises.

Yours sincerely

Lorrae Loud  
CEO  
Lamp Inc

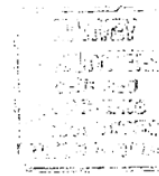
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*Approved NDIS Provider*

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Phone: (08) 9754 1834 Fax: (08) 9754 1836 Email: [admin@lampinc.org.au](mailto:admin@lampinc.org.au)





**LAMP INCORPORATED**  
**81 359 568 293**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**30 JUNE 2017**

**Liability limited by a scheme approved under  
Professional Standards Legislation**



**LAMP INCORPORATED**  
81 359 568 293

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Certificate by Members of the Committee

Depreciation Schedule



**LAMP INCORPORATED**  
81 359 568 293

**COMMITTEE'S REPORT**

Your committee members submit the financial report of the Lamp Incorporated for the financial year ended 30 June 2017.

**Committee Members**

The name of each member of the committee during the year and if different, at the date of the report;

| POSITION HELD           | NAME OF BOARD   |
|-------------------------|-----------------|
| CHAIRPERSON             | YVONNE AVERY    |
| SECRETARY               | HAYLEY REILLY   |
| VICE CHAIRPERSON        | SARAH LOTZE     |
| TREASURER               | JULIE DICKSON   |
| COMMUNITY REPRES.       |                 |
| HEALTH/COMTY<br>REPRES. | Dr STEVEN COHEN |
| GENERAL COMMITTEE       | KERRY JENSEN    |
|                         |                 |
| GENERAL COMMITTEE       | PETER ALEXANDER |
| CONSUMER'S REPRES.      | MICHAEL DAWKINS |

**Principal Activities**

The principal activities of the association during the financial year were:

*Community Support Service for people, with Mental Health issues  
their family & carers*

**Significant Changes**

*NIL*

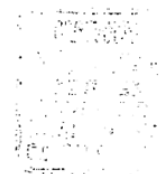
**Operating Result**

The profit of the association after providing for income tax amounted to \$44,188.25.

Signed in accordance with a resolution of the Members of the Committee.

Dated this *5<sup>th</sup>* day of *October* 2017

**LAMP INCORPORATED**  
81 359 568 293



**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

|  | Note | 2017<br>\$          | 2016<br>\$          |
|--|------|---------------------|---------------------|
| <b>INCOME</b>                            |      |                     |                     |
| Grants                                   |      | 1,570,117.45        | 1,531,720.64        |
| Grants - Miscellaneous                   |      | <u>2,170.00</u>     | <u>6,707.64</u>     |
|  |      | <u>1,572,287.45</u> | <u>1,538,428.28</u> |
| <b>OTHER INCOME</b>                      |      |                     |                     |
| Grant Funds B/F from Prior Year          |      | (15,679.77)         | -                   |
| Miscellaneous Income                     |      | 8,000.95            | 2,426.74            |
| Fundraising                              |      | 4,349.42            | 1,069.64            |
| Interest Received                        |      | 12,265.63           | 20,252.17           |
| Donations                                |      | 29,446.98           | 35,359.25           |
| Rent                                     |      | 3,913.22            | 14,202.27           |
| Support Services                         |      | 3,550.45            | 1,793.62            |
| Membership                               |      | 1,122.77            | 1,100.04            |
| Reimbursements                           |      | 5,191.34            | 5,541.86            |
| Profit on Sale of Non-current Assets     |      | -                   | 403.71              |
| Loss on Sale of Non-current Assets       |      | (839.50)            | (1,282.54)          |
| Unspent Funds Returned to Grant Provider |      | (24,854.00)         | (158,860.64)        |
| Gross profit from trading                |      | <u>51,704.60</u>    | <u>51,487.20</u>    |
|  |      | <u>78,172.09</u>    | <u>(26,506.68)</u>  |
|  |      | <u>1,650,459.54</u> | <u>1,511,921.60</u> |

The accompanying notes form part of these financial statements.



**LAMP INCORPORATED**  
81 359 568 293

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

|                                      | Note | 2017<br>\$   | 2016<br>\$   |
|--------------------------------------|------|--------------|--------------|
| <b>EXPENDITURE</b>                   |      |              |              |
| Accountancy Fees                     |      | 21,836.00    | 20,685.00    |
| Accommodation                        |      | 1,128.55     | 4,095.78     |
| Advertising                          |      | 4,490.71     | 1,579.33     |
| Bank Charges                         |      | 682.49       | 527.35       |
| Brokerage                            |      | 1,119.82     | 1,090.00     |
| Client Program Payments              |      | 10,282.93    | 6,704.70     |
| Consultancy Fees                     |      | 6,678.00     | -            |
| Consumables                          |      | -            | 39.36        |
| Computer Requisites                  |      | 12,298.25    | 7,961.08     |
| Depreciation                         |      | 21,724.00    | 33,694.70    |
| Discretionary Fund                   |      | 32,719.58    | 45,619.22    |
| Electricity                          |      | 5,246.05     | 4,719.81     |
| Gas                                  |      | 805.01       | 1,266.32     |
| Equipment Purchases                  |      | 16,789.78    | 11,301.88    |
| Facilitation and Catering            |      | 65.00        | 1,523.04     |
| Freight & Cartage                    |      | -            | 227.27       |
| Fund Raising Costs                   |      | 11,559.85    | 1,569.12     |
| Fuel & Oil                           |      | 11,298.98    | 14,270.56    |
| Hire Purchase Charges                |      | 1,209.13     | 3,953.53     |
| Housing Support                      |      | 2,550.56     | 1,463.18     |
| Insurance                            |      | 27,315.16    | 23,750.25    |
| Legal Costs                          |      | 440.58       | -            |
| Motor Vehicle Costs                  |      | 53,849.40    | 46,602.59    |
| Membership                           |      | 2,937.27     | 3,019.58     |
| Permits, Licences & Fees             |      | 176.11       | 242.08       |
| Postage                              |      | 1,174.92     | 939.97       |
| Printing & Stationery                |      | 3,397.99     | 2,007.13     |
| Rates & Taxes                        |      | 984.30       | 637.89       |
| Rent                                 |      | 38,860.03    | 47,053.57    |
| Repairs & Maintenance                |      | 5,052.61     | 4,871.03     |
| Security Costs                       |      | 8,801.21     | 3,921.22     |
| Staff & Volunteer Expenses           |      | 2,031.91     | 1,603.23     |
| Staff Training & Accreditation Costs |      | 6,341.64     | 4,827.84     |
| Staff Wages                          |      | 1,040,203.76 | 1,024,727.82 |
| Subscriptions/Publicity              |      | 1,773.41     | 1,039.77     |
| Sundry                               |      | 4,553.07     | 2,315.78     |
| Superannuation Contributions         |      | 97,994.68    | 96,417.35    |
| Telephone & Internet                 |      | 12,950.07    | 12,098.84    |
| Travel                               |      | -            | 540.91       |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
**81 359 568 293**



**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

| Note  | 2017<br>\$          | 2016<br>\$          |
|---|---------------------|---------------------|
| Transfer to/(from) Provision for Annual Leave                       | (6,232.22)          | (13,971.75)         |
| Transfer to/(from) Provision for Sick Leave                         | (258.95)            | (3,229.74)          |
| Transfer to/(from) Provision for Long Service Leave                 | 11,809.13           | 12,861.29           |
| Transfer to/(from) Provision for Management Fee                     | (30,222.00)         | (1,610.75)          |
| Transfer to/(from) Provision for Research, Training & Development   | -                   | (12,000.00)         |
| Transfer to/(from) Provision for Standards & TIS Compliance         | -                   | (8,500.00)          |
| Transfer to/(from) Provision for Property, Operational & Dataset    | -                   | (8,000.00)          |
| Transfer to/(from) Committed Funds                                  | 237,038.04          | -                   |
| Transfer to/(from) Provision Wages & Oncost for Delivery of Service | (289,713.78)        | 64,257.12           |
| Transfer to / (from) Provision for Redundancies & Severance         | (6,224.24)          | (75,436.78)         |
| Prior Year Adjustment   | -                   | (1,368.73)          |
| Transfer to Unspent Grant Funds                                     | <u>218,752.50</u>   | <u>(15,679.77)</u>  |
|   | <u>1,606,271.29</u> | <u>1,376,228.97</u> |
| Profit before income tax  | <u>44,188.25</u>    | <u>135,692.63</u>   |
| <b>Profit for the year</b>  | <b>44,188.25</b>    | <b>135,692.63</b>   |
| Retained earnings at the beginning of the financial year            | 904,924.71          | 809,116.08          |
| Extraordinary Items   | -                   | <u>39,884.00</u>    |
| <b>Retained earnings at the end of the financial year</b>           | <b>949,112.96</b>   | <b>904,924.71</b>   |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
81 359 568 293



**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2017**

|   | 2017<br>\$ | 2016<br>\$ |
|---|------------|------------|
| <b>Mental Health Commission</b>               |            |            |
| <b>OTHER INCOME</b>                           |            |            |
| Grants  | 336,810.84 | 331,506.73 |
| Miscellaneous Income                          | 198.48     | 41.82      |
| Interest Received                             | 2,271.74   | 4,775.82   |
| Reimbursements                                | 4,068.19   | 3,748.89   |
| Profit on Sale of Non-current Assets          | -          | 403.71     |
| Loss on Sale of Non-current Assets            | (839.50)   | (1,282.54) |
|   | 342,509.75 | 339,194.43 |
| <b>EXPENSES</b>                               |            |            |
| Accountancy Fees                              | 2,855.57   | 10,610.00  |
| Accommodation                                 | 159.09     | 1,386.60   |
| Advertising                                   | 395.27     | 137.25     |
| Bank Charges                                  | 120.00     | 49.01      |
| Computer Requisites                           | 1,721.19   | 1,535.16   |
| Depreciation                                  | 10,526.89  | 16,711.02  |
| Electricity                                   | 399.00     | 336.70     |
| Gas   | 34.67      | 29.40      |
| Equipment Purchases                           | 1,084.64   | 1,849.88   |
| Facilitating and Catering                     | -          | 23.48      |
| Fuel & Oil                                    | 4,100.38   | 4,275.76   |
| Hire Purchase Charges                         | 1,209.13   | 3,953.53   |
| Insurance                                     | 3,843.08   | 3,508.84   |
| Legal Costs                                   | 220.29     | -          |
| Motor Vehicle Costs                           | 2,440.46   | 3,854.85   |
| Membership                                    | 581.74     | 461.66     |
| Postage                                       | 137.35     | 123.52     |
| Printing & Stationery                         | 472.39     | 279.71     |
| Rates & Taxes                                 | 24.36      | 18.93      |
| Rent  | 371.43     | 1,482.52   |
| Repairs & Maintenance                         | 698.09     | 656.57     |
| Security Costs                                | 1,838.08   | 467.28     |
| Staff & Volunteer Expenses                    | 629.43     | 774.73     |
| Staff Training & Accreditation Costs          | 2,845.60   | 956.87     |
| Staff Wages                                   | 226,895.53 | 243,221.72 |
| Subscriptions/Publicity                       | 261.44     | 169.96     |
| Sundry  | 126.56     | 545.61     |
| Superannuation Contributions                  | 21,362.71  | 22,806.70  |
| Telephone & Internet                          | 2,649.82   | 1,928.87   |
| Transfer to/(from) Provision for Annual Leave | (4,111.08) | (4,739.04) |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
81 359 568 293

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

|   | 2017<br>\$        | 2016<br>\$        |
|---|-------------------|-------------------|
| Transfer to/(from) Provision for Sick Leave                               | (683.42)          | (1,092.84)        |
| Transfer to/(from) Provision for Long Service Leave                       | (863.14)          | 4,716.96          |
| Transfer to/(from) Retained Earnings for Research,<br>Train & Development | -                 | (12,000.00)       |
| Transfer to/(from) Retained Earnings for Standards &<br>TIS Compliance    | -                 | (8,500.00)        |
| Transfer to/(from) Retained Earnings Prop, Operational<br>& Dataset       | -                 | (8,000.00)        |
| Transfer to/(from) Committed Funds  | 132,000.00        | -                 |
| Transfer to/(from) Provisions Wages & Oncost for<br>Delivery of Service   | (79,369.53)       | 15,309.80         |
| Transfer to/(from) Retained Earnings for Redundancy &<br>Severance        | (10,480.67)       | (24,118.14)       |
| Transfer to/(from) Unspent Grant Funds                                    | 18,013.40         | -                 |
|   | <u>342,509.75</u> | <u>283,732.87</u> |
| <b>NET PROFIT</b>   | <u>-</u>          | <u>55,461.56</u>  |

The accompanying notes form part of these financial statements.





**LAMP INCORPORATED**  
**81 359 568 293**

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

|                                      | 2017       | 2016       |
|--------------------------------------|------------|------------|
|                                      | \$         | \$         |
| <b>D2D Living Community Program</b>  |            |            |
| <b>OTHER INCOME</b>                  |            |            |
| Grants                               | 290,283.41 | 209,393.21 |
| Grants - Miscellaneous               | -          | 1,253.09   |
| Miscellaneous Income                 | 16.67      | 25.45      |
| Interest Received                    | 1,556.36   | 2,784.14   |
| Reimbursements                       | 315.93     | 680.00     |
|                                      | 292,172.37 | 214,135.89 |
| <b>EXPENSES</b>                      |            |            |
| Accountancy Fees                     | 3,101.57   | 2,355.00   |
| Accommodation                        | 487.64     | 665.91     |
| Advertising                          | 1,911.87   | 137.27     |
| Client Program Payments              | 1,104.30   | 1,638.47   |
| Computer Requisites                  | 1,676.12   | 1,288.26   |
| Depreciation                         | 1,332.11   | 4,851.10   |
| Discretionary Fund                   | 32,647.03  | 44,778.89  |
| Electricity                          | 398.97     | 336.68     |
| Gas                                  | 34.66      | 29.40      |
| Equipment Purchases                  | 9,411.07   | 3,149.30   |
| Facilitating and Catering            | 65.00      | 23.48      |
| Freight & Cartage                    | -          | 227.27     |
| Fund Raising Costs                   | 3,502.55   | -          |
| Fuel & Oil                           | 1,663.79   | 1,696.87   |
| Insurance                            | 3,843.08   | 3,414.23   |
| Legal Costs                          | 220.29     | -          |
| Motor Vehicle Costs                  | 4,806.06   | 8,796.93   |
| Membership                           | 581.75     | 461.67     |
| Postage                              | 203.65     | 123.53     |
| Printing & Stationery                | 561.09     | 334.22     |
| Rates & Taxes                        | 24.36      | 18.93      |
| Rent                                 | 3,998.10   | 6,108.12   |
| Repairs & Maintenance                | 933.53     | 656.59     |
| Security Costs                       | 587.38     | 1,294.55   |
| Staff & Volunteer Expenses           | 253.89     | 293.81     |
| Staff Training & Accreditation Costs | 500.30     | 1,125.52   |
| Staff Wages                          | 201,530.26 | 175,944.67 |
| Subscriptions/Publicity              | 261.44     | 169.97     |
| Sundry                               | 132.17     | 268.57     |
| Superannuation Contributions         | 18,973.62  | 16,683.11  |
| Telephone & Internet                 | 2,452.14   | 2,969.35   |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
81 359 568 293

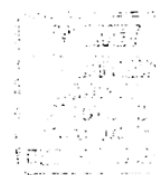


**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2017**

|  | 2017<br>\$        | 2016<br>\$         |
|--|-------------------|--------------------|
| Travel   | -                 | 540.91             |
| Transfer to/(from) Provision for Annual Leave                        | 190.18            | (4,728.90)         |
| Transfer to/(from) Provision for Sick Leave                          | 268.25            | (1,086.74)         |
| Transfer to/(from) Provision for Long Service Leave                  | 2,219.88          | 2,347.57           |
| Transfer to/(from) Committed Funds                                   | 30,000.00         | -                  |
| Transfer to/(from) Provisions Wages & Oncost for Delivery of Service | (50,463.33)       | 3,312.69           |
| Transfer to / (from) Provision for Redundancies & Severance          | 3,427.76          | (22,519.59)        |
| Transfer to/(from) Unspent Grant Funds                               | 9,329.84          | -                  |
|  | <u>292,172.37</u> | <u>257,707.61</u>  |
| <b>NET PROFIT (LOSS)</b>   | <u>-</u>          | <u>(43,571.72)</u> |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
81 359 568 293



**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2017**

|  | 2017<br>\$ | 2016<br>\$         |
|--|------------|--------------------|
| <b>DSS - Carer Respite Centre Based</b>                              |            |                    |
| <b>OTHER INCOME</b>  |            |                    |
| Miscellaneous Income   | -          | 58.60              |
| Interest Received  | -          | 352.14             |
|  | -          | <u>410.74</u>      |
| <b>EXPENSES</b>  |            |                    |
| Unspent Funds Returned to Grant Provider                             | -          | 136,738.03         |
| Accountancy Fees   | -          | 1,015.00           |
| Advertising  | -          | 6.16               |
| Activity Funds   | -          | 360.33             |
| Electricity  | -          | 52.31              |
| Fuel & Oil   | -          | 744.74             |
| Insurance  | -          | 3,292.24           |
| Motor Vehicle Costs  | -          | 4,604.48           |
| Rates & Taxes  | -          | 5.31               |
| Repairs & Maintenance  | -          | 248.58             |
| Staff Wages  | -          | 34,848.15          |
| Superannuation Contributions   | -          | 3,246.91           |
| Telephone & Internet   | -          | 164.81             |
| Transfer to/(from) Provision for Annual Leave                        | -          | (23,351.72)        |
| Transfer to/(from) Provision for Sick Leave                          | -          | (5,335.30)         |
| Transfer to/(from) Provision for Long Service Leave                  | -          | (8,006.86)         |
| Transfer to/(from) Provisions Wages & Oncost for Delivery of Service | -          | (41,335.70)        |
| Transfer to / (from) Provision for Redundancies & Severance          | -          | (63,572.56)        |
|  | -          | <u>43,724.91</u>   |
| <b>NET PROFIT (LOSS)</b>   | -          | <u>(43,314.17)</u> |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
81 359 568 293



**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2017**

|  | 2017<br>\$  | 2016<br>\$ |
|--|-------------|------------|
| <b>DSS - MIFWA Wellways Community Education Programme</b>            |             |            |
| <b>OTHER INCOME</b>  |             |            |
| Grants   | 24,164.00   | 128,220.00 |
| Miscellaneous Income   | 1,400.00    | -          |
| Interest Received  | 335.59      | 1,155.37   |
| Reimbursements   | 59.53       | -          |
|  | 25,959.12   | 129,375.37 |
| <b>EXPENSES</b>  |             |            |
| Accountancy Fees   | 2,800.58    | 1,015.00   |
| Accommodation  | -           | 433.54     |
| Advertising  | -           | 273.51     |
| Client Program Payments  | 3,671.81    | 4,026.47   |
| Computer Requisites  | 965.55      | 1,017.77   |
| Electricity  | 138.16      | 336.67     |
| Gas  | 10.67       | 29.39      |
| Equipment Purchases  | -           | 808.06     |
| Facilitating and Catering  | -           | 63.48      |
| Fuel & Oil   | 734.24      | 1,553.95   |
| Insurance  | 3,843.08    | 3,414.23   |
| Motor Vehicle Costs  | 2,514.99    | 5,675.61   |
| Membership   | 14.28       | 461.67     |
| Postage  | 41.54       | 123.52     |
| Printing & Stationery  | 202.67      | 279.71     |
| Rates & Taxes  | 3.92        | 18.94      |
| Rent   | 371.43      | 433.34     |
| Repairs & Maintenance  | 210.05      | 603.93     |
| Security Costs   | 377.98      | 467.27     |
| Staff & Volunteer Expenses   | 47.73       | 112.02     |
| Staff Training & Accreditation Costs                                 | -           | 450.95     |
| Staff Wages  | 25,884.29   | 68,339.10  |
| Subscriptions/Publicity  | 233.12      | 169.98     |
| Sundry   | 79.27       | 87.68      |
| Superannuation Contributions   | 2,436.37    | 6,470.52   |
| Telephone & Internet   | 764.44      | 1,374.98   |
| Transfer to/(from) Provision for Annual Leave                        | (2,385.43)  | (2,096.28) |
| Transfer to/(from) Provision for Sick Leave                          | (514.47)    | (481.42)   |
| Transfer to/(from) Provision for Long Service Leave                  | (1,587.09)  | 837.19     |
| Transfer to/(from) Committed Funds                                   | 5,550.00    | -          |
| Transfer to/(from) Provisions Wages & Oncost for Delivery of Service | (19,529.31) | (991.13)   |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
**81 359 568 293**



**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

|   | 2017             | 2016             |
|---|------------------|------------------|
|   | \$               | \$               |
| Transfer to / (from) Provision for Redundancies & Severance | (7,547.78)       | (10,559.54)      |
| Transfer to/(from) Unspent Grant Funds                      | <u>6,627.03</u>  |                  |
|   | <u>25,959.12</u> | <u>84,750.11</u> |
| <b>NET PROFIT</b>   | <u>-</u>         | <u>44,625.26</u> |

The accompanying notes form part of these financial statements.

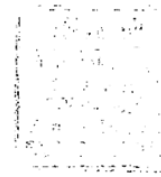
**LAMP INCORPORATED**  
81 359 568 293

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

|   | 2017             | 2016             |
|---|------------------|------------------|
|   | \$               | \$               |
| <b>Department of Child Protection</b>               |                  |                  |
| <b>OTHER INCOME</b>                                 |                  |                  |
| Grants  | 81,471.60        | 76,843.80        |
| Miscellaneous Income                                | 16.66            | -                |
| Interest Received                                   | 779.84           | 1,324.19         |
| Reimbursements                                      | 14.29            | -                |
|   | <u>82,282.39</u> | <u>78,167.99</u> |
| <b>EXPENSES</b>                                     |                  |                  |
| Accountancy Fees                                    | 2,855.56         | 1,015.00         |
| Accommodation                                       | -                | 106.28           |
| Advertising   | 395.28           | 134.15           |
| Client Program Payments                             | 81.82            | -                |
| Computer Requisites                                 | 1,631.13         | 1,017.76         |
| Depreciation  | 3,552.00         | 4,754.00         |
| Electricity   | 398.96           | 336.70           |
| Gas   | 34.67            | 29.40            |
| Equipment Purchases                                 | 993.78           | 703.51           |
| Facilitating and Catering                           | -                | 23.49            |
| Fuel & Oil  | 755.55           | 569.73           |
| Housing Support                                     | 1,312.79         | 1,463.18         |
| Insurance   | 3,843.08         | 3,414.24         |
| Motor Vehicle Costs                                 | 510.91           | 39.28            |
| Membership  | 581.75           | 461.67           |
| Postage   | 137.35           | 123.53           |
| Printing & Stationery                               | 423.43           | 279.72           |
| Rates & Taxes                                       | 24.36            | 18.94            |
| Rent  | 371.43           | 433.33           |
| Repairs & Maintenance                               | 695.07           | 791.36           |
| Security Costs                                      | 587.31           | 467.29           |
| Staff & Volunteer Expenses                          | 253.84           | 90.37            |
| Staff Training & Accreditation Costs                | 154.69           | 450.95           |
| Staff Wages   | 46,684.67        | 43,068.90        |
| Subscriptions/Publicity                             | 261.41           | 169.96           |
| Sundry  | 132.16           | 76.68            |
| Superannuation Contributions                        | 4,406.89         | 4,084.64         |
| Telephone & Internet                                | 1,070.02         | 869.15           |
| Transfer to/(from) Provision for Annual Leave       | (116.64)         | 176.30           |
| Transfer to/(from) Provision for Sick Leave         | 25.55            | 38.71            |
| Transfer to/(from) Provision for Long Service Leave | 389.46           | 1,049.74         |
| Transfer to/(from) Provision for Management Fee     | (15,111.00)      | 15,111.00        |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
81 359 568 293



**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2017**

|   | 2017             | 2016              |
|---|------------------|-------------------|
|   | \$               | \$                |
| Transfer to/(from) Committed Funds                                      | 16,500.00        | -                 |
| Transfer to/(from) Provisions Wages & Oncost for<br>Delivery of Service | (12,379.11)      | 3,050.39          |
| Transfer to / (from) Provision for Redundancies &<br>Severance          | 261.47           | (1,907.40)        |
| Transfer to/(from) Unspent Grant Funds                                  | <u>20,562.75</u> | <u>82,511.97</u>  |
|   | <u>82,282.39</u> | <u>82,511.97</u>  |
| <b>NET PROFIT (LOSS)</b>  | <u>-</u>         | <u>(4,343.98)</u> |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
81 359 568 293



**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2017**

|  | 2017<br>\$       | 2016<br>\$       |
|--|------------------|------------------|
| <b>LAMP</b>                              |                  |                  |
| Sales                                    | 52,258.10        | 52,330.95        |
| <b>LESS: COST OF GOODS SOLD</b>          |                  |                  |
| Purchases                                | 553.50           | 843.75           |
| <b>GROSS PROFIT FROM TRADING</b>         | <b>51,704.60</b> | <b>51,487.20</b> |
| <b>OTHER INCOME</b>                      |                  |                  |
| Grants - Miscellaneous                   | 2,170.00         | -                |
| Miscellaneous Income                     | 6,319.13         | 2,300.87         |
| Fundraising                              | 4,349.42         | 1,069.64         |
| Interest Received                        | 1,769.17         | 1,927.83         |
| Donations                                | 29,446.98        | 35,359.25        |
| Rent                                     | 3,913.22         | 14,202.27        |
| Support Services                         | -                | 909.09           |
| Membership                               | 1,122.77         | 1,100.04         |
| Reimbursements                           | 690.55           | 708.42           |
|  | 49,781.24        | 57,577.41        |
|  | 101,485.84       | 109,064.61       |
| <b>EXPENSES</b>                          |                  |                  |
| Unspent Funds Returned to Grant Provider | -                | 10,414.61        |
| Accommodation                            | -                | 290.90           |
| Advertising                              | 187.24           | 251.78           |
| Bank Charges                             | 562.49           | 478.34           |
| Client Program Payments                  | -                | 1,039.76         |
| Consumables                              | -                | 39.36            |
| Computer Requisites                      | 244.29           | -                |
| Depreciation                             | 6,313.00         | 7,378.58         |
| Discretionary Fund                       | 72.55            | 480.00           |
| Electricity                              | 2,868.42         | 2,598.18         |
| Gas                                      | 606.68           | 1,089.96         |
| Equipment Purchases                      | 113.64           | 1,445.00         |
| Facilitation and Catering                | -                | 1,342.13         |
| Fund Raising Costs                       | 8,057.30         | 1,569.12         |
| Fuel & Oil                               | -                | 534.39           |
| Motor Vehicle Costs                      | 5,237.61         | 490.00           |
| Permits, Licences & Fees                 | 176.11           | 242.08           |
| Printing & Stationery                    | 50.49            | 51.96            |
| Rates & Taxes                            | 838.15           | 520.50           |

The accompanying notes form part of these financial statements.



**LAMP INCORPORATED**  
81 359 568 293

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

|   | 2017             | 2016             |
|---|------------------|------------------|
|   | \$               | \$               |
| Rent  | 30,321.88        | 37,529.61        |
| Repairs & Maintenance   | 552.61           | 255.50           |
| Security Costs  | 91.50            | 249.00           |
| Staff & Volunteer Expenses  | 172.73           | 86.18            |
| Staff Training & Accreditation Costs                                    | -                | 54.64            |
| Staff Wages   | -                | 1,566.67         |
| Subscriptions/Publicity   | 100.65           | -                |
| Sundry  | 3,726.41         | 1,189.60         |
| Superannuation Contributions  | -                | 147.67           |
| Transfer to/(from) Provisions Wages & Oncost for<br>Delivery of Service | -                | 396.10           |
| Prior Year Adjustment   | -                | (1,368.73)       |
|   | <u>60,293.75</u> | <u>70,362.89</u> |
| <b>NET PROFIT</b>   | <u>41,192.09</u> | <u>38,701.72</u> |

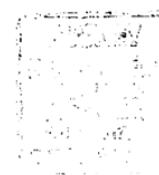
The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
**81 359 568 293**

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

|   | 2017              | 2016              |
|---|-------------------|-------------------|
|   | \$                | \$                |
| <b>PIR</b>  |                   |                   |
| <b>OTHER INCOME</b>                                 |                   |                   |
| Grants  | 182,533.00        | 260,000.00        |
| Grants - Miscellaneous                              | -                 | 5,454.55          |
| Miscellaneous Income                                | 16.67             | -                 |
| Interest Received                                   | 1,056.73          | 2,041.47          |
| Reimbursements                                      | 14.28             | -                 |
|   | <u>183,620.68</u> | <u>267,496.02</u> |
| <b>EXPENSES</b>                                     |                   |                   |
| Unspent Funds Returned to Grant Provider            | 24,854.00         | -                 |
| Accountancy Fees                                    | 4,511.57          | 2,645.00          |
| Accommodation                                       | -                 | 888.47            |
| Advertising   | 218.05            | 137.23            |
| Brokerage   | 1,119.82          | 1,090.00          |
| Computer Requisites                                 | 1,820.09          | 1,806.66          |
| Electricity   | 324.05            | 336.66            |
| Gas   | 25.01             | 29.39             |
| Equipment Purchases                                 | 903.79            | 2,642.62          |
| Facilitation and Catering                           | -                 | 23.49             |
| Fuel & Oil  | 1,752.61          | 4,325.39          |
| Insurance   | 3,843.08          | 3,292.24          |
| Motor Vehicle Costs                                 | 16,326.46         | 21,835.15         |
| Membership  | 14.28             | 461.68            |
| Postage   | 389.32            | 215.25            |
| Printing & Stationery                               | 851.86            | 484.27            |
| Rates & Taxes                                       | 24.35             | 18.93             |
| Rent  | 1,030.84          | 433.33            |
| Repairs & Maintenance                               | 592.11            | 706.59            |
| Security Costs                                      | 1,810.70          | 467.35            |
| Staff & Volunteer Expenses                          | 181.86            | 132.34            |
| Staff Training & Accreditation Costs                | 230.18            | 619.14            |
| Staff Wages   | 150,900.26        | 149,348.53        |
| Subscriptions/Publicity                             | 233.11            | 169.97            |
| Sundry  | 92.16             | 97.88             |
| Superannuation Contributions                        | 14,109.52         | 14,219.45         |
| Telephone & Internet                                | 3,568.01          | 3,718.10          |
| Transfer to/(from) Provision for Annual Leave       | (681.27)          | 7,669.89          |
| Transfer to/(from) Provision for Sick Leave         | 13.23             | 1,747.09          |
| Transfer to/(from) Provision for Long Service Leave | 6,981.13          | -                 |
| Transfer to/(from) Committed Funds                  | 36,488.04         | -                 |

The accompanying notes form part of these financial statements.



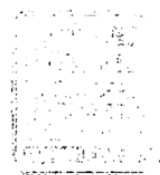
**LAMP INCORPORATED**  
81 359 568 293

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2017**

|  | 2017               | 2016                        |
|--|--------------------|-----------------------------|
|  | \$                 | \$                          |
| Transfer to/(from) Provisions Wages & Oncost for Delivery of Service | (43,189.11)        | 43,189.11                   |
| Transfer to / (from) Provision for Redundancies & Severance          | (163.86)           | 25,423.98                   |
| Transfer to/(from) Unspent Grant Funds                               | <u>(45,554.57)</u> | <u>                    </u> |
|  | 183,620.68         | 288,175.18                  |
| <b>NET LOSS</b>  | <u>-</u>           | <u>(20,679.16)</u>          |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
**81 359 568 293**



**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

|  | 2017            | 2016            |
|--|-----------------|-----------------|
|  | \$              | \$              |
| <b>SUPPORT SERVICES</b>  |                 |                 |
| <b>OTHER INCOME</b>  |                 |                 |
| Support Services   | 3,550.45        | 884.53          |
| <b>EXPENSES</b>  |                 |                 |
| Accountancy Fees   | 554.29          | -               |
| Transfer to/(from) Provision for Annual Leave                        | -               | (54.93)         |
| Transfer to/(from) Provision for Sick Leave                          | -               | (12.55)         |
| Transfer to/(from) Provision for Long Service Leave                  | -               | (18.83)         |
| Transfer to/(from) Provisions Wages & Oncost for Delivery of Service | -               | (40.00)         |
| Transfer to / (from) Provision for Redundancies & Severance          | -               | (111.29)        |
|  | 554.29          | (237.60)        |
| <b>NET PROFIT</b>  | <b>2,996.16</b> | <b>1,122.13</b> |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
81 359 568 293

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

|   | 2017<br>\$       | 2016<br>\$       |
|---|------------------|------------------|
| <b>MHC NPA</b>                                      |                  |                  |
| <b>OTHER INCOME</b>                                 |                  |                  |
| Grant Funds B/F from Prior Year                     | (15,679.77)      | -                |
| Grants  | 77,586.00        | 47,200.00        |
| Miscellaneous Income                                | 16.66            | -                |
| Interest Received                                   | 249.17           | 467.08           |
| Reimbursements                                      | 14.29            | -                |
|   | <u>62,186.35</u> | <u>47,667.08</u> |
| <b>EXPENSES</b>                                     |                  |                  |
| Accountancy Fees                                    | 2,855.57         | 1,015.00         |
| Accommodation                                       | -                | 106.28           |
| Advertising   | 395.21           | 134.16           |
| Consultancy Fees                                    | 4,500.00         | -                |
| Computer Requisites                                 | 1,901.18         | 1,017.77         |
| Electricity   | 398.97           | 336.68           |
| Gas   | 34.66            | 29.38            |
| Equipment Purchases                                 | 3,453.60         | 703.51           |
| Facilitation and Catering                           | -                | 23.49            |
| Fuel & Oil  | 755.50           | 569.73           |
| Housing Support                                     | 1,237.77         | -                |
| Insurance   | 3,843.09         | 3,414.23         |
| Motor Vehicle Costs                                 | 58.18            | 12.02            |
| Membership  | 581.74           | 461.69           |
| Postage   | 137.37           | 123.61           |
| Printing & Stationery                               | 423.42           | 279.69           |
| Rates & Taxes                                       | 24.36            | 13.63            |
| Rent  | 371.43           | 433.32           |
| Repairs & Maintenance                               | 695.03           | 444.65           |
| Security Costs                                      | 587.41           | 467.38           |
| Staff & Volunteer Expenses                          | 253.85           | 90.37            |
| Staff Training & Accreditation Costs                | 2,283.44         | 450.95           |
| Staff Wages   | 46,684.67        | 43,068.91        |
| Subscriptions/Publicity                             | 160.79           | 169.97           |
| Sundry  | 132.15           | 32.36            |
| Superannuation Contributions                        | 4,406.89         | 4,084.65         |
| Telephone & Internet                                | 1,069.93         | 826.78           |
| Transfer to/(from) Provision for Annual Leave       | (116.64)         | (498.51)         |
| Transfer to/(from) Provision for Sick Leave         | 25.55            | (115.47)         |
| Transfer to/(from) Provision for Long Service Leave | 389.46           | 818.36           |
| Transfer to/(from) Provision for Management Fee     | (15,111.00)      | 4,804.87         |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
81 359 568 293



**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2017**

|   | 2017             | 2016               |
|---|------------------|--------------------|
|   | \$               | \$                 |
| Transfer to/(from) Committed Funds                                      | 16,500.00        | -                  |
| Transfer to/(from) Provisions Wages & Oncost for<br>Delivery of Service | (12,304.29)      | 2,975.56           |
| Transfer to / (from) Retained Earnings for Redundancy<br>& Severance    | 261.47           | (2,948.17)         |
| Transfer to/(from) Unspent Grant Funds                                  | (4,704.41)       |                    |
|   | <u>62,186.35</u> | <u>63,346.85</u>   |
| <b>NET LOSS</b>   | <u>-</u>         | <u>(15,679.77)</u> |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
81 359 568 293

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2017**

|  | 2017<br>\$  | 2016<br>\$  |
|--|-------------|-------------|
| <b>Disability Services Commission</b>                                |             |             |
| <b>OTHER INCOME</b>  |             |             |
| Grants   | 577,268.60  | 478,556.90  |
| Miscellaneous Income   | 16.68       | -           |
| Interest Received  | 4,247.03    | 5,424.13    |
| Reimbursements   | 14.28       | 404.55      |
|  | 581,546.59  | 484,385.58  |
| <b>EXPENSES</b>  |             |             |
| Unspent Funds Returned to Grant Provider                             | -           | 11,708.00   |
| Accountancy Fees   | 2,301.29    | 1,015.00    |
| Accommodation  | 481.82      | 217.80      |
| Advertising  | 987.79      | 367.82      |
| Client Program Payments  | 5,425.00    | -           |
| Consultancy Fees   | 2,178.00    | -           |
| Computer Requisites  | 2,338.70    | 277.70      |
| Electricity  | 319.52      | 49.23       |
| Gas  | 23.99       | -           |
| Equipment Purchases  | 829.26      | -           |
| Fuel & Oil   | 1,536.91    | -           |
| Insurance  | 4,256.67    | -           |
| Motor Vehicle Costs  | 21,954.73   | 1,294.27    |
| Membership   | 581.73      | 249.54      |
| Postage  | 128.34      | 107.01      |
| Printing & Stationery  | 412.64      | 17.85       |
| Rates & Taxes  | 20.44       | 3.78        |
| Rent   | 2,023.49    | 200.00      |
| Repairs & Maintenance  | 676.12      | 507.24      |
| Security Costs   | 2,920.85    | 41.10       |
| Staff & Volunteer Expenses   | 238.58      | 23.41       |
| Staff Training & Accreditation Costs                                 | 327.43      | 718.82      |
| Staff Wages  | 341,624.08  | 265,321.17  |
| Subscriptions/Publicity  | 261.45      | 19.96       |
| Sundry   | 132.19      | 17.40       |
| Superannuation Contributions   | 32,298.68   | 24,673.70   |
| Telephone & Internet   | 1,375.71    | 246.80      |
| Transfer to/(from) Provision for Annual Leave                        | 988.66      | 13,651.44   |
| Transfer to/(from) Provision for Sick Leave                          | 606.36      | 3,108.78    |
| Transfer to/(from) Provision for Long Service Leave                  | 4,279.43    | 11,117.16   |
| Transfer to/(from) Provision for Management Fee                      | -           | (21,526.62) |
| Transfer to/(from) Provisions Wages & Oncost for Delivery of Service | (72,479.10) | 38,390.30   |

The accompanying notes form part of these financial statements.



LAMP INCORPORATED  
81 359 568 293

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2017

|   | 2017<br>\$        | 2016<br>\$        |
|---|-------------------|-------------------|
| Transfer to / (from) Provision for Redundancies & Severance | 8,017.37          | 24,875.93         |
| Transfer to/(from) Unspent Grant Funds                      | <u>214,478.46</u> | <u>376,694.59</u> |
| NET PROFIT  | <u>-</u>          | <u>107,690.99</u> |

The accompanying notes form part of these financial statements.





LAMP INCORPORATED  
81 359 568 293

BALANCE SHEET  
AS AT 30 JUNE 2017

|   | Note | 2017<br>\$          | 2016<br>\$          |
|---|------|---------------------|---------------------|
| <b>ASSETS</b>   |      |                     |                     |
| <b>CURRENT ASSETS</b>                                 |      |                     |                     |
| Cash and cash equivalents                             | 3    | 1,786,355.89        | 1,578,534.42        |
| Trade and other receivables                           | 4    | -                   | 750.00              |
| Prepayments   |      | 25,598.33           | 18,669.46           |
| <b>TOTAL CURRENT ASSETS</b>                           |      | <u>1,811,954.22</u> | <u>1,597,953.88</u> |
| <b>NON-CURRENT ASSETS</b>                             |      |                     |                     |
| Property, plant and equipment                         | 5    | 69,419.47           | 102,877.52          |
| <b>TOTAL NON-CURRENT ASSETS</b>                       |      | <u>69,419.47</u>    | <u>102,877.52</u>   |
| <b>TOTAL ASSETS</b>                                   |      | <u>1,881,373.69</u> | <u>1,700,831.40</u> |
| <b>LIABILITIES</b>                                    |      |                     |                     |
| <b>CURRENT LIABILITIES</b>                            |      |                     |                     |
| Trade and Other Payables                              | 6    | 62,527.22           | 59,008.23           |
| Borrowings  | 7    | 4,496.85            | 17,793.20           |
| Provision for Annual & Sick Leave                     | 8    | 60,295.91           | 66,787.08           |
| Unspent Grant Funds                                   |      | 218,752.50          | (15,679.77)         |
| Committed Grant Funds                                 |      | 88,538.04           | -                   |
| Provision for Wages & Oncosts for Delivery of Service |      | -                   | 289,713.78          |
| Provision for Management Fee                          |      | -                   | 15,111.00           |
| <b>TOTAL CURRENT LIABILITIES</b>                      |      | <u>434,610.52</u>   | <u>432,733.52</u>   |
| <b>NON-CURRENT LIABILITIES</b>                        |      |                     |                     |
| Borrowings  | 7    | 10,250.00           | 14,746.85           |
| Provision for Long Service Leave                      |      | 48,112.54           | 36,303.41           |
| Provision for Redundancies & Severance                |      | 128,320.02          | 124,325.06          |
| <b>TOTAL NON-CURRENT LIABILITIES</b>                  |      | <u>186,682.56</u>   | <u>175,375.32</u>   |
| <b>TOTAL LIABILITIES</b>                              |      | <u>621,293.08</u>   | <u>608,108.84</u>   |
| <b>NET ASSETS</b>                                     |      | <u>1,260,080.61</u> | <u>1,092,722.56</u> |
| <b>MEMBERS' FUNDS</b>                                 |      |                     |                     |
| Reserves  | 9    | 310,967.65          | 187,797.85          |
| Retained earnings                                     | 10   | 949,112.96          | 904,924.71          |
| <b>TOTAL MEMBERS' FUNDS</b>                           |      | <u>1,260,080.61</u> | <u>1,092,722.56</u> |

The accompanying notes form part of these financial statements.

**LAMP INCORPORATED**  
**81 359 568 293**



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

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The financial statements cover Lamp Incorporated as an individual entity. Lamp Incorporated is a not for profit Association incorporated in Western Australia under the Associations Incorporation Act 2015.

The functional and presentation currency of Lamp Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

**1 Basis of Preparation**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 2015. The committee has determined that the association is not a reporting entity.

In the opinion of the Committee of Management, the Association is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, AASB 120 Accounting for Government Grants and Disclosure of Government Assistance, and AASB 1054 Australian Additional Disclosures.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of this financial report.

**2 Summary of Significant Accounting Policies**

**Income Tax**

The Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

**LAMP INCORPORATED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

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**Plant and Equipment**

Plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses. Plant and equipment is depreciated on a straight line basis over the assets useful life to the Association, commencing when the asset is ready for use.

The depreciable amount of all plant and equipment is depreciated over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

**Leases**

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

**Impairment of Non-Financial Assets**

At the end of each reporting period the association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

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**Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

**Provisions**

Provisions are recognised when the association has a 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.

**Cash and Cash Equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**LAMP INCORPORATED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

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**Revenue and Other Income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

**Sale of goods**

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

**Rental income**

Investment property revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

**Interest revenue**

Interest revenue is recognised using the effective interest rate method.

**Dividend revenue**

Dividends are recognised when the right to receive payment is established.

**Rendering of services**

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

**LAMP INCORPORATED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

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**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (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. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

The financial report was authorised for issue on .

**Going Concern**

LAMP Incorporated is highly reliant upon Government funding; accordingly, the continuing operations of the Association and its ability to continue as a going concern are dependent upon the ongoing receipt of Government funding.



LAMP INCORPORATED  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

|  | 2017<br>\$          | 2016<br>\$          |
|--|---------------------|---------------------|
| <b>3 Cash and Cash Equivalents</b>                 |                     |                     |
| Petty Cash Float                                   | 3,516.51            | 3,083.86            |
| Health Department Cheque #2412                     | 567.86              | 8,674.77            |
| Non-Recurrent Cheque #9231                         | 5,428.02            | 3,013.46            |
| Friends of Lamp Cheque #3847                       | 10,696.41           | 19,683.82           |
| D2D Living Community Program Cheque #9485          | 5,682.13            | 4,093.32            |
| Health Department Cash Reserve #8920               | 121,947.61          | 93,034.69           |
| Friends of Lamp Cash Reserve #8904                 | 85,525.05           | 59,751.21           |
| Non Recurrent Cash Reserve #8912                   | 787,963.04          | 772,058.58          |
| D2D Living Community Program Cash Reserve #8891    | 44,081.24           | 49,136.61           |
| Brown Street Rent Cheque #0705                     | 2,175.59            | 4,702.28            |
| Brown Street Rent Cash Reserve #0713               | 11,838.28           | 17,823.85           |
| DSS - Cheque                                       | 75.61               | 75.61               |
| DSS - Maxi   | 1,957.04            | 416.97              |
| Housing Support Program Cheque #9316               | 509.82              | 1,189.30            |
| Housing Support Program Cash Reserve #9324         | 83,473.50           | 74,635.02           |
| Wages Community Solutions #0040                    | 5,787.08            | 1,779.96            |
| Wellways Cheque #0629                              | 4,037.10            | 1,653.87            |
| Wellways Cash Reserve #0581                        | 17,909.36           | 38,509.52           |
| Support Services Cheque #9527                      | 32,104.04           | 3,062.72            |
| Support Services Cash Reserve #9519                | 382,304.58          | 232,929.23          |
| Bridgetown Activity Fund Community Solutions #7943 | 824.58              | 626.55              |
| Partners In Recovery Cheque #8708                  | 3,258.95            | 2,429.90            |
| Partners In Recovery Cash Reserve #8724            | 69,290.05           | 107,310.89          |
| Friends of LAMP Op Shop Cash Management #4682      | 10,340.65           | 14,940.39           |
| Friends of LAMP Op Shop Social Investment #5473    | 95,061.79           | 63,918.04           |
|  | <u>1,786,355.89</u> | <u>1,578,534.42</u> |
| <b>4 Trade and Other Receivables</b>               |                     |                     |
| <b>Current</b>                                     |                     |                     |
| Other Debtors                                      | -                   | 750.00              |
|  | -                   | 750.00              |

**LAMP INCORPORATED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

|  | 2017<br>\$           | 2016<br>\$         |
|--|----------------------|--------------------|
| <b>5 Property, Plant and Equipment</b>       |                      |                    |
| Plant & Equipment - Busselton                | 64,433.66            | 63,528.21          |
| Less: Accumulated Depreciation               | <u>(51,201.85)</u>   | <u>(44,263.85)</u> |
|  | 13,231.81            | 19,264.36          |
| Motor Vehicles                               | 139,199.03           | 161,605.53         |
| Less: Accumulated Depreciation               | <u>(94,982.01)</u>   | <u>(91,356.01)</u> |
|  | 44,217.02            | 70,249.52          |
| Leasehold Improvements                       | 13,930.64            | 13,930.64          |
| Less: Accumulated Depreciation               | <u>(1,960.00)</u>    | <u>(567.00)</u>    |
|  | 11,970.64            | 13,363.64          |
| <b>Total Plant and Equipment</b>             | <u>69,419.47</u>     | <u>102,877.52</u>  |
| <b>Total Property, Plant and Equipment</b>   | <u>69,419.47</u>     | <u>102,877.52</u>  |
| <b>6 Accounts Payable and Other Payables</b> |                      |                    |
| <b>Current</b>                               |                      |                    |
| Unpaid Accounts Owing                        | 5,661.99             | 4,605.78           |
| Superannuation Owing                         | 99.43                | 9,817.11           |
| PAYG Tax Owing                               | 26,791.31            | 20,305.15          |
| GST Liability                                | <u>29,974.49</u>     | <u>24,280.19</u>   |
|  | <u>62,527.22</u>     | <u>59,008.23</u>   |
| <b>7 Borrowings</b>                          |                      |                    |
| <b>Current</b>                               |                      |                    |
| Hire Purchase Liability                      | 4,893.00             | 19,002.69          |
| Less: Unexpired Charges                      | <u>(396.15)</u>      | <u>(1,209.49)</u>  |
| Total current borrowings                     | <u>4,496.85</u>      | <u>17,793.20</u>   |
| <b>Non-Current</b>                           |                      |                    |
| Hire Purchase Liability                      | 10,250.00            | 15,143.00          |
| Less: Unexpired HP Charges                   | <u>-</u>             | <u>(396.15)</u>    |
| Total non-current borrowings                 | <u>10,250.00</u>     | <u>14,746.85</u>   |
| <b>Total borrowings</b>                      | <u>4 14,746.85 4</u> | <u>32,540.05</u>   |



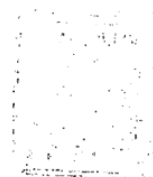
**LAMP INCORPORATED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

|  | 2017<br>\$        | 2016<br>\$        |
|--|-------------------|-------------------|
| <b>8 Provision for Sick &amp; Annual Leave</b>   |                   |                   |
| <b>Liabilities</b>   |                   |                   |
| <b>Current</b>   |                   |                   |
| Provision for Annual Leave   | 48,164.16         | 54,396.38         |
| Provision for Sick Leave   | <u>12,131.75</u>  | <u>12,390.70</u>  |
|  | <u>60,295.91</u>  | <u>66,787.08</u>  |
| <b>9 Reserves</b>  |                   |                   |
| Government Funding Held in Reserve   | <u>310,967.65</u> | <u>187,797.85</u> |
|  | <u>310,967.65</u> | <u>187,797.85</u> |
| <b>10 Retained Earnings</b>  |                   |                   |
| Retained earnings at the beginning of the financial year   | 904,924.71        | 809,116.08        |
| Net profit attributable to the association   | <u>44,188.25</u>  | <u>95,808.63</u>  |
| Retained earnings at the end of the financial year   | <u>949,112.96</u> | <u>904,924.71</u> |
| <b>11 Events After the Reporting Period</b>  |                   |                   |
| <p>A \$420,000.00 donation has been received by the Association on the 7th July 2017, which has been applied towards the purchase of a residential property at 13 Billabong Street, Yalyalup 6280.</p> |                   |                   |
| Donation   | (420,000.00)      | -                 |

**LAMP INCORPORATED**  
**81 359 568 293**



**STATEMENT BY MEMBERS OF THE COMMITTEE**

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 13:

1. Presents a true and fair view of the financial position of Lamp Incorporated as at 30 June 2017 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Lamp Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

**President:** \_\_\_\_\_

**Treasurer:** \_\_\_\_\_

**Dated this**      **day of**



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF LAMP INCORPORATED  
81 359 568 293**

**Report on the Financial Report**

I have audited the accompanying financial report, being a special purpose financial report, of Lamp Incorporated (the association), which comprises the balance sheet as at 30 June 2017, and the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

**Committee's Responsibility for the Financial Report**

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 2015 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF LAMP INCORPORATED  
81 359 568 293**

**Basis for Qualified Opinion**

*Verification of Cash Receipts*

It is not practicable for Lamp Incorporated to maintain an effective system of internal controls over cash receipts until their initial entry in the accounting records. Accordingly, our audit in relation to cash receipts income was limited to amounts recorded within the financial records.

*Cash on Hand*

We have been unable to confirm the petty cash and floats balance on hand at 30<sup>th</sup> June 2017 of \$3,516.51 and, as such, we do not provide an opinion on this balance.

**Auditor's Opinion**

In my opinion, subject to the qualifications above:

The financial report of Lamp Incorporated is in accordance with the Associations Incorporation Act 2015 including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2017 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with the Australian Accounting Standards.

The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

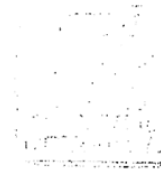
**Name of Firm:** Harvey & Partners  
Certified Practising Accountants

**Name of Principal:** Marilyn Royer  
Marilyn Royer CPA (MIPA AFA)

**Address:** 7 Harris Road, Busselton WA 6280

**Dated this** 4 **day of** October, 2017

**LAMP INCORPORATED**  
**81 359 568 293**



**CERTIFICATE BY MEMBERS OF THE COMMITTEE**

I, \_\_\_\_\_ of \_\_\_\_\_, certify that:

- (a) I attended the annual general meeting of the association held on .
- (b) The financial statements for the year ended 30 June 2017 were submitted to the members of the association at its annual general meeting.

Dated this      day of

Committee Member: \_\_\_\_\_

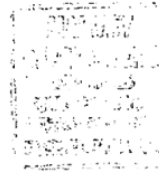
LAMP INCORPORATED

Taxation Depreciation Report - Detailed  
Period 1/07/2016 to 30/06/2017

| Asset Code                              | Description                                  | Private Use % | Acq. (Disp) Date | Original Cost | Opening W.D.V. | Additions (Disposals) | Profit (Loss) on Sale | Depn Method | Depreciation | Closing W.D.V. |        |
|---|--|---------------|------------------|---------------|----------------|-----------------------|-----------------------|-------------|--------------|----------------|--------|
| <b>Plant &amp; Equipment - Busseton</b> |  |               |                  |               |                |                       |                       |             |              |                |        |
| P43                                     | ACER SERVER, ACCESSORIES & SOFTWARE          |               | 23/06/2008       | 17,409        | 2,904          | -                     | -                     | 20.00       | D            | 581            | 2,323  |
| P44                                     | EIP COLOUR LASERJET PRINTER                  |               | 23/06/2008       | 1,117         | 187            | -                     | -                     | 20.00       | D            | 37             | 150    |
| P45                                     | PAC SOFTWARE                                 |               | 27/02/2009       | 18,000        | 434            | -                     | -                     | 40.00       | D            | 174            | 260    |
| P46                                     | ATHENA SOFTWARE                              |               | 11/03/2015       | 23,400        | 15,739         | -                     | -                     | 25.00       | P            | 5,850          | 9,889  |
| P47                                     | VARIOUS TOOLS D2D                            |               | 15/12/2015       | 3,602         | -              | -                     | -                     | 100.00      | W            | -              | -      |
| P48                                     | COMPUTER MHC                                 |               | 17/08/2016       | 905           | -              | 905                   | -                     | 37.50       | D            | 296            | 609    |
| 744                                     | Motor Vehicles                               |               |                  | 64,434        | 19,264         | 905                   | 0                     |             |              | 6,938          | 13,232 |
| M02                                     | FORD TRANSIT VJ LWB BUS MHC                  |               | 15/11/2004       | 37,717        | 605            | -                     | -                     | 30.00       | D            | 181            | 424    |
| M10                                     | 2012 TOYOTA HIACE COMMUTER VAN LAMP          |               | 21/06/2012       | 57,697        | 23,000         | -                     | -                     | 18.75       | D            | 4,687          | 20,313 |
| M12                                     | VISCOUNT CARAVAN FOL                         |               | 04/01/2013       | 4,545         | 2,213          | -                     | -                     | 18.75       | D            | 415            | 1,798  |
| MV13                                    | 2014 HYUNDAI I30 ACTIVE 5D HARCH IEH1764 MHC |               | 16/01/2014       | 22,407        | 13,522         | -                     | (840)                 | 18.75       | D            | 882            | -      |
| MV15                                    | 2015 HYUNDAI I30 HATCH BSN999P HSW           |               | (04/11/2016)     | 19,620        | 14,208         | (11,800)              | -                     |             |              |                |        |
| MV16                                    | 2015 HYUNDAI I30 5D HATCH BSN989P MHC        |               | 13/05/2015       | 19,620        | 14,702         | -                     | -                     | 25.00       | D            | 3,552          | 10,656 |
|   |  |               | 01/07/2015       |               |                |                       | -                     | 25.00       | D            | 3,676          | 11,026 |
| Less Disposals                          |  |               |                  | 161,606       | 70,250         | (11,800)              | (840)                 |             |              | 13,393         | 44,217 |
|   |  |               |                  | 22,407        |                |                       |                       |             |              |                |        |
|   |  |               |                  | 139,199       |                |                       |                       |             |              |                |        |
| 754                                     | Leasehold Improvements                       |               |                  |               |                |                       |                       |             |              |                |        |
| LI01                                    | WORKSHOP WIRING D2D                          |               | 22/12/2015       | 1,818         | 1,722          | -                     | -                     | 10.00       | P            | 182            | 1,540  |
| LI02                                    | OP SHOP FIT-OUT                              |               | 10/02/2016       | 12,112        | 11,641         | -                     | -                     | 10.00       | P            | 1,211          | 10,430 |
|   |  |               |                  | 13,931        | 13,364         | 0                     | 0                     |             |              | 1,393          | 11,971 |
| <b>TOTAL</b>                            |  |               |                  | 217,563       | 102,878        | (10,895)              | (840)                 |             | 21,724       | 21,724         | 69,419 |

Notes:

- Assets allocated to taxation pools are not included in this report.
- Where a taxation pool is set up refer to the relevant pool schedule report for details of decline in value for the pool.
- For disposed assets that have non-taxable use refer to Capital Gains Schedule report for any gain or loss resulting from a CGT K7 event.
- The Opening W.D.V. includes second element of cost (additional expense) incurred in the current year. Hence, this amount may vary from the Closing W.D.V. from the previous year.
- The Original Cost for Motor Vehicle assets shows an amount as adjusted by the cost limit.



## **Lamp Inc. CONSTITUTION and RULES**

### **1 Name of the Association**

The name of the Association is Lamp (Incorporated).

### **2 Definitions**

In these rules, unless the contrary intention appears:

“Association” means Lamp (Incorporated)

“consumer” means a person with a mental illness

“committee” means the Committee of Management

“the Act” means the *Associations Incorporation Act 1987*

### **3 Objects of the Association**

The benevolent objectives for which the Association is established are:

3.1 To promote and maintain the social wellbeing, dignity and autonomy of people with a mental illness, their families, carers and significant others residing in the South West Region of Western Australia.

3.2 To provide individualised support services, encompassing life-skills and lifestyle choice with an aim to improve the quality of life for consumers, their families, carers and significant others.

3.2 To contribute to an increased understanding and acceptance of mental illness by providing education and information to the broader community.

3.3 The property and income of the Association shall be applied solely towards the promotion of the objects of the Association and no part of that property or income may be paid or otherwise distributed, directly or indirectly, to members, except in good faith in the promotion of those objects.

### **4 Powers of the Association**

4.1 To raise funds by both public and private subscription to further the objects of the Association.

4.2 To enter into arrangements with both government and non-government Associations with similar objects to further the objects of Lamp (Inc).

4.3 To appoint such personnel as required achieving the objects of the Association.

4.4 To do all such other lawful things which may be deemed conducive to the attainment of the objects of the Association.

**5 Membership**

5.1 Membership of the Association shall include the following categories:

a) *Ordinary Membership*

Any person willing to further the objects of the Association.

b) *Associational Membership*

Any corporation, body or Association having objects similar to those of Lamp (Inc).

c) *Life Membership*

The Committee may choose at their discretion to award life membership to an individual member who they deem worthy, such member would no longer be required to pay a membership fee.

5.2 A person who wishes to become a member of the Association must:

a) Make application for membership in writing in such form as prescribed by the Committee of Management.

b) Pay a membership fee as prescribed by the committee.

5.3 Application for admission to membership by any corporation, body, Association or institution will be considered by the Committee of Management. The decision of the committee shall be made known to the applicant body by way of notice in writing.

5.4 A register of membership shall be kept by Lamp (Inc.).

5.5 A member of the Association shall cease to be a member if:

a) The member resigns in writing to the Association.

b) The member fails to comply with any of the provisions of this Constitution.

c) The member conducts himself or herself in a manner considered to be injurious or prejudicial to the character and interests of the Association.

**6 Subscription**

The committee may from time to time at their meeting determine the amount of subscription to be paid by members. Each member must pay his or her subscription annually to the Treasurer before the Annual General Meeting.

**7 Committee of Management**

7.1 The affairs of the Association shall be managed by a Committee of Management comprising of a Chairperson, a Vice-Chairperson, Secretary, Treasurer and community representatives, all of who must be members of the Association.



- 7.2 The committee shall at no time consist of more than ten members nor fewer than six and a quorum of the committee shall be fifty percent of the committee members at that time.
- 7.3 A question arising at a meeting of the Association must be decided by a majority of votes, but, if there is no majority (tied vote), the person presiding at the meeting will have a casting vote in addition to their deliberative vote.
- 7.4 The committee may appoint additional members to fill vacant positions. Appointed members shall take office until the Annual General Meeting next following their appointment.
- 7.5 The committee may co-opt persons considered to have particular qualifications required from time to time to undertake specific tasks on behalf of the Association.
- 7.6 A member of the Committee shall no longer hold office if:
- a) They resign in writing from the Committee of Management of the Association.
  - b) They resign, are suspended or expelled as a member of the Association.
  - c) A majority of the Committee of Management vote to expel a person from the Committee.
- 7.7 A member may be expelled from the Committee of Management if the committee considers that the member's conduct is detrimental to the interests of the Association or the member is not performing their duties of office fully.
- 7.8 To expel a member the Committee must give the person at least seven days notice in writing of the Committee meeting at which the expulsion will be discussed. The notice must state why the member is being considered for expulsion. The member is entitled to attend this meeting to address the Committee; however, they can be required to leave the meeting while the committee deliberates the expulsion.
- 7.9 The Committee must advise the member in writing of their decision, and the expulsion of a member takes effect immediately they receive notice of the expulsion.
- 7.10 A casual vacancy occurs in the office of a Committee Member and that office becomes vacant if the Committee Member:
- a) dies;
  - b) resigns by notice in writing delivered to the Chairperson or, if the Committee member is the Chairperson, to the Vice-Chairperson and that resignation is accepted by resolutions of the Committee;
  - c) is convicted of an offence under the Act;

- d) is permanently incapacitated by mental or physical ill-health;
  - e) is absent for more than:
    - i. 3 consecutive Committee meetings; or
    - ii. 3 Committee meetings in the same financial year without tendering an apology to the office or the person presiding at those meetings.
  - f) ceases to be a member of the Association; or
  - g) is the subject of a resolution passed by a general meeting of members terminating his or her appointment as a Committee member.
- 7.11 Committee members must be elected to membership of the Committee at an Annual General Meeting or appointed under sub-rule 7.3.
- 7.12 A Committee member's term will be from his or her election at an Annual General Meeting until the election at the next Annual General Meeting after his or her election at which time all positions become vacant.
- a) The member is eligible for re-election to membership of the Committee.
  - b) No member shall be re-elected to the same executive position for more than three consecutive years.
- 7.13 Except for nominations under sub-rule 7.3, a person is not eligible for election to membership of the Committee unless a member has nominated him or her for election by delivering notice in writing of that nomination, signed by:
- a) the nominator; and
  - b) the nominee to signify his or her willingness to stand for election, to the Secretary prior to the commencement of the Annual General Meeting.
- 7.14 If the number of persons nominated in accordance with sub-rule 7.12 for election to membership of the Committee does not exceed the number of vacancies in that membership to be filled-
- a) the Secretary must report accordingly to; and
  - b) the Chairperson must declare those persons to be duly elected as members of the Committee at the Annual General Meeting concerned.
- 7.15 If vacancies remain on the Committee after the declaration under sub-rule 7.14, additional nominations of Committee members may be accepted from the floor of the Annual General Meeting. If such nominations from the floor do not exceed the number of vacancies the Chairperson must declare those persons to be duly elected as members of the Committee. Where the number of nominations from the floor exceeds the vacancies on the Committee, elections for those positions must be conducted.

- 7.16 If a vacancy remains on the Committee after the application of sub-rule 7.15, or when a casual vacancy occurs within the meaning of sub-rule 7.9 occurs in the membership of the Committee:
- a) the Committee may appoint a member to fill that vacancy; and
  - b) a member appointed under this sub-rule will
    - i. hold office until the election referred to in sub-rule 7.10; and
    - ii. be eligible for election to membership of the Committee, at the next following Annual General Meeting.
- 7.17 The Committee may delegate, in writing, to one or more sub-committees (consisting of such member or members of the Association as the Committee thinks fit) the exercise of such functions of the Committee as are specified in the delegation other than-
- a) the power of delegation; and
  - b) a function, which is duly imposed on the Committee by the Act or any other law.
- 7.18 Any delegation under sub-rule 7.17 may be subject to such conditions and limitations as to the exercise of that function or as to time and circumstances as are specified in the written delegation and the Committee may continue to exercise any function delegated.
- 7.19 The Committee may, in writing, revoke wholly or in part any delegation under sub-rule 7.17.

8 **Meetings of the Association**

- 8.1 The Committee shall convene General Meetings of the Association at any time for the purpose of sharing information with and gaining information from the membership.
- 8.2 At least fourteen days notice of a General Meeting shall be given to members in writing.
- 8.3 For the purpose of any General Meeting a quorum consists of ten percent of the membership of the Association.
- 8.4 If within half an hour from the time appointed for a General Meeting a quorum is not present, the meeting shall unless convened by order of the committee be dissolved.
- 8.5 The Chairperson or in their absence the Vice Chairperson shall preside at every General Meeting. If within ten minutes of the appointed time for the meeting, none of the aforementioned are present, the meeting shall elect its own Chair.

- 8.6 A Special General Meeting of members may be called by a request from not less than twenty five percent of the membership. The request must be in writing to the Secretary of the Association stating the purpose of the meeting and be signed by those calling the meeting. The meeting must be held within twenty-eight days of receiving the request.
- 8.7 The Committee of Management may call a Special General Meeting by notifying the membership of the purpose of the meeting in writing no less than twenty-eight days prior to the meeting.
- 8.8 The Annual General Meeting shall be held in every calendar year within four months of the end of the Associations financial year. The Chairperson must ensure that a Returning Officer is appointed prior to the Annual General Meeting.
- 8.9 Any member may propose a resolution by submitting details in writing to the Secretary no less than thirty-one days prior to the next Annual General Meeting. Notice of such a resolution shall be given to all members at the time of notice of the Annual General Meeting and no less than twenty eight days prior to the meeting.
- 8.10 The Secretary must cause proper minutes of all proceedings of all General Meetings and Committee meetings to be taken and then to be entered within thirty days after the holding of each General Meeting or Committee Meeting, as the case requires, in a minute book kept for that purpose.
- 8.11 The Chairperson must ensure that the minutes taken of a General Meeting or Committee Meeting under sub-rule 8.10 are checked and signed as correct by the Chairperson of the General Meeting or Committee Meeting to which those minutes relate or by the Chairperson of the next succeeding General Meeting or Committee Meeting, as the case requires.
- 8.12 When minutes have been entered and signed as correct under this rule, they are, until the contrary is proved, evidence that-
- a) the General Meeting or Committee Meeting to which they relate (in this sub-rule called "the meeting") was duly convened and held;
  - b) all proceedings recorded as having taken place at the meeting did in fact take place at the meeting; and
  - c) all appointments or elections purporting to have been made at the meeting have been validly made.
- 8.13 Subject to these rules, each member present in person or by proxy at a General Meeting is entitled to a deliberative vote.
- 8.14 A member which is a body corporate may appoint in writing a person, whether or not the person is a member, to represent it at a particular General Meeting or at all General Meetings.

- 8.15 An appointment made under sub-rule 8.14 must be made by a resolution of the board or other governing body of the body corporate concerned –
- i. which resolution is authenticated under the common seal of that body corporate; and
  - ii. a copy of which resolution is lodged with the Secretary.
- 8.16 A person appointed under sub-rule 8.14 to represent a member which is a body corporate is deemed for all purposes to be a member until that appointment is revoked by the body corporate or, in the case of an appointment in respect of a particular General Meeting, which appointment is not so revoked, the conclusion of that General Meeting.
- 8.17 A member (in this rule called “the appointing member) may appoint in writing another member to be proxy of the appointing member and to attend, and vote on behalf of the appointing member at, any General Meeting.

**9 Rules of Association**

- 9.1 The Association may alter or rescind these rules, or make rules additional to these rules, in accordance with the procedure set out in sections 17, 18 and 19 of the Act, which is as follows-
- a) Subject to sub-rule (d) and (e), the Association may alter its rules by special resolution but not otherwise;
  - b) Within one month of the passing of a special resolution altering its rules, or such further time as the Commissioner may in a particular case allow (on written application by the Association), the Association must lodge with the Commissioner notice of the special resolution setting out particulars of the alteration together with a certificate given by a member of the Committee certifying that the resolution was duly passed as a special resolution and that the rules of the Association as so altered conform to the requirements of this Act;
  - c) An alteration of the rules of the Association does not take effect until sub-rule (b) is complied with;
  - d) An alteration of the rules of the Association having effect to change the name of the Association does not take effect until sub-rules (a) to (c) are complied with and the approval of the Commissioner is given to the change of name;
  - e) An alteration of the rules of the Association having effect to alter the objects or purposes of the Association does not take effect until sub-rules (a) to (c) are complied with and the approval of the Commissioner is given to the alteration of the objects or purposes.
- 9.2 These rules bind every member and the Association to the same extent as if every member and the Association had signed and sealed these rules and agreed to be bound by all of their provisions.

**10 Common Seal of Association**

- 10.1 The Association must have a common seal on which its corporate name appears in legible characters.
- 10.2 The common seal of the Association must not be used without express authority of the Committee and every use of that common seal must be recorded in the minute book.
- 10.3 The affixing of the common seal of the Association must be witnessed by any two of the Chairperson, the Secretary and the Treasurer.
- 10.4 The common seal of the Association must be kept in the custody of the Secretary or of such other person as the Committee from time to time decides.

**11 Pecuniary Interest**

Where a member of the Association or a member of the Committee has a pecuniary interest in a matter which is before a General Meeting or a Committee Meeting for discussion that member shall not take part in the discussion or vote on the matter unless the Chairperson of the meeting is satisfied that the interest is so trivial as to be unlikely to affect the member's judgement in the matter.

**12 Finance**

- 12.1 The Association's financial year shall be from 1<sup>st</sup> July to the 30<sup>th</sup> June in the following year and once at least in every year the Association shall cause its accounts to be audited by a person or persons appointed by the members at the Annual General Meeting.
- 12.2 The Committee shall keep proper accounts of all assets and liabilities and all income and expenditure of the Association for each financial year and shall have such accounts audited and shall submit the same to the Annual General Meeting.
- 12.3 Funds shall be deposited to the credit of the Association at such bank or building society as may be approved by the Committee.
- 12.4 All such accounts shall be operated by, and require the signature of two persons, with at least one member of the Committee being represented.
- 12.5 At least two office bearers of the Management Committee shall be signatories to the bank accounts of the Association.

**13 Custody of Documentation and Securities**

The Secretary and Treasurer of the Committee shall have custody of the records, documents and securities of the Association and shall have the same available for inspection by any member of the Association on reasonable notice and at all reasonable times.

**14 Dissolution**

If upon winding up or dissolution of the Association there remains after satisfaction of all its debts and liabilities any property whatsoever, the same must not be paid to or distributed among the members, or former members. The surplus property must be given or transferred to another Association incorporated under the Act which has similar objects and which is not carried out for the purpose of profit or gain to its individual members, and which Association shall be determined by resolution of the members.

### **13. PLANNING AND DEVELOPMENT SERVICES REPORT**

#### **13.1 PROPOSED AMENDMENT NO. 37 AND ASSOCIATED STRUCTURE PLAN (BUSSELTON WETLANDS CONSERVATION STRATEGY) - LOT 7 FORREST BEACH ROAD, WONNERUP**

|                             |  |
|-----------------------------|--|
| <b>SUBJECT INDEX:</b>       | Local Planning Scheme 21 Amendments  |
| <b>STRATEGIC OBJECTIVE:</b> | Natural areas and habitats are cared for and enhanced for the enjoyment of current and future generations.   |
| <b>BUSINESS UNIT:</b>       | Strategic Planning   |
| <b>ACTIVITY UNIT:</b>       | Strategic Planning   |
| <b>REPORTING OFFICER:</b>   | Senior Strategic Planner - Helen Foulds  |
| <b>AUTHORISING OFFICER:</b> | Director, Planning and Development Services - Paul Needham   |
| <b>VOTING REQUIREMENT:</b>  | Simple Majority  |
| <b>ATTACHMENTS:</b>         | Attachment A <a href="#">Location Plan</a> ↓<br>Attachment B <a href="#">Aerial Photograph</a> ↓<br>Attachment C <a href="#">Scheme Amendment Map</a> ↓<br>Attachment D <a href="#">Structure Plan Map</a> ↓<br>Attachment E <a href="#">Determination of Wetland Boundaries Map</a> ↓ |

#### **PRÉCIS**

The Council is requested to consider initiating a proposed Scheme Amendment that would facilitate the rezoning of Lot 7 (No. 86) Forrest Beach, Wonnerup from 'Agriculture' to 'Conservation', 'Reserve for Recreation' and 'Reserve for Public Purpose (Water Tank)'.

The amendment includes an associated draft Structure Plan which would facilitate the future subdivision of the land into six lots, being broadly consistent with the voluntary conservation subdivision incentive afforded by the WA Planning Commission's Busselton Wetlands Conservation Strategy (BWCS).

It is recommended that the proposal be supported, and that Amendment No. 37 and the associated draft Structure Plan be initiated/adopted for the purposes of community consultation.

#### **BACKGROUND**

The subject land is located approximately 8km east of the Busselton City Centre and is 56 hectares in area. The site is bound by Forrest Beach Road to the north, agricultural land to the east and the existing Wonnerup Estuary foreshore reserve to the south and west. An existing dwelling and two outbuildings are located in proximity to Forrest Beach Road. The remainder of the property is generally cleared grazing land with scattered trees and wetland along the southern and western boundaries. A location plan and aerial photograph are provided at Attachments A and B, respectively.

The proposal comprises a Scheme Amendment and a draft Structure Plan that relate to the rezoning of Lot 7 Forrest Beach Road, Wonnerup from 'Agriculture' to 'Conservation', 'Reserve for Recreation' and 'Reserve for Public Purpose (Water Tank)'. The Scheme Amendment map is provided at Attachment C. The proposal would facilitate the future subdivision of the subject land into six lots, including a large portion of the original landholding reserved for recreation, consistent with the voluntary subdivision incentive available under the BWCS.

The draft Structure Plan indicates the proposed lot layout and indicative building envelopes (Attachment D). A cluster of three lots, each being 2.0 ha in size, is located in the northern portion of the subject land, with direct access available from Forrest Beach Road.



An area of 13.5 ha is proposed to be rezoned to 'Reserve for Recreation', with the Reserve purpose being for Environmental Conservation and a lot of 100m<sup>2</sup> will accommodate a strategic fire-fighting tank. The remainder of the original lot, being 37.58 ha, will contain the existing residence, outbuildings and continued agricultural purposes (cattle grazing).

The area of the subject land that is classified as the Quindalup Very Wet Saline Flats soil type, plus a minimum 30m buffer (incorporating the Quindalup Wet Flats soil type), and additional low-lying land is designated for conservation purposes and will be ceded to the Crown as part of the subdivision process. The purpose of the 30m buffer is to include a soil type that will provide a degree of nutrient absorption for more nutrient intensive land uses adjacent to the Quindalup Wet or Very Wet soil types. The reserve will be fenced and managed in the future by the Department of Biodiversity, Conservation and Attractions (DBCA). DBCA has provided written agreement for the alignment of the proposed reserve. This boundary alignment is illustrated by the Scheme Amendment map and the draft Structure Plan that form Attachments C and D.

The following information has been provided to support the proposal:

- i. Bushfire Management Plan;
- ii. Determination of Wetland Boundaries

### **Bushfire Management Plan**

The subject land is designated 'bushfire prone' on the State Map of Bushfire Prone Areas. In response a Bushfire Management Plan (BMP) has been prepared for the proposal by a suitably qualified fire consultant in accordance with the *WAPC State Planning Policy 3.7 – Planning in Bushfire Prone Areas 2015/Guidelines for Planning in Bushfire Prone Areas 2017*.

The key findings of the BMP are summarised as follows -

1. All proposed development can achieve a BAL of 29 or lower.
2. The majority of the area within the site is Grassland, with small pockets of native vegetation, posing a Moderate bushfire risk.
3. The managed grassland/gardens within the site pose a Low bushfire hazard due to the lack of remaining vegetation.

### **Determination of Wetland Boundaries**

A consultant engaged by the proponent has determined the alignment of the Quindalup Very Wet Saline Flats soil type and a line 30 metres beyond that alignment, into the subject property, as per the criteria listed in the BWCS. The mapping produced by this assessment is provided as Attachment E.

The wetland at the property has been defined using the following combination of layers:

1. High resolution aerial photography to define the boundary of hydric soils – the hydric soils are easily identified by the darker, smoother shading pattern resulting from seasonal inundation and the typical samphire vegetation layer; and
2. Mapping the 'Quindalup Very Wet Saline Flats' layer – this soil unit occurs in low-lying depressions which are seasonally inundated during winter months and saline in summer.

The consultant found that the above layers corresponded with relative accuracy ( $\pm 30$  metres). Further discussion on the determination of the proposed Reserve boundary is provided in the Officer Comment, below.

## STATUTORY ENVIRONMENT

The key elements of the statutory environment with respect to this proposal are set out in the *Planning and Development Act 2005*, the *Planning and Development (Local Planning Schemes) Regulations 2015* and the relevant objectives, policies and provisions of the *City of Busselton Local Planning Scheme No. 21*. Each is discussed below under appropriate subheadings.

### Planning and Development Act 2005

The *Planning and Development Act 2005* outlines the relevant considerations when preparing and amending local planning schemes. The relevant provisions of the Act have been taken into account in preparing and processing this Amendment.

### Planning and Development (Local Planning Schemes) Regulations 2015

The *Planning and Development (Local Planning Schemes) Regulations 2015*, which came into operational effect on 19 October 2015, identifies three different levels of amendments – basic, standard and complex. The resolution of the local government is to specify the level of the amendment and provide an explanation justifying this choice. This Amendment is considered to be a ‘standard’ amendment.

The Regulations provide separate processes for the approval of Scheme amendments and structure plans, adherence to which would advance the draft Structure Plan ahead of the Amendment. However as the Structure Plan is reliant upon the change in zoning proposed in the Amendment and the nature of the proposal supports their assessment in parallel, the Structure Plan and Amendment are being progressed concurrently. Progression of the draft Structure Plan will therefore assume the process and timeframes associated with the Amendment.

### Local Planning Scheme No. 21

The property is zoned ‘Agriculture’ and is located within the ‘Landscape Value’, ‘Wetland’ and ‘Floodway’ Areas under LPS21.

The Landscape Value Area requires development to be compatible with the maintenance and enhancement of the existing rural and scenic character of the locality.

LPS21 discourages development within the Wetland and Floodway Areas and establishes criteria for consideration of any potential development. All of the land designated as within the Wetland Area, and the vast majority of the land designated as within the Floodway Area, is proposed to be ceded as Reserve for Environmental Conservation.

The proposal is considered to be consistent with the relevant provisions relating to the zoning of the subject land under LPS21.

## RELEVANT PLANS AND POLICIES

The key policies relevant to the proposal are:

- I. *State Planning Policy 3.7: Planning for Bushfire Management and Guidelines for Planning in Bushfire Prone Areas 2017;*
- II. *Draft City of Busselton Local Planning Strategy;*
- III. *Local Rural Planning Strategy; and*
- IV. *Busselton Wetlands Conservation Strategy.*

Each is addressed below under appropriate subheadings.

### **State Planning Policy 3.7: Planning for Bushfire Management and Guidelines for Planning in Bushfire Prone Areas 2017**

SPP 3.7 directs how land use should address bushfire risk management in Western Australia. It applies to all land which has been designated as bushfire prone by the Fire and Emergency Services (FES) Commissioner as highlighted on the State Map of Bush Fire Prone Areas. The accompanying *Guidelines for Planning in Bushfire Prone Areas* provide supporting information to assist in the interpretation of the objectives and policy measures outlined in SPP 3.7, providing advice on how bushfire risk is to be addressed when planning, designing or assessing a planning proposal within a designated bushfire prone area.

The four elements of the Guidelines are:

- Element 1: Location – to ensure that the subdivision, development or land use is located in areas with the least possible risk from bushfire, to help minimise risk to people, property and infrastructure.
- Element 2: Siting and Design of Development – to ensure that the siting of development minimises the level of bushfire impact. The Bushfire Management Plan (BMP) provided in support of the proposal suggests that bush fire risk to future development can be managed to an acceptable level.
- Element 3: Vehicle Access – to ensure that residents and the community, as well as emergency services, have safe access and egress from both the subdivision and individual houses/development.
- Element 4: Water – ensures adequate water is available to defend against a bushfire.

The BMP finds that the subject land is suitable for subdivision and development consistent with SPP 3.7 and the associated Guidelines.

### **Draft City of Busselton Local Planning Strategy**

The draft LPS sets the long term broad planning direction for the whole of the District of the City of Busselton and provides the strategic rationale for decisions related to the progressive review and amendment of LPS21.

A relevant strategy of the draft LPS is to support the rationalisation and expansion of the reservation and management of land along the coast and adjacent to waterways, especially around the Vasse River, Vasse-Wonnerup Estuary, New River, Broadwater, Toby Inlet and linking wetlands.

The draft LPS was adopted for final approval by the Council in September 2016 and is currently pending endorsement by the WAPC.

### **Local Rural Planning Strategy**

The property is located in Precinct 2 of the Local Rural Planning Strategy (LRPS) and identified as 'Rural Wetlands'. There is a general presumption against subdivision in this area, except where provided for in the Busselton Conservation and Wetlands Strategy. Subdivision in these areas is to provide for the vesting of significant wetland foreshore reserves, retention of agricultural capacity and protection of natural and rural landscape values.

## **Busselton Wetlands Conservation Strategy**

The *Busselton Wetlands Conservation Strategy* (BWCS) comprises the planning framework for the sustainable land use and management of the environmental values of the Busselton wetlands. The Strategy has been endorsed by the WA Planning Commission.

The property is identified in the BWCS as 'Rural and Wetland Amenity Area' and within the 'Wetland Amenity Line'. The main purpose of the 'Rural and Wetland Amenity Area' is to define the area where future development of intensive agriculture and development of lifestyle lots would be inconsistent with the conservation objectives of the Strategy, and should not occur. The Strategy supports continuation of broad-acre farming within the 'Rural and Wetland Amenity Area' in accordance with the Department of Primary Industries and Regional Development's (Agriculture and Food) *Guidelines for Management of Farmland Adjacent to the Busselton Wetlands* (2002).

The BWCS provides the ability for land identified as partly or entirely 'Rural Wetland Amenity' to be subdivided at a ratio of one additional lot per 20ha to a maximum of 5 additional lots subject to meeting a number of criteria including:

- A conservation, landscape and foreshore protection reserve is to be ceded extending at least 30m from the Quindalup Very Wet Saline Flats;
- Land retained in private ownership being rezoned to 'Conservation' and protected by conservation covenants to ensure the perpetual maintenance of conservation and landscape values;
- Subdivision shall be in a clustered form;
- The rural clustered lots shall be within the range of 1 to 2ha, with the possibility for lots below 1ha where justified;
- Proposed lots should not be located in a 'Rural Wetland Amenity' area, where possible;
- Revegetation with local native species and enhancing appropriate locations adjoining the wetlands;
- Not detract from the ongoing viability of the balance of the lot for long term agricultural uses;
- Not detract from scenic value; and
- Ensure provision of adequate measures for fencing, emergency access and bushfire protection without burdening the values and management of the wetlands.

The amendment is broadly consistent with the subdivision incentive of the BWCS but does propose a variation to the recommended lot ratio. This is discussed further under the 'Officer Comment' section.

The BWCS supports the continuation of agricultural and rural activities in conjunction with conserving the landscape and natural values of the Busselton wetlands. Continuation of grazing and pasture production activities should be carried out in a sustainable manner without adverse effects on the adjoining wetlands. The current land use could be considered to be reasonably intensive and nutrient management should be a key consideration in the ongoing use of the land for this purpose.

## **FINANCIAL IMPLICATIONS**

There are not considered to be any financial implications for the City arising from the proposal.

## **LONG-TERM FINANCIAL PLAN IMPLICATIONS**

There are not considered to be any long term financial implications for the City arising from the proposal.

## **STRATEGIC COMMUNITY OBJECTIVES**

The Officer Recommendation is consistent with Key Goal Area 3.2 of the *City of Busselton Strategic Community Plan 2017*, which is – ‘natural areas and habitats are cared for and enhanced for the enjoyment of current and future generations’.

## **RISK ASSESSMENT**

An assessment of the potential implications of implementing the Officer Recommendation has been undertaken using the City’s risk assessment framework. The assessment identified ‘downside’ risks only, rather than upside risks as well. The implementation of the Officer Recommendation will involve publicly advertising the proposed Scheme Amendment and associated draft Structure Plan in accordance with the Regulations. In this regard, there are no significant risks identified.

## **CONSULTATION**

If the Council resolves to initiate the proposed Amendment and associated Structure Plan, the relevant amendment documentation would be referred to the Environmental Protection Authority for consideration of the need for formal assessment under Part IV of the *Environmental Protection Act 1986*. Should the EPA resolve that the Amendment does not require formal assessment, both documents will be advertised for 42 days in accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015*.

## **OFFICER COMMENT**

The proposed rezoning framework would facilitate the subdivision of the land generally in accordance with the voluntary conservation incentive available under the BWCS. The proposal has been assessed as being generally consistent with the relevant State and local planning policy and statutory framework and would deliver significant environmental benefits consistent with the objectives and desirable outcomes of the BWCS and the LRPS.

There are a number of matters relevant to the proposal that require further consideration. These matters relate to:

- the proposed lot ratio;
- determination of the Reserve boundary;
- the continuation of the current use of the land as it relates to the proposed zoning framework and nutrient management;
- the requirement for a Wetland Revegetation Plan; and
- drainage.

These elements are detailed below.

### **Lot Ratio**

The Amendment is broadly consistent with the subdivision incentive of the BWCS, but does propose a variation to the recommended lot ratio of one additional lot per 20 hectares to a maximum of 5 additional lots. As Lot 7 has a total area of 56.02 hectares, a strict interpretation of the BWCS would therefore limit any additional lots to 2 (as potential for an additional 2.8 lots would be calculated under the Strategy).

A discrepancy of 0.2 in the lot calculation is considered to be justified by the provision of an additional environmental benefit. Therefore, an additional lot is proposed, totalling 4 lots after subdivision, including the balance lot.

The additional environmental benefit is proposed by ceding a total 13.5 ha of land to Reserve, where a strict interpretation of the BWCS would otherwise result in a 9.90 ha Reserve. This larger area has been derived in consultation with officers at DBCA and based on the BWCS criteria of a 30m minimum setback from the Quindalup Very Wet Saline Flats soil type and incorporating remnant vegetation. The boundary also encompasses a portion of fringing wetland not mapped as Quindalup Very Wet Saline Flats and an alignment that should be easily fenced without regularly crossing water flow path depressions.

The proposed Reserve boundary increases the 'buffer' between the grazing of livestock and the estuarine wetland system, thereby further reducing any negative environmental impacts caused by the ongoing use of the land for grazing that the BWCS is attempting to mitigate. The 'island' of trees in the south-west corner of the property would also offer additional environmental consolidation and conservation enhancement opportunities in an environmentally sensitive part of the landholding were it to be also incorporated within the fenced wetland reservation area.

This increase in the wetland reservation area will further benefit the highly important estuarine wetland system and more closely reflect the stated intentions and purpose of the subdivision incentive written into the BWCS.

#### **Determination of Reserve Boundary**

Further to the abovementioned additional area applied to the proposed wetland reserve, a minor variation to the 30 metre buffer criteria under the BWCS is recommended.

A strip of Quindalup Very Wet Saline Flats soil type runs across the northern portion of the property, roughly parallel to the Forrest Beach Road alignment. This area of the land has been heavily modified over the previous decades and due to its location, DBCA has acknowledged that it is unlikely to be set aside as wetland reserve, but would remain in freehold with other protections outlined in the BWCS. The proposed Scheme Amendment identifies this portion of the subject land as being rezoned from 'Agriculture' to 'Conservation' rather than 'Reserve for Recreation' and it is also where the proposed new lots have been located due to the ease of servicing, being directly adjacent to Forrest Beach Road.

Near to the existing residence the consultant's assessment on the determination of wetland boundaries identified the 30 metre minimum setback line from the Quindalup Very Wet Saline Flats soils as encroaching over one of the outbuildings. Preliminary DBCA mapping in this area identifies an acceptable Reserve alignment that does not encroach on the buildings and allows for access to the grazing area of the proposed balance lot. This alignment represents a more practical outcome for the ongoing use of the land.

#### **Current Use of the Land**

The land is currently developed for the grazing of cattle, which meets the definition of 'Agriculture – Extensive' under the Scheme. 'Agriculture – Extensive' is a 'P' use (i.e. a use that is permitted) within the Agriculture zone and a 'D' use (i.e. a use that requires development approval) within the Conservation zone. This aspect is not considered to be an impediment to the proposal being supported.

It is important to note that both the BWCS and the LRPS recognise the historic, economic and social importance of rural activities in this area. Both policy documents support the continuation of agricultural and rural activities in a sustainable manner, in conjunction with conserving the landscape and natural values of the Busselton wetlands.

The BWCS suggests that any continuation of grazing and pasture production activities should be carried out in a sustainable manner without adverse effects on the adjoining wetlands. Given the high nutrient producing nature of cattle grazing, nutrient management should be a key consideration in the ongoing use of the land for this purpose. For this reason the draft Structure Plan includes a condition requiring this concern to be addressed via the preparation and implementation of a nutrient management plan.

### **Wetland Revegetation Plan**

One criterion of the BWCS subdivision incentive requirements is for the revegetation and enhancement of appropriate locations adjoining the wetlands. Given the revegetation of the large area of wetland to be ceded as a Reserve may be an onerous task, there is instead potential for nodal areas to be revegetated. These areas would provide habitat and provide a seed source for natural regeneration and/or can be built upon in future revegetation efforts. Following referral to government agencies and full assessment of the Structure Plan, this requirement may be recommended as a condition of the Structure Plan, to be completed at the time of subdivision.

### **Drainage**

The man-made lake that exists on the property was created by a previous landowner to essentially provide water for stock. The current landowner has since installed water troughs for this purpose. After experiencing issues with mosquito breeding within the man-made lake area, and following advice from authorities, the landowner has commenced filling this area.

With the excavation for the lake and the subsequent filling in of the lake, the topography and hydrogeology of the land will have been altered. This could have potentially changed the hydraulic regime and overland flow paths and it is important that the hydraulic regime and overland flood flow paths are not altered such that they have an adverse impact on the proposed new allotments.

The proponent has advised that, although low lying, the remainder of the property is generally not subject to inundation, with relatively well draining soils as well as natural drainage channels installed by the previous owners.

The subject proposal generally contains sufficient information to enable it to be progressed to public advertising and referral to relevant advisory agencies. As such, the recommendation of this report is to progress this proposal to the referral and notification stage.

### **CONCLUSION**

Officers are of the view that the proposal is generally consistent with the objectives and relevant outcomes of the State and local planning policy framework. It is recommended that the Amendment and the associated draft Structure Plan be initiated/adopted for public consultation.

**OPTIONS**

Should the Officer Recommendation not be supported, the following options could be considered –

1. To request that the applicant modify the proposal(s) before advertising.
2. To decline the initiation of the proposed Amendment and adoption of the associated Structure Plan for advertising for reasons to be identified and explained.

Officer assessments have not revealed any substantive issue or reasonable grounds that would support either of the above options.

**TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION**

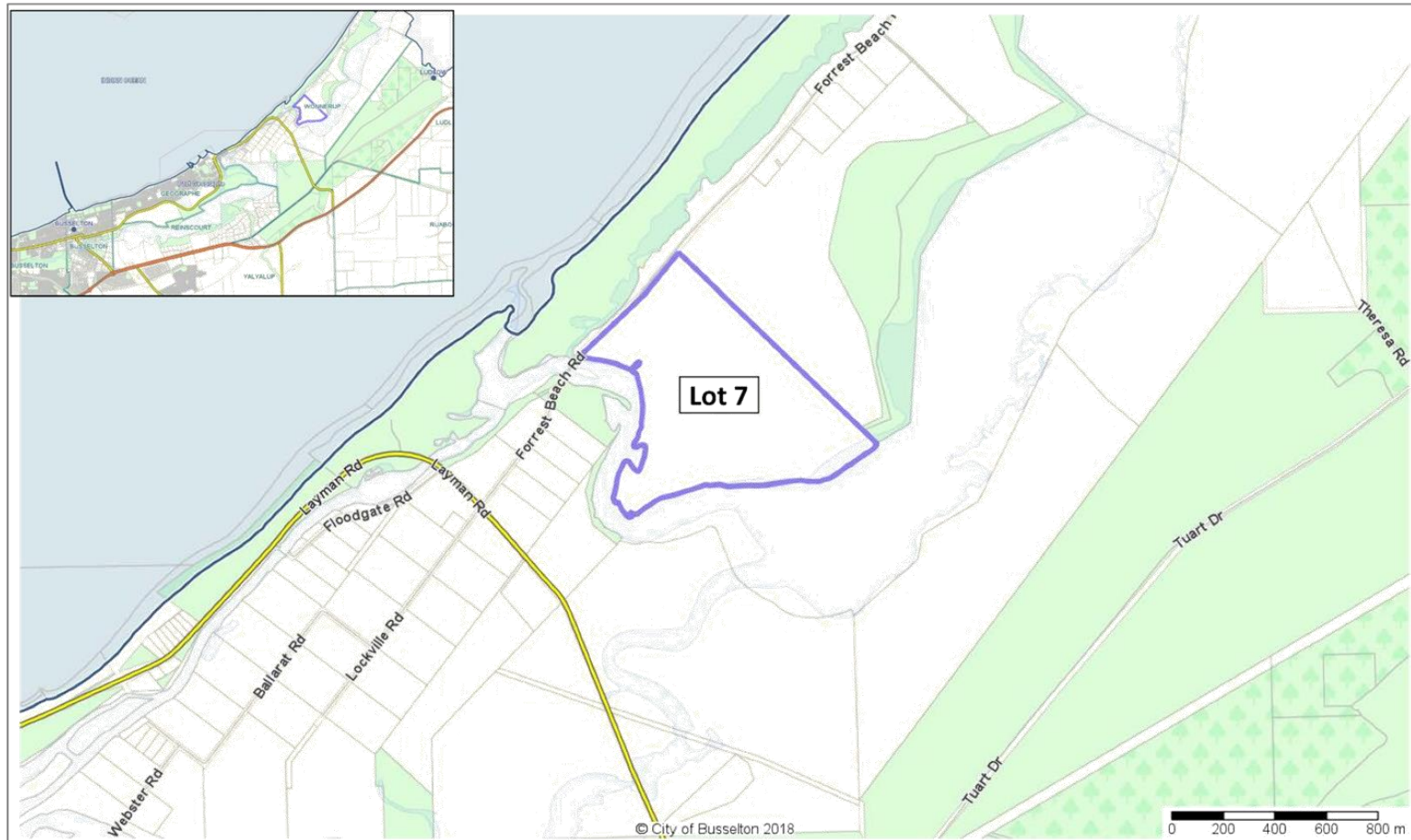
The implementation of the officer recommendation will include advising the applicant of the Council resolution and referring the Amendment to the Environmental Protection Authority, which will occur within one month of the date of the delegated decision.

**OFFICER RECOMMENDATION**

That the Council:

1. In pursuance of the *Planning and Development (Local Planning Schemes) Regulations 2015*, initiates Amendment 37 to the City of Busselton Local Planning Scheme 21 for the purposes of:
  - a) Rezoning Lot 7 (No. 86) Forrest Beach Road, Wonnerup from 'Agriculture' zone to 'Conservation' zone, 'Reserve for Recreation' and 'Reserve for Public Purpose (Water Tank)';
  - b) Amending the Scheme Map accordingly.
2. Notes that, as the draft Amendment is in the opinion of the Council consistent with Part V of the Act and Regulations made pursuant to the Act, that upon preparation of the necessary documentation, the draft Amendment be referred to the Environmental Protection Authority (EPA) as required by the Act, and on receipt of a response from the EPA indicating that the draft Amendment is not to be subject to formal environmental assessment, be advertised for a period of 42 days, in accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015*. In the event that the EPA determines that the draft Amendment is to be subject to formal environmental assessment, this assessment is to be prepared by the proponent prior to advertising of the draft Amendment.
3. Advises the Western Australian Planning Commission that the proposed Amendment is considered a 'standard' amendment pursuant to the *Planning and Development (Local Planning Scheme) Regulations 2015* for the following reasons:
  - a) It is an amendment relating to a zone or reserve that is consistent with the objectives identified in the Scheme for that zone or reserve.
  - b) It is an amendment that would have minimal impact on land in the Scheme area that is not the subject of the amendment.
  - c) It is an amendment that does not result in significant environmental, social, economic or governance impacts on land in the Scheme area.
4. Adopts the draft Structure Plan for Lot 7 (No. 86) Forrest Beach Road, Wonnerup, depicted at Attachment D for public consultation, pursuant to Part 4 of the Deemed Provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015*.





Disclaimer: Every effort has been made to make the information displayed here as accurate as possible. This process is ongoing and the information is therefore ever changing and cannot be disseminated as accurate. Care must be taken not to use this information as correct or legally binding. To verify information contact the City of Busselton office.

Lot 7 Forreast Beach Road,  
Wonnerup  
LOCATION PLAN

8/01/2019

1:20000 @ A4L





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Lot 7 Forrest Beach Road,  
Wonnerup  
AERIAL PHOTOGRAPH

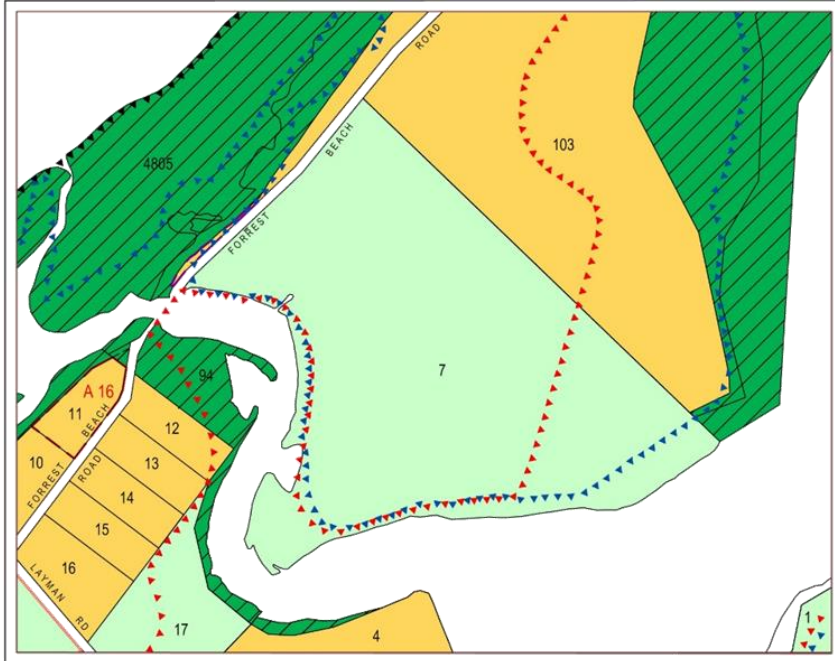
8/01/2019

1:8000 @ A4L

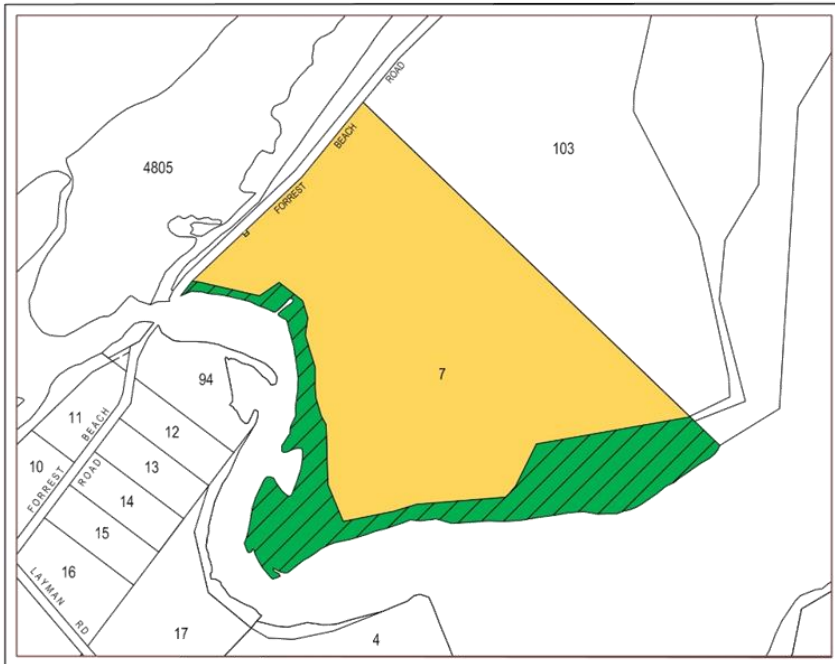




CITY OF BUSSELTON  
LOCAL PLANNING SCHEME No. 21  
AMENDMENT No. 37



EXISTING ZONING



PROPOSED ZONING

Legend :

RESERVES :



Recreation



Public Purpose :  
Water Tank

ZONES :



Conservation



Rural Residential



Agriculture



Additional Uses

OTHER

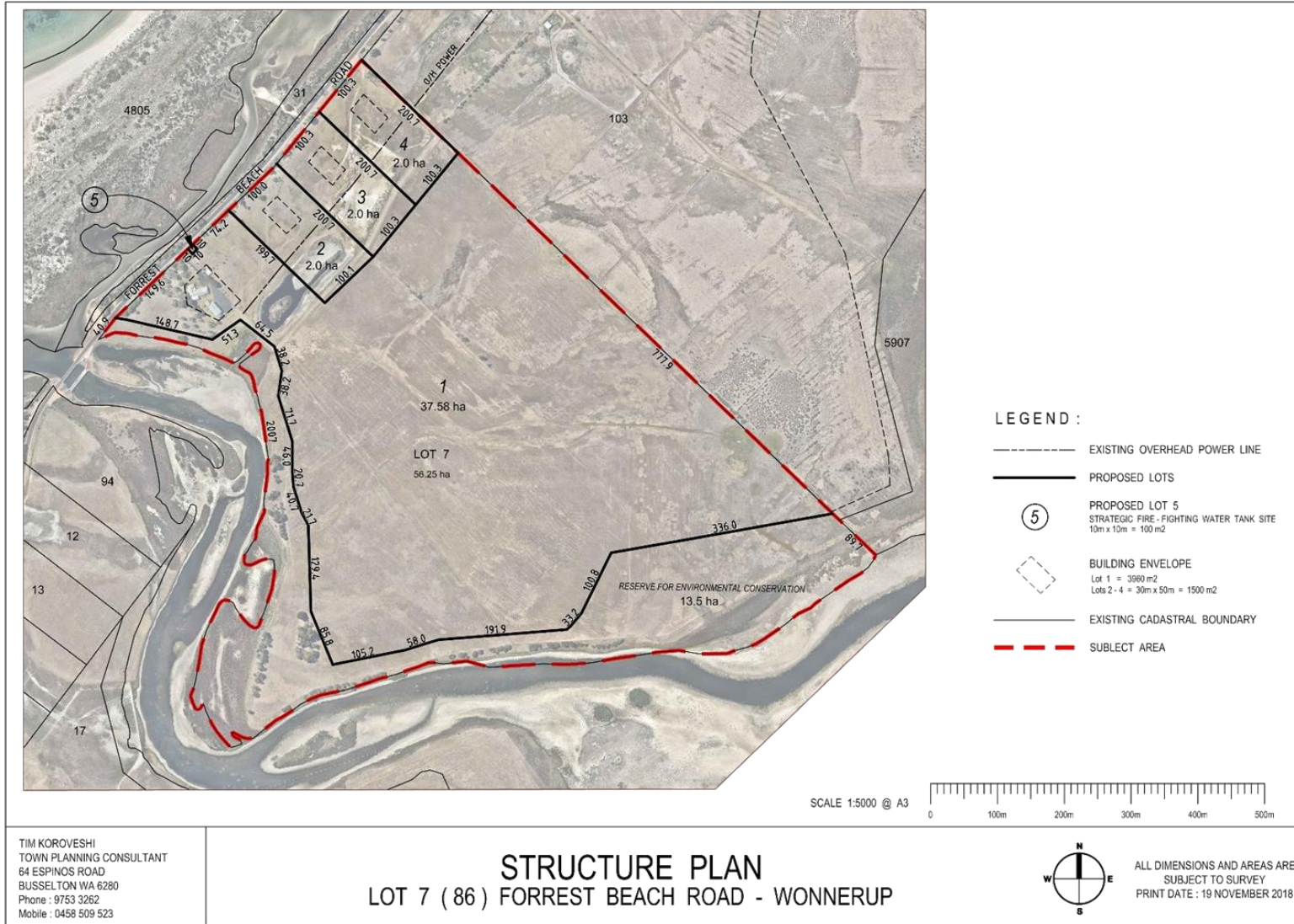
▲▲▲▲ Wetland

▲▲▲▲ Floodway

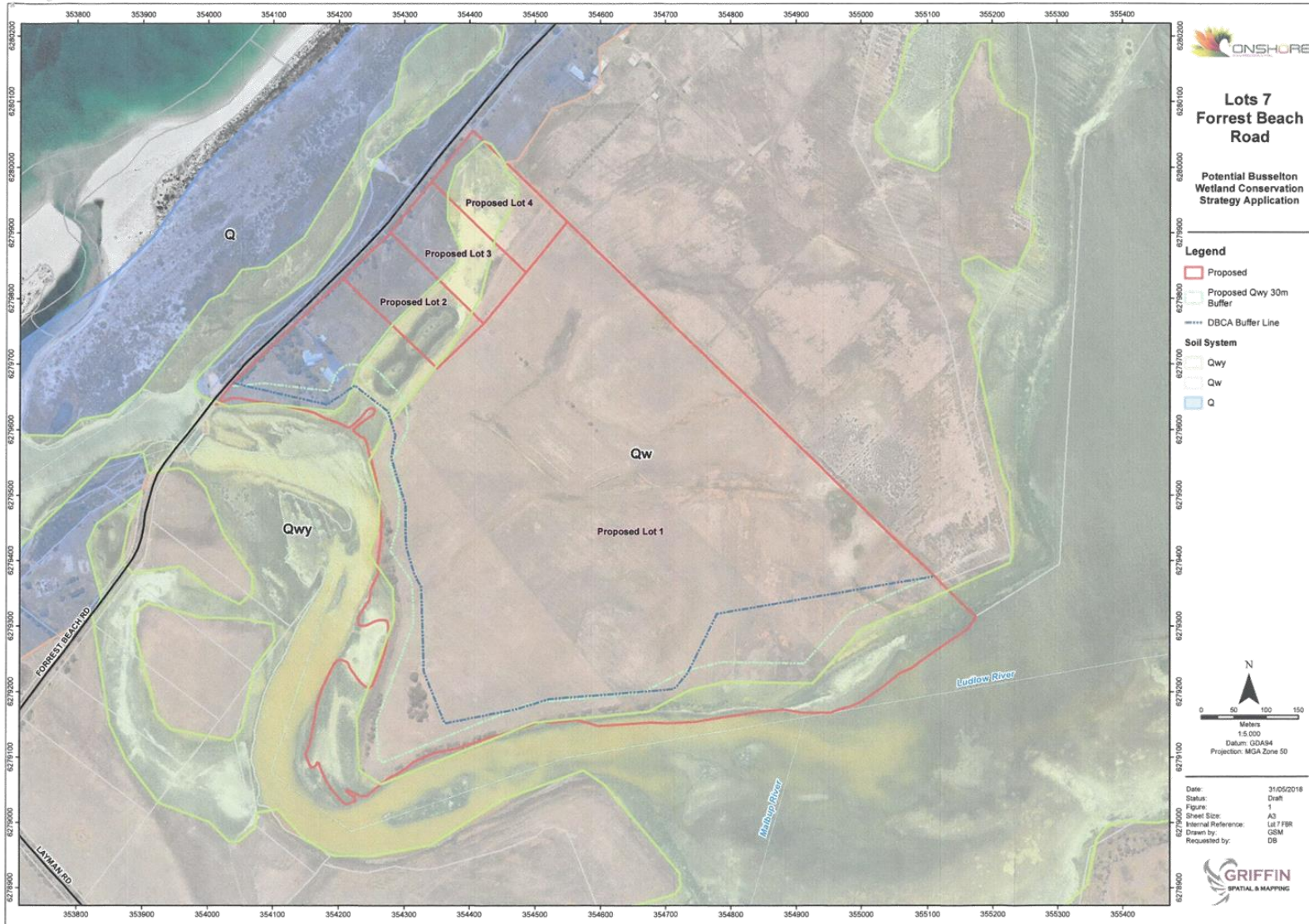
▲▲▲▲ Landscape Value Area

- - - Coastal Management

SCALE 1 : 12500 @ A4







## 14. ENGINEERING AND WORK SERVICES REPORT

### 14.1 PROPOSAL TO CLOSE PERMANENTLY PAW LOT 8000 CURRAWONG DRIVE

|                             |   |
|-----------------------------|---|
| <b>SUBJECT INDEX:</b>       | Thoroughfares   |
| <b>STRATEGIC OBJECTIVE:</b> | Assets are well maintained and responsibly managed.                               |
| <b>BUSINESS UNIT:</b>       | Engineering and Facilities Services   |
| <b>ACTIVITY UNIT:</b>       | Land Matters  |
| <b>REPORTING OFFICER:</b>   | Land and Infrastructure Officer - Andrew Scott                                    |
| <b>AUTHORISING OFFICER:</b> | Director, Engineering and Works Services - Oliver Darby                           |
| <b>VOTING REQUIREMENT:</b>  | Simple Majority   |
| <b>ATTACHMENTS:</b>         | Attachment A Deposited Plan 44210 <a href="#">↓</a>                               |
|                             | Attachment B Certificate of title - Lot 8000 <a href="#">↓</a>                    |
|                             | Attachment C Extract from Broadwater Structure Plan - June 2005 <a href="#">↓</a> |
|                             | Attachment D Aerial plan <a href="#">↓</a>  |
|                             | Attachment E Photos of the PAW <a href="#">↓</a>                                  |
|                             | Attachment F Walkability catchment area map <a href="#">↓</a>                     |

### PRÉCIS

PAW Lot 8000 Currawong Drive, Broadwater, is a 255sqm parcel of land held by the State, and located between properties at 19 and 21 Currawong Drive. This report considers a proposal to close the PAW permanently for amalgamation of the land with adjoining property, pursuant to the *Land Administration Act 1997*.

This report recommends supporting the proposal, subject to a few conditions.

### BACKGROUND

In a letter to the City, Altus Planning (acting on behalf of adjoining property owners), propose that PAW (pedestrian access way) Lot 8000 Currawong Drive, Broadwater, is closed permanently so that it may be amalgamated with adjoining property. This report considers that proposal.

#### **PAWs generally – How created, function and closure procedure**

The Landgate [Land Titles Registration Policy and Procedure Guides](#) 'ROA-03 Roads and their Closure', states (section 6):

*PAWs... are created as part of a land planning requirement in new subdivisions to provide access for a number of users and for access to a range of facilities. Local Government must assess the impact of closing a PAW... and in considering a closure request, a balance needs to be found between resident accessibility to facilities and public transport, and security and amenity. Where Local Government proceeds with a closure request, it is required to prepare a summary report for DPI [sic] that also includes confirmation that the Local Government has resolved to recommend the closure.*

On a resolution of the Council, a formal PAW closure request may be made to the Department of Planning, Lands and Heritage (representing the Minister for Lands). On receiving a request, the Department will assess the request to determine whether the closure and disposal can proceed. Should the Department determine that the closure may proceed, it will arrange the closure and disposal of the PAW pursuant to the [Land Administration Act 1997](#).

**The subject PAW – Lot 8000 Currawong Drive, Broadwater**

The dimensions of the PAW are 31.9m x 8.0m, for an area of 255sqm. No path has been constructed on the PAW, and there is no indication that public utility services (gas, electricity, water, etc.) run through the PAW.

PAW Lot 8000 was created on Deposited Plan 44210 during 2005 and was subsequently vested in the Crown under section 20A of the [Town Planning and Development Act 1928](#) (Attachments A and B). The subdivision that led to the creation of the PAW was guided by 'Broadwater Structure Plan – Precinct No. 1', June 2005. The structure plan (Attachment C) shows the requirement for a 'potential road link' from Currawong Drive to Lot 12 'Aged Persons Housing'. At 8m wide, the PAW is consistent with current planning guidelines that address issues relating to anti-social behaviour in PAWs.

The PAW lies between residential properties at 19 and 21 Currawong Drive (Attachment D). To the north of the PAW is a residential care facility (William Carey Court, owned by Baptistcare Inc.) and then Bussell Highway. To the south of the PAW is Currawong Drive and then Lot 5588 of Crown Reserve 48426, a reserve for public recreation and drainage purposes.

Aerial photographs from 2001 show buildings on Lot 12 immediately north of PAW Lot 8000. The year 2001 is well before the subdivision that led to PAW Lot 8000 being created, indicating that the planning intent for the PAW was to provide access to and from the already built residential care facility. But the PAW has not been used for pedestrian access since it was created during 2005. This is due to the fence (Attachment E) on the northern boundary of the PAW with the residential care facility which has not been opened since the PAW was created.

**STATUTORY ENVIRONMENT**

PAWs (pedestrian access ways) are created under section 152 of the [Planning and Development Act 2005](#), and under section 20A of the ceased [Town Planning and Development Act 1928](#).

Being Crown land, PAWs are subject to the [Land Administration Act 1997](#). Under that legislation, PAWs fall within the definition of a 'private road' and may be closed and disposed. Section 87 of the Act allows the sale of Crown land for amalgamation with adjoining land.

Under section 3.53 of the [Local Government Act 1995](#), local government is, by default, responsible for controlling and managing pedestrian access ways.

**RELEVANT PLANS AND POLICIES**

The WAPC (Western Australian Planning Commission) operational policy [Liveable Neighbourhoods](#) is relevant to the function of PAWs (pedestrian access ways) as part of a movement network that encourages walking and bicycling to nearby places compared with using a motor vehicle. The policy also outlines proximity of residential properties to POS (public open space) based on a walking distance, and provides a method for determining a walkability catchment area of services and facilities within a neighbourhood.

The Landgate [Land Titles Registration Policy and Procedure Guides](#) applies to the closure of PAWs, specifically section 6 of 'ROA-03 Roads and their Closure'.

Given PAWs are created as a condition of subdivision, WAPC guidelines apply, specifically:

- [Procedure for the Closure of Pedestrian Access Ways](#), October 2009
- [Reducing Crime and Anti-Social Behaviour in Pedestrian Access Ways](#), October 2009

The Officer Comment section of this report discusses further the application of the above policies and guidelines to PAW Lot 8000.

### **FINANCIAL IMPLICATIONS**

As per the officer recommendation, the City should not be held liable for any costs associated with the closure and disposal of PAW Lot 8000. Costs of closure and disposal should be borne by the proponent and not the City.

Given the PAW is Crown land, revenue from any sale of the PAW would be to State Revenue.

Closure and disposal of the PAW may result in a marginal cost saving as the City would not be responsible for maintaining the PAW.

### **LONG-TERM FINANCIAL PLAN IMPLICATIONS**

Closure and disposal of PAW Lot 8000 would have negligible impact on the long term financial plan.

### **STRATEGIC COMMUNITY OBJECTIVES**

This matter primarily aligns with the following Key Goal Areas and Community Objectives of the Strategic Community Plan 2017:

| <b>Key goal area</b> | <b>Community objective</b>   |
|----------------------|--|
| 5. Transport         | 5.3 Cycleways that connect our communities and provide alternative transport choices |
| 6. Leadership        | 6.4 Assets are well maintained and responsibility managed                            |

### **RISK ASSESSMENT**

The City should not be made liable for costs associated with the proposed closure and disposal of the PAW, so there should be no financial risk. There are additionally no other risks identified of a medium or greater level.

### **CONSULTATION**

A notice of the proposal to close permanently PAW Lot 8000 Currawong Drive was published in the 19 October 2018 edition of the Busselton Dunsborough Times, and in the 24 October 2018 edition of the Busselton-Dunsborough Mail.

Written notices were posted to the owners and the residents of 45 properties listed on Deposited Plan 44210 (the same as the PAW), the residential care facility (to the north of the PAW) plus four other properties within the vicinity of the PAW. One hundred written notices were handed to the administration of the residential care facility for distribution to the residents. The public utilities were also notified of the proposal.

The City received no objections to the proposal. Submissions were received from the public utilities and an adjoining land owner advising that they did not object to the proposal.



A submission was also received from Baptistcare Inc., owner of Lot 12 and the residential care facility to the north of PAW Lot 8000. In a letter to the City, Baptistcare Inc. advise that they:

*"...support the closure of the Public [sic] Access Way and the amalgamation of the land into the adjoining property. Furthermore Baptistcare have no strategic intentions of ever putting the Public [sic] Access Way into use."*

## **OFFICER COMMENT**

### **Function and benefits of PAWs**

PAWs are created to fulfil an important function within the community. Guided by State Planning 'Liveable Neighbourhoods' policy, PAWs encourage residents to be more active by walking and bicycle riding (rather than driving) to services and making use of nearby parks and recreational facilities. They also benefit members of the community who are not able to or not willing to drive. For people without an option to drive a vehicle, the walking distance to a service or facility may determine whether or not they will use that service or facility. If they are not able to use a service or facility (due to the walking distance), they may become disadvantaged.

### **Planning guidelines relating to PAWs**

According to the WAPC (Western Australian Planning Commission) document 'Liveable Neighbourhoods Draft 2015' (page 33):

*Walkable neighbourhoods are typically characterised by having a range of community services within 5-10 minutes (400-800 metres) walking distance of residential areas which residents may access on foot. Liveable Neighbourhoods encourages a reduction in travel by private motor vehicles through the creation of mixed-use neighbourhoods with interconnected street patterns, where community services and facilities are within walking distance of most residents.*

WAPC has published guideline documents for PAWs. Referring to the document 'Procedure for Closure of Pedestrian Access Ways', in considering requests for closure of a PAW, the default position should be for PAWs to remain open, and their closure should be the exception.

With respect to access to POS (public open space), Liveable Neighbourhoods Draft 2015 requires that residential properties are located within 300m walk distance of 'small' or 'local' POS up to area of 1Ha; and within 800m walk of 'neighbourhood' POS of an area 1Ha to 5Ha (referring to Table 1, page 94).

### **Impact of permanent closure of PAW Lot 8000**

Given PAW Lot 8000 was created to service Lot 12 (a residential care facility to the north of the PAW), the impact of *permanent* closure of the PAW would be on pedestrian access to and from Lot 12 to facilities and services south of the PAW.

Referring to Attachment F 'Walkability catchment area map', facilities and services that are within a walkability catchment area south of Lot 12 are:

- (a) public open space,
- (b) bus routes, and
- (c) the residential care facility itself.

Other facilities or services such as shopping centres or schools do not fall within the walkability catchment area of the PAW.

The PAW does not form part of any broader strategic pedestrian or bicycle network so these do not factor in considering closure of the PAW.

*A. Impact of permanent closure of the PAW on public open space...*

The following table shows the public open space that falls within the walkability catchment area of Lot 12 to the north of PAW Lot 8000, and the impact (extra walking distance) should the PAW be closed permanently.

| Reserve No. | Type          | Location          | Walk distance through PAW (m) | Walk distance PAW closed (m) |
|-------------|---------------|-------------------|-------------------------------|------------------------------|
| 48426       | Small         | Currawong Dr      | 190                           | 605                          |
| 30111       | Neighbourhood | Barnard Rd        | 323                           | Same                         |
| 44373       | Small         | Parrot Way        | 421                           | 677                          |
| 50223       | Small         | Finch St          | 492                           | 727                          |
| 3882        | Local         | Bussell Hwy       | 492                           | same                         |
| 49388       | Neighbourhood | Milkman Ave       | 542                           | 684                          |
| 45481       | Local         | Adjacent wetlands | 654                           | 988                          |
| 22624       | District      | Alan St           | 809                           | same                         |

Only one park, R48426, falls within the Liveable Neighbourhoods requirement that residents are within 300m walk distance of public open space. R48426 is a small park with playground facilities located south of PAW Lot 8000, and conveniently placed for access from the residential care facility north of the PAW. Residents need only cross Currawong Drive to access the park. Closing the PAW *permanently* increases the walk distance to R48426 from 190m to 605m. This extra distance would exceed the typical five minute (400m) walk, so people would be less inclined to walk to the park (conflicting with the objectives of Liveable Neighbourhoods).

Located north of the residential care facility however (so not affected by the PAW) is R30111 a larger 'neighbourhood' park. At a walk distance of 323m, R30111 is slightly more than Liveable Neighbourhoods' requirement (of 300m). It should be noted that the walking route to R30111 involves crossing Bussell Highway (which has a small median near to the residential care facility to assist pedestrians cross the highway).

*B. Impact of permanent closure of the PAW on access to bus routes...*

Closing PAW Lot 8000 permanently would have no impact on access to bus routes within the vicinity of the PAW. Two bus stops (numbered 70513 and 70514) on Broadwater Boulevard may be accessed from Lot 12 via the PAW. But there is shorter walk route via the north of Lot 12 to two other bus stops (numbered 70512 and 70626) also placed on Busselton Boulevard.

Other bus routes (within walkability catchment area of Lot 12) run along Bussell Highway so the PAW is not relevant to accessing those routes from Lot 12.

*C. Impact of permanent closure of the PAW on access to Lot 12, the residential care facility...*

The residential care facility on Lot 12 is a significant facility that could be accessed via PAW Lot 8000 (if the fence on the northern boundary was opened). People living south of the PAW might access the residential care facility to visit family and friends at the facility, to work at the facility, or to volunteer their time to assist with the care of residents (should this be allowed by the facility).

There are over 200 residential properties south of the PAW within a five minute (400m) walkability catchment area of Lot 12. Within a ten minute (800m) walkability catchment area, there are over 400 residential properties.

Although closing PAW Lot 8000 may not meet the walkability objectives of 'Liveable Neighbourhoods', notices of the proposed closure to owners and occupiers of property south of the PAW did not result in any objections to the proposal. This tends to indicate that there is no or limited need from the neighbourhood south of the PAW to access the residential care facility via the PAW.

**Realising the benefits of PAW Lot 8000**

The impacts of *permanently* closing PAW Lot 8000 described above are based on the PAW being useable. But the PAW has not been used for its intended purpose since it was created, due to the fence remaining along the northern boundary with Lot 12 (the residential care facility).

For there to be any benefit from the PAW, the fence along the northern boundary would need to be opened and a path constructed through the PAW. Following are a few constraints to that objective:

- To address security concerns for the residents, the northern boundary of the PAW should be fenced with a gated opening to the PAW. A solid fence however (like the present fence) would introduce an entrapment point at the gate which is to be avoided (according to planning guidelines). The fence would therefore need to allow clear visibility through the fence (without assisting climbing over it) which may then introduce privacy concerns for the residents of the residential care facility.
- The PAW is poorly placed relative to the buildings to the north. Referring to Attachment D, the space between the fence line and the buildings is narrow requiring an immediate left or right turn through the opening in the fence line. To better demonstrate this point, if the PAW was placed to the west of Lot 305 (rather than west of Lot 304), the PAW would lead directly to an open corridor between buildings within the residential care facility providing a clear view through to the PAW and Currawong Drive, and allow for a straight wide path from the PAW and into the residential care facility. This issue of poor PAW placement might be addressed by setting a new fence line further into the PAW, but that fence would exclude public access to a northern portion of the PAW, possibly requiring a lease, easement or similar arrangement over part of the PAW to the benefit of Lot 12.
- Baptistcare Inc. (owner of Lot 12 and managers of William Carey Court) would need to agree to a fence and gate design, and to the use of the PAW from the residential care facility. In a written submission to the City, Baptistcare Inc. support the closure of the PAW and advised they have not strategic intentions to use the PAW.
- Funding to design and construct a fence, secure gate, path and signage. Funding may also be required to install lighting (for added security during hours of darkness) and to improve the landscaping of the area.
- Commitment from the residents of the neighbourhood (including residents of the residential care facility) to actually use the PAW. This should be attained before constructing a path and opening the PAW. Otherwise, the PAW might be opened and not be used (particularly when considering the City do not receive any submissions that might indicate a need for the PAW).

**Disposal of Lot 8000 on closure of the PAW**

Should Lot 8000 be closed as a pedestrian access way, the whole of Lot 8000 should be amalgamated with either of adjoining Lots 303 or 304, or subdivided into parcels and then amalgamated with Lots 303 and 304.

City officers do not consider there is a need for Lot 8000 to be used for an alternative public works such as drainage or a community purpose. And no public utility has expressed an interest in Lot 8000 (in their submissions to the notice of the proposal to close the PAW).

No part of Lot 8000 should be disposed as a private freehold lot. Amalgamation of Lot 8000 with Lot 12 should be avoided as this may adversely affect the streetscape of Currawong Drive.

Proceeds from any sale of Lot 8000 would be directed to State Revenue, as the PAW is Crown land.

## **CONCLUSION**

PAW Lot 8000 has not been used for its intended purpose since the PAW was created during 2005. The City has received a proposal from Altus Planning (on behalf of adjoining property owners) to close the PAW so that the land may be amalgamated with adjoining property. Consultation in relation to that proposal has not identified any community objections. Furthermore, the PAW is poorly positioned relative to the position of buildings immediately north of the PAW.

This report recommends that the Council supports the proposal to permanently close Lot 8000 on Deposited Plan 44210 as a pedestrian access way, and the land amalgamated with adjoining Lot 303 or 304 or both. The Council's endorsement of the PAW closure should be subject to the City not being liable for any costs associated with the closure and disposal of the PAW.

On the Council's endorsement of the PAW closure, the City may make a formal request for closure to the Department of Planning, Lands and Heritage (for the Minister for Lands) who will assess the request and deal with closure and disposal of the PAW.

## **OPTIONS**

The Council might resolve that Lot 8000 on Deposited Plan 44210 remains open as a pedestrian access way for provision of a pedestrian and bicycle link for future development of Lot 12 to the north and the small park and the residential properties to the south.

This option is not recommended as it would commit the City to maintaining Lot 8000 indefinitely, as land that is likely to remain dormant for the foreseeable future.

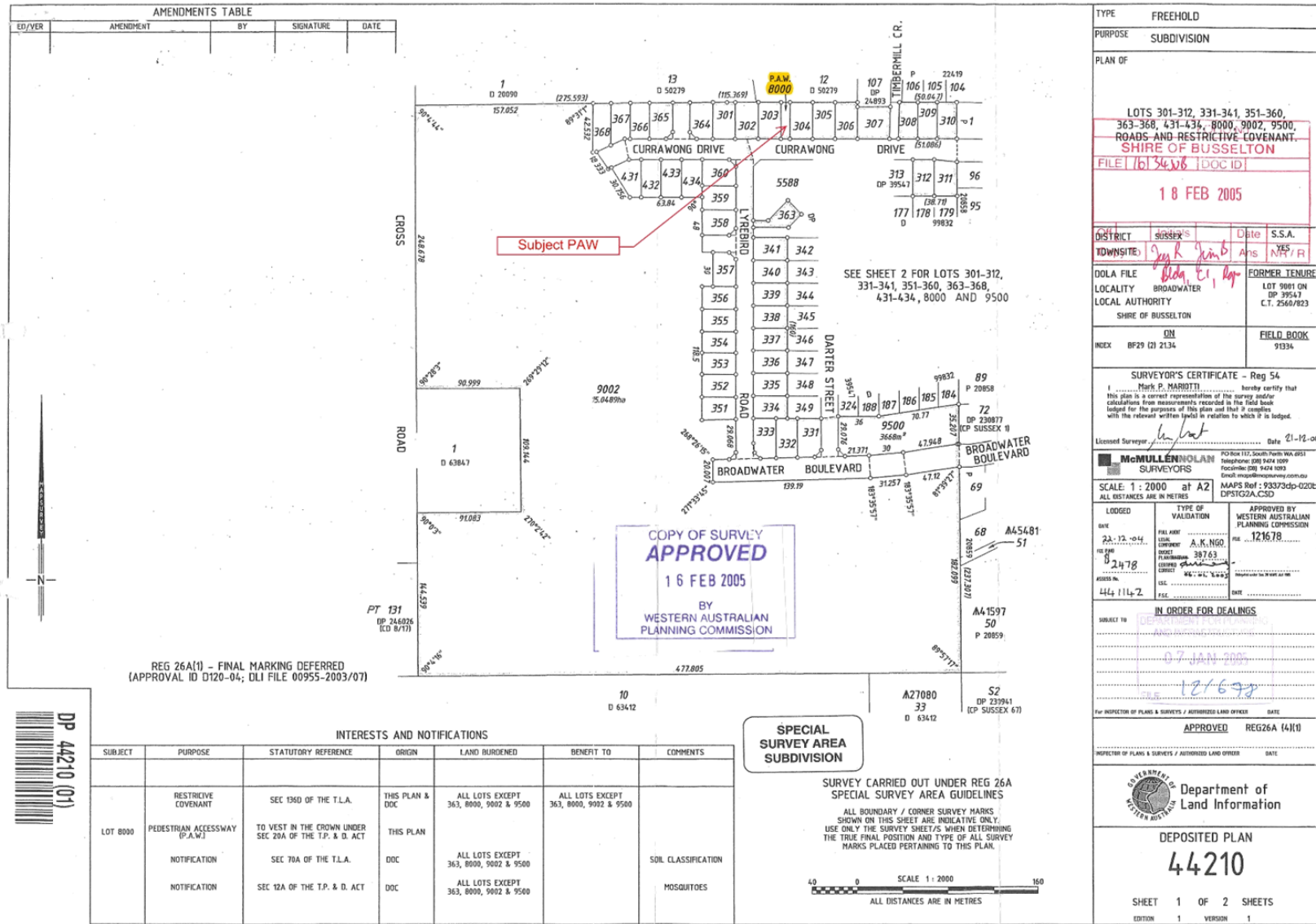
## **TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION**

A letter to the Department of Planning, Lands and Heritage requesting the closure of PAW Lot 8000 may be forwarded to the Department within two weeks of the Council meeting minutes being published.

## **OFFICER RECOMMENDATION**

That the Council endorses, pursuant to the *Land Administration Act 1997*:

1. permanent closure of Lot 8000 on Deposited Plan 44210, Currawong Drive, Broadwater, as a pedestrian access way;
2. disposal of Lot 8000 on Deposited Plan 44210 by amalgamation with adjoining Lots 303 or 304 or both;
3. closure and disposal of Lot 8000 on Deposited Plan 44210 being subject to:
  - a) the City not being liable for any costs associated with closure of the pedestrian access way and the disposal of the land; and
  - b) the whole (and not part) of Lot 8000 on Deposited Plan 44210 is closed as a pedestrian access way and disposed.



| ED/YER | AMENDMENT | BY | SIGNATURE | DATE |
|--------|-----------|----|-----------|------|
|        |           |    |           |      |

|                 |  |             |               |
|-----------------|--|-------------|---------------|
| TYPE            | FREEHOLD   |             |               |
| PURPOSE         | SUBDIVISION  |             |               |
| PLAN OF         | LOTS 301-312, 331-341, 351-360,<br>363-368, 431-434, 8000, 9002, 9500,<br>ROADS AND RESTRICTIVE COVENANT.<br>SHIRE OF BUSSELTON<br>FILE 17613438   DOC ID<br>18 FEB 2005 |             |               |
| DISTRICT        | SUSSEX'S   | DATE        | S.S.A.        |
| TOWNSHIP        | York   | 16/02/2005  | YES           |
| DOLA FILE       | Bridgeway  |             | FORMER TENURE |
| LOCALITY        | BROADWATER   | LOT 9001 ON | DP 39547      |
| LOCAL AUTHORITY | SHIRE OF BUSSELTON   |             | C.T. 2560/923 |
| INDEX           | ON   | FIELD BOOK  |               |
|                 | BP29 (2) 2134  | 91334       |               |

**SURVEYOR'S CERTIFICATE - Reg 54**  
 I, Mark P. MARIOTTI, hereby certify that this plan is a correct representation of the survey and/or calculations from measurements recorded in the field book lodged for the purpose of this plan and that it complies with the relevant written law(s) in relation to which it is lodged.  
 Licensed Surveyor: *[Signature]* Date: 21-12-04

**McMULLEN & MORGAN SURVEYORS**  
 PO Box 117, South Perth WA, 6151  
 Telephone: (08) 9474 1009  
 Facsimile: (08) 9474 1008  
 Email: mcs@mcmsurvey.com.au  
 MAPS Dept: 93373030-0200  
 DIFS/COA/CSD

|             |           |                    |  |
|-------------|-----------|--------------------|--|
| LOGGED DATE | 23-12-04  | TYPE OF VALIDATION | APPROVED BY WESTERN AUSTRALIAN PLANNING COMMISSION |
| FILE NO.    | 2478      | LOCAL OFFICER      | A.K. NSG   |
| ADDRESS NO. | 444/114-2 | DOCKET NO.         | 387.63   |
|             |           | CHECKED            | 12/6/05  |
|             |           | DATE               |  |

**IN ORDER FOR DEALINGS**  
 SUBJECT TO: *[Signature]*  
 DATE: 16 FEB 2005  
 APPROVED: *[Signature]*  
 REG26A (4/10)  
 DEPARTMENT OF PLANS & SURVEYS / AUTHORIZED LAND OFFICER

**Department of Land Information**  
 DEPOSITED PLAN  
**44210**  
 SHEET 1 OF 2 SHEETS  
 EDITION 1 VERSION 1

REG 26A(1) - FINAL MARKING DEFERRED  
 (APPROVAL ID D120-04; DLI FILE 00955-2003/07)

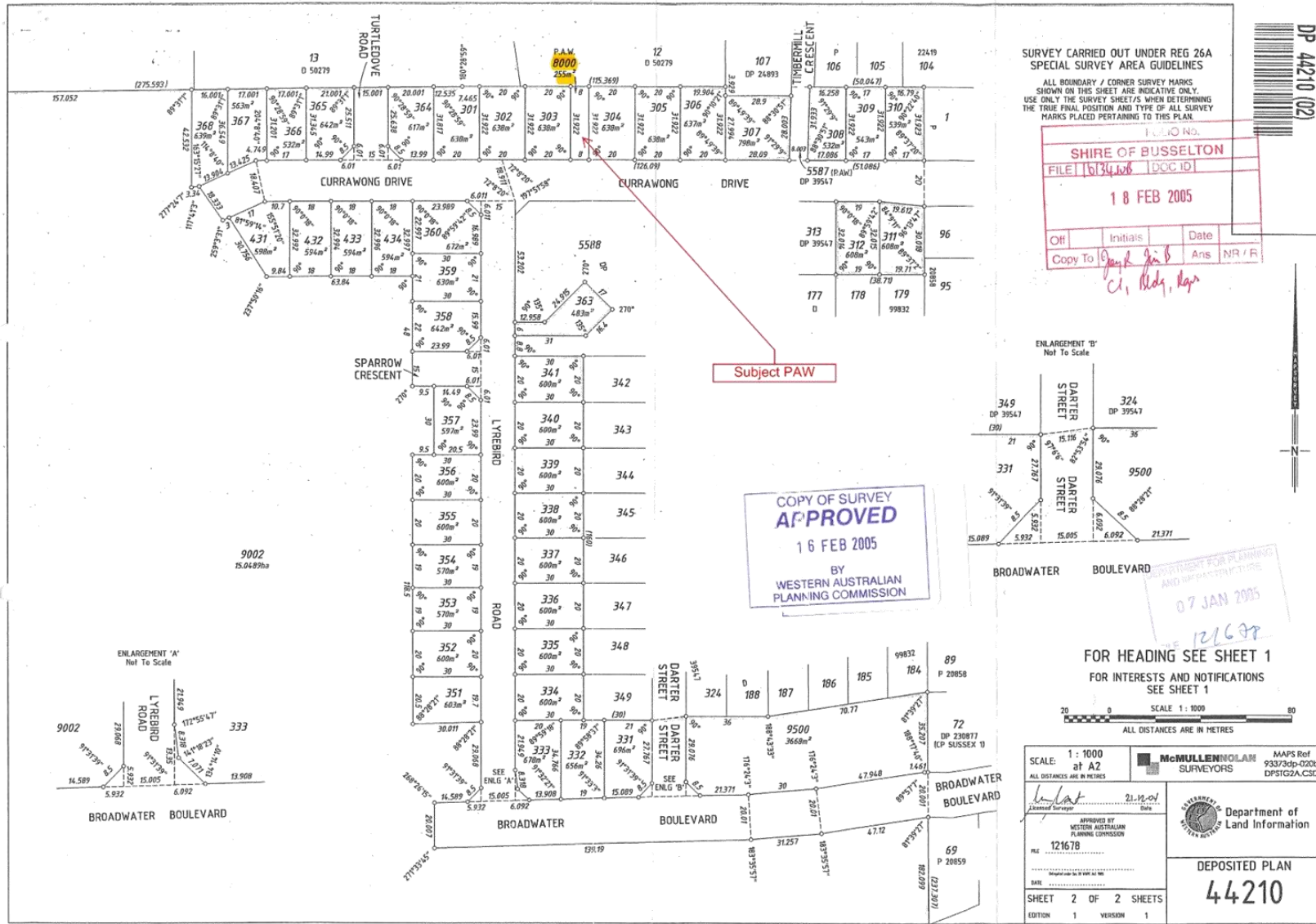


**INTERESTS AND NOTIFICATIONS**

| SUBJECT  | PURPOSE                       | STATUTORY REFERENCE                                     | ORIGIN          | LAND BURDENED                          | BENEFIT TO                             | COMMENTS            |
|----------|-------------------------------|---|-----------------|--|--|---------------------|
| LOT 8000 | RESTRICTIVE COVENANT          | SEC 136D OF THE T.L.A.                                  | THIS PLAN & DOC | ALL LOTS EXCEPT 363, 8000, 9002 & 9500 | ALL LOTS EXCEPT 363, 8000, 9002 & 9500 |                     |
|          | PEDESTRIAN ACCESSWAY (P.A.W.) | TO VEST IN THE CROWN UNDER SEC 20A OF THE T.P. & D. ACT | THIS PLAN       |  |  |                     |
|          | NOTIFICATION                  | SEC 70A OF THE T.L.A.                                   | DOC             | ALL LOTS EXCEPT 363, 8000, 9002 & 9500 |  | SOIL CLASSIFICATION |
|          | NOTIFICATION                  | SEC 12A OF THE T.P. & D. ACT                            | DOC             | ALL LOTS EXCEPT 363, 8000, 9002 & 9500 |  | MOSQUITOES          |

**SPECIAL SURVEY AREA SUBDIVISION**

**SURVEY CARRIED OUT UNDER REG 26A SPECIAL SURVEY AREA GUIDELINES**  
 ALL BOUNDARY / CORNER SURVEY MARKS SHOWN ON THIS SHEET ARE INDICATIVE ONLY. USE ONLY THE SURVEY SHEET/S WHEN DETERMINING THE TRUE FINAL POSITION AND TYPE OF ALL SURVEY MARKS PLACED PERTAINING TO THIS PLAN.  
 SCALE 1:2000  
 ALL DISTANCES ARE IN METRES



SURVEY CARRIED OUT UNDER REG 26A  
SPECIAL SURVEY AREA GUIDELINES

ALL BOUNDARY / CORNER SURVEY MARKS  
SHOWN ON THIS SHEET ARE INDICATIVE ONLY.  
USE ONLY THE SURVEY SHEET/S WHEN DETERMINING  
THE TRUE FINAL POSITION AND TYPE OF ALL SURVEY  
MARKS PLACED PERTAINING TO THIS PLAN.

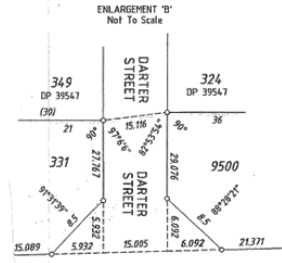
FILE NO. 16134468  
DOC ID  
18 FEB 2005

|         |          |        |
|---------|----------|--------|
| Off     | Initials | Date   |
| Copy To | Ans      | NR / R |

*Copy To: David Smith  
Cl, Rldg, Rep*

Subject PAW

COPY OF SURVEY  
APPROVED  
16 FEB 2005  
BY  
WESTERN AUSTRALIAN  
PLANNING COMMISSION



DEPARTMENT FOR PLANNING  
AND INFRASTRUCTURE  
07 JAN 2005  
121678

FOR HEADING SEE SHEET 1  
FOR INTERESTS AND NOTIFICATIONS  
SEE SHEET 1

SCALE 1:1000  
ALL DISTANCES ARE IN METRES

McMULLENOLAN SURVEYORS  
MAPS Ref 93373dp-020b DFIGZA.CSD

APPROVED BY  
WESTERN AUSTRALIAN  
PLANNING COMMISSION  
DATE 21.10.01  
FILE 121678

DEPARTMENT of Land Information  
DEPOSITED PLAN  
44210

SHEET 2 OF 2 SHEETS  
EDITION 1 VERSION 1





|                     |                       |
|---------------------|-----------------------|
| REGISTER NUMBER     |                       |
| <b>8000/DP44210</b> |                       |
| DUPLICATE EDITION   | DATE DUPLICATE ISSUED |
| <b>N/A</b>          | <b>N/A</b>            |

VOLUME **2586** FOLIO **644**

**RECORD OF CERTIFICATE OF TITLE**  
UNDER THE TRANSFER OF LAND ACT 1893

The person described in the first schedule is the registered proprietor of an estate in fee simple in the land described below subject to the reservations, conditions and depth limit contained in the original grant (if a grant issued) and to the limitations, interests, encumbrances and notifications shown in the second schedule.



REGISTRAR OF TITLES

**LAND DESCRIPTION:**

LOT 8000 ON DEPOSITED PLAN 44210

**REGISTERED PROPRIETOR:**  
(FIRST SCHEDULE)

STATE OF WESTERN AUSTRALIA

(AF J189366 ) REGISTERED 21/2/2005

**LIMITATIONS, INTERESTS, ENCUMBRANCES AND NOTIFICATIONS:**  
(SECOND SCHEDULE)

- \*VESTED BY THE REGISTRAR UNDER SECTION 20A OF THE TOWN PLANNING AND DEVELOPMENT ACT 1928 FOR THE PURPOSE OF PEDESTRIAN ACCESSWAY

Warning: A current search of the sketch of the land should be obtained where detail of position, dimensions or area of the lot is required.  
\* Any entries preceded by an asterisk may not appear on the current edition of the duplicate certificate of title.  
Lot as described in the land description may be a lot or location.

-----END OF CERTIFICATE OF TITLE-----

**STATEMENTS:**

The statements set out below are not intended to be nor should they be relied on as substitutes for inspection of the land and the relevant documents or for local government, legal, surveying or other professional advice.

SKETCH OF LAND: DP44210  
 PREVIOUS TITLE: 2560-823  
 PROPERTY STREET ADDRESS: NO STREET ADDRESS INFORMATION AVAILABLE.  
 LOCAL GOVERNMENT AUTHORITY: CITY OF BUSSELTON  
 RESPONSIBLE AGENCY: DEPARTMENT OF PLANNING, LANDS AND HERITAGE (SPAW)

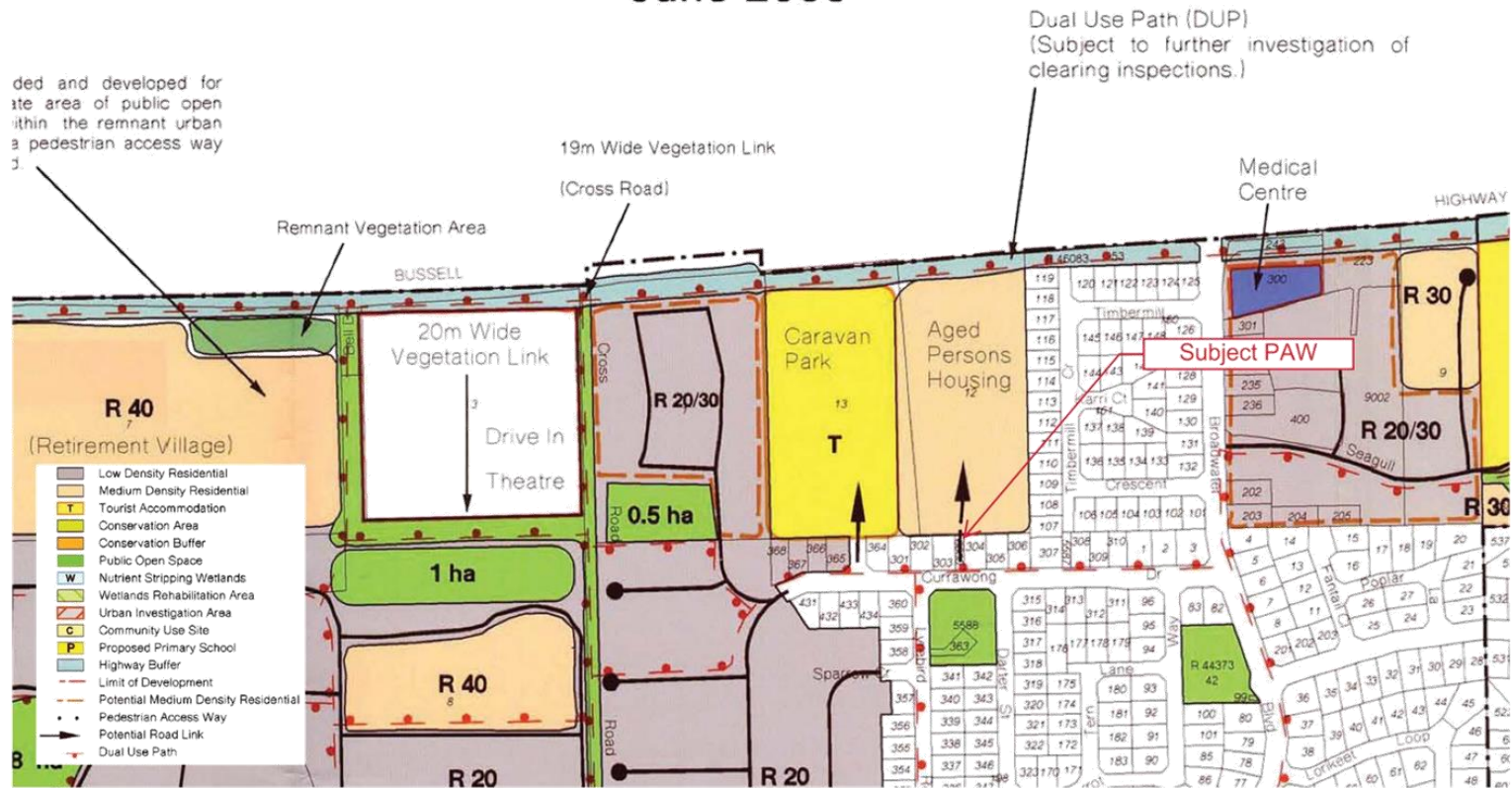
NOTE 1: J189366 NO DUPLICATE ISSUED



# BROADWATER STRUCTURE PLAN (EXTRACT)

## Precinct No.1

June 2005









|   |  |                    |   |
|---|--|--------------------|---|
|  | <p>Disclaimer: Every effort has been made to make the information displayed here as accurate as possible. This process is ongoing and the information is therefore ever changing and cannot be disseminated as accurate. Care must be taken not to use this information as correct or legally binding. To verify information contact the City of Busselton office.</p> | <p>11/01/2019</p>  |  |
|   |  | <p>1:500 @ A4P</p> |   |



Image 1: Street view of PAW Lot 8000 Currawong Drive

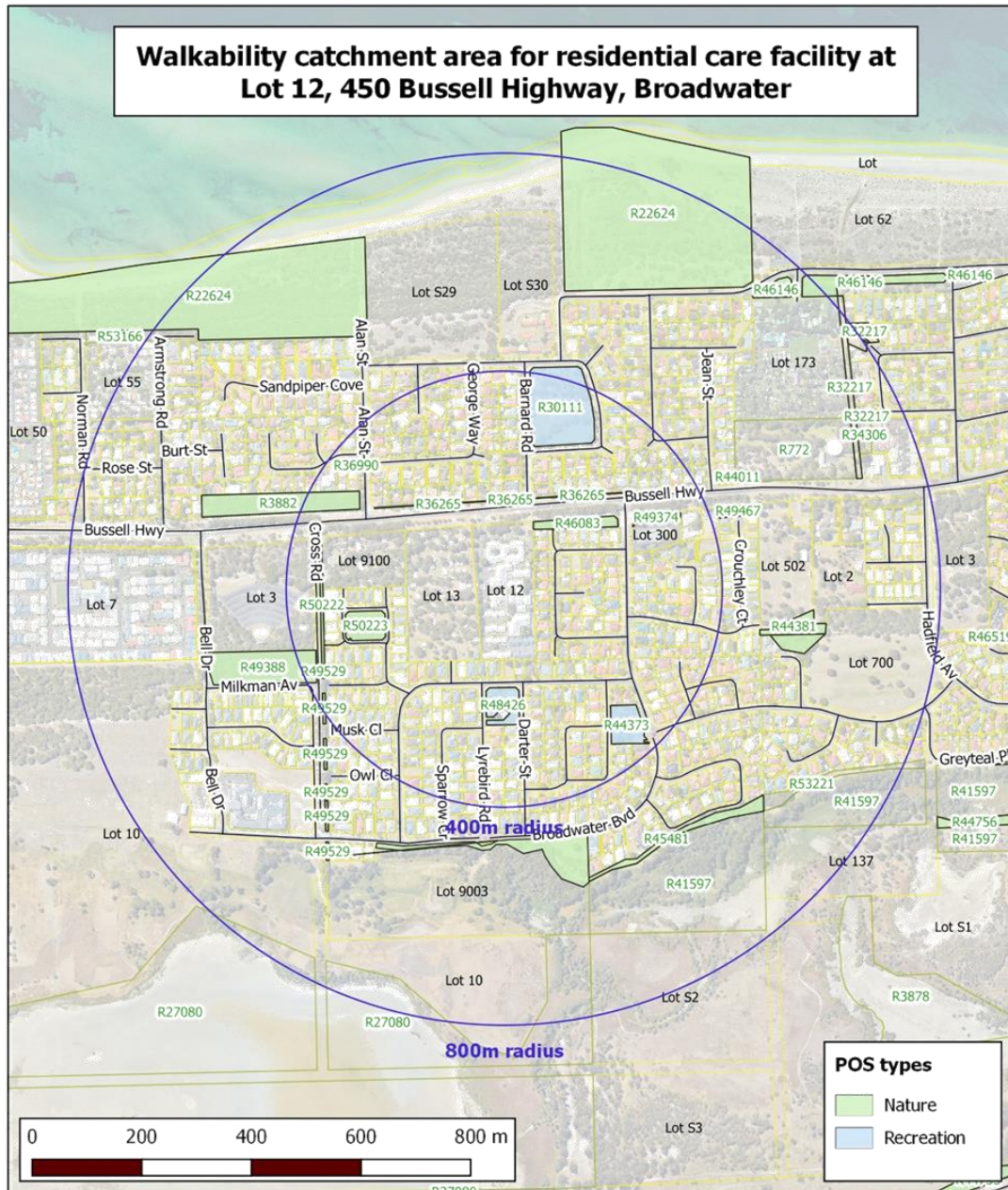


Image 2: Boundary fence at rear of PAW Lot 8000 and residential care facility (Lot 12)





*Image 3: Playground on small park (Lot 5588/R48426) that adjoins Currawong Drive opposite PAW Lot 8000*



**15. COMMUNITY AND COMMERCIAL SERVICES REPORT**

Nil

## **16. FINANCE AND CORPORATE SERVICES REPORT**

### **16.1 COUNCILLOR CARTER - REMOTE ATTENDANCE**

|                             |   |
|-----------------------------|---|
| <b>SUBJECT INDEX:</b>       | Remote Attendance   |
| <b>STRATEGIC OBJECTIVE:</b> | Governance systems, process and practices are responsible, ethical and transparent. |
| <b>BUSINESS UNIT:</b>       | Governance Services   |
| <b>ACTIVITY UNIT:</b>       | Governance Services   |
| <b>REPORTING OFFICER:</b>   | Administration Officer - Governance - Kate Dudley                                   |
| <b>AUTHORISING OFFICER:</b> | Director Finance and Corporate Services - Tony Nottle                               |
| <b>VOTING REQUIREMENT:</b>  | Absolute Majority   |
| <b>ATTACHMENTS:</b>         | Nil   |

#### **PRÉCIS**

The purpose of this report is to recommend to Council that they consider an arrangement allowing Councillor (Cr) Paul Carter to attend specified meetings of the Finance Committee by telephone (or other means of instantaneous communication) as per Regulation 14A of the Local Government (Administration) Regulations 1996 (the Regulations) for the remainder of the financial year. This will require Council to also determine a "suitable place", in addition to approving the arrangement.

#### **BACKGROUND**

Cr Carter commenced employment with BHP, working at the Yandi mine site, located 90kms North West of the town of Newman, Western Australia on 4 September 2018 working a 14 days on, 7 days off roster. Cr Carter is now working an 8 days on, 6 days off roster.

In September 2018 the Council resolved a conference / meeting room or Cr Carters private accommodation lodgings at Yandi Accommodation Village to be a suitable place in accordance with regulation 14A of the Local Government (Administration) Regulations 1996 and approved the arrangement for Councillor Paul Carter to attend by telephone etc the Finance Committee meeting held on 15 November 2018.

A council cannot give approval under sub-regulation (1)(c) if to do so would mean that at more than half of the meetings of the council, or committee, as the case may be, in that financial year, a person (other than a person with a disability) who was not physically present was taken to be present in accordance with Regulation 14A.

Based on Cr Carter's current roster he will be away for the Finance Committee meetings held on 21 February 2019, 21 March 2019, 18 April 2019, 16 May 2019, and 20 June 2019.

#### **STATUTORY ENVIRONMENT**

In accordance with Regulation 14A - Attendance by telephone etc - of the Regulations, sub-regulation (1), it is the role of the Council to determine that a person who is not physically present at a meeting of a council or committee is to be taken to be present at the meeting if the person is:

- (a) simultaneously in audio contact, by telephone or other means of instantaneous communication, with each other person present at the meeting; and
- (b) in a suitable place, and
- (c) the council has approved of the arrangement (by absolute majority).

A council cannot give approval under sub-regulation (1)(c) if to do so would mean that at more than half of the meetings of the council, or committee, as the case may be, in that financial year, a person (other than a person with a disability) who was not physically present was taken to be present in accordance with Regulation 14A. The implications of this are discussed further in the officer comment section of this report.

A suitable place (as per sub-regulation (4) (b) means a place that the council has approved (again by absolute majority) as a suitable place for the purpose of the regulation and must be located -

- i. in a townsite or other residential area; and
- ii. 150 km or further from the place at which the meeting is to be held ... measured along the shortest road route ordinarily used for travelling;

where townsite has the same meaning given to that term in the *Land Administration Act 1997* section 3(1). That is, a townsite constituted by the Minister for Lands.

Yandi Accommodation Village (YAV) is not located in a townsite. Independent legal advice has previously confirmed however that there are strong grounds to conclude that it would meet the 'other residential area' requirements of the regulation. As such, Council has previously determined YAV to be a 'suitable place'.

#### **RELEVANT PLANS AND POLICIES**

There are plans or policies relevant to this matter.

#### **FINANCIAL IMPLICATIONS**

There are no financial implications associated with the officer recommendation.

#### **LONG-TERM FINANCIAL PLAN IMPLICATIONS**

There are no long term financial plan implications associated with the officer recommendation.

#### **STRATEGIC COMMUNITY OBJECTIVES**

The matter primarily links to Key Goal Area 6 – Leadership of the City's Strategic Community Plan 2017 and specifically Community Objective 6.3 – 'Governance systems, process and practices are responsible, ethical and transparent'.

#### **RISK ASSESSMENT**

Given the absence of a legislative definition for 'other residential area', there is a risk that a different, interpretation could be taken as to whether the YAV meets the requirements of the Regulation. Noting the legal advice previously received, this risk is considered to be low.

#### **CONSULTATION**

No external consultation is required or considered relevant for this matter.

#### **OFFICER COMMENT**

Cr Carter is currently working an 8 days on 6 days off roster which requires his remote attendance for the Finance Committee meetings (within this financial year) being held on 21 February, 21 March, 18 April, 16 May, and 20 June 2019.



Council previously resolved (C1809/193) to approve Cr Carter's remote attendance for the Finance Committee meeting of the 15 November 2018.

*That the Council resolves*

1. *that a conference / meeting room or Cr Carters private accommodation lodgings at Yandi Accommodation Village to be a suitable place in accordance with regulation 14A of the Local Government (Administration) Regulations 1996.*
2. *approves the arrangement outlined in this report for Councillor Paul Carter to attend by telephone etc the Ordinary Council Meetings held on 24 October, 14 November and 28 November 2018 and the Finance Committee meeting held on 15 November 2018.*

Council cannot give approval under sub-regulation (1)(c) for a Councillor to remotely attend more than half of the meetings of the committee in a financial year. As such this report recommends that Council approve Cr Carter's remote attendance for the meetings being held in this financial year on 21 February, 21 March, 18 April, and 16 May 2019. Cr Carter will have to submit an apology for the 20 June 2019 meeting or by agreement of Presiding Member the meeting could be moved.

It is proposed that Cr Carter could video conference into the meetings using the zoom technology in the Committee Room. This will enable Cr Carter to visually as well as audibly attend the meetings.

With respect to determining a suitable place, it is proposed that Cr Carter continue to use a conference / meeting room within YAV where available or, where not available, his private accommodation lodgings.

Officers consider the following to be relevant considerations for Council in determining a suitable place and generally feel that the proposed location (which has previously been resolved as a 'suitable place') has provided for these:

- A place where instantaneous communication can be easily maintained;
- A place reasonably free of noise, distractions or interruptions;
- A place where, as required, confidentiality can be maintained (noting that the majority of the time Council meetings are open to the public); and
- A place where City provided equipment can be safely used without potential of damage.

Cr Carter has confirmed that he has continued access to use these facilities.

In addition to the considerations outlined above, Councillors should also consider issues such as impacts on the effectiveness and transparency of the decision making process and public perception. Officers make no comments or recommendations in this regard other than to note them as factors for consideration.

## **CONCLUSION**

Cr Carter is currently working an 8 days on 6 days off roster which requires his remote attendance for the Finance Committee meetings (within this financial year) being held on 21 February, 21 March, 18 April, 16 May, and 20 June 2019. In accordance with the Regulations, officers recommend that Council re-approve a conference / meeting room or Cr Carters private accommodation lodgings at YAV as a suitable place and approve Cr Carter's remote attendance for the Finance Committee meetings specified.



**OPTIONS**

Council could decide to determine the proposed location as not being a suitable place and / or could decide not to approve the arrangement and instead request Cr Carter be an apology for the Finance Committee Meetings held on 21 February 2019, 21 March 2019, 18 April 2019 and 16 May 2019. Cr Carter

The Council could determine it more practical to change the dates of the Finance Committee meetings proposed for 2019.

**OFFICER RECOMMENDATION****ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED**

That the Council resolves

1. that a conference / meeting room or Cr Carters private accommodation lodgings at Yandi Accommodation Village to be a suitable place in accordance with regulation 14A of the *Local Government (Administration) Regulations 1996*
2. approves the arrangement outlined in this report for Councillor Paul Carter to attend by telephone etc the Finance Committee Meetings held on 21 February 2019, 21 March 2019, 18 April 2019, and 16 May 2019

**17. CHIEF EXECUTIVE OFFICERS REPORT****17.1 COUNCILLORS INFORMATION BULLETIN**

|                             |   |
|-----------------------------|---|
| <b>SUBJECT INDEX:</b>       | Councillors Information Bulletin  |
| <b>STRATEGIC OBJECTIVE:</b> | Governance systems, process and practices are responsible, ethical and transparent. |
| <b>BUSINESS UNIT:</b>       | Governance Services   |
| <b>ACTIVITY UNIT:</b>       | Governance Services   |
| <b>REPORTING OFFICER:</b>   | Administration Officer - Governance - Kate Dudley                                   |
| <b>AUTHORISING OFFICER:</b> | Director Finance and Corporate Services - Tony Nottle                               |
| <b>VOTING REQUIREMENT:</b>  | Simple Majority   |
| <b>ATTACHMENTS:</b>         | Nil   |

**PRÉCIS**

This report provides an overview of a range of information that is considered appropriate to be formally presented to the Council for its receipt and noting. The information is provided in order to ensure that each Councillor, and the Council, is being kept fully informed, while also acknowledging that these are matters that will also be of interest to the community.

Any matter that is raised in this report as a result of incoming correspondence is to be dealt with as normal business correspondence, but is presented in this bulletin for the information of the Council and the community.

**INFORMATION BULLETIN****17.1.1 2018/2019 Tenders****RFT13/18 PROVISION OF GYM EQUIPMENT FOR GEOGRAPHE LEISURE CENTRE, BUSSELTON**

- Requirement – provision of gym equipment for the Geographe Leisure Centre in Busselton.
- The evaluation has been completed and a preferred tenderer has been recommended.
- A contract was awarded by the CEO in December 2018 to Technogym Australia Pty Ltd.

**RFT15/18 CONSTRUCTION OF FREIGHT HUB CIVIL AND SERVICES INFRASTRUCTURE**

- Requirement – the construction of the freight hub civil and services infrastructure at Busselton-Margaret River Airport.
- The value of the contract is expected to exceed the CEO's delegated authority under Delegation LG3J.
- Council endorsed the officer recommendation to delegate authority to the CEO to negotiate and agree final terms and conditions and to award a contract with Ertech Pty Ltd and that if, in the discretion of the CEO, agreement cannot be reached with Ertech Pty Ltd then the CEO may negotiate and agree final terms and conditions and enter into a contract with APH Contractors Pty Ltd.
- A contract was awarded by the CEO (under delegated authority) in December 2018 to Ertech Pty Ltd.

**RFT16/18 OLD BUTTER FACTORY REPAIR WORKS**

- Requirement – repair and rectification works to the Old Butter Factory following fire damage to the building.
- A Request for Tender was advertised on 20 October 2018 with a closing date of 9 November 2018.
- No submissions were received.
- The CEO determined that a private request for quotation be made in respect of the works.
- One response was received in respect of the request for quotation.
- Officers are currently completing an evaluation and it is anticipated a recommendation for award of contract will be made in January 2019.

**RFT17/18 PORT GEOGRAPHE FINGER JETTY REPLACEMENT**

- Requirement – the demolition of existing finger jetty or jetties (as determined by the City) located at the Port Geographe Marina boat launching facility in Busselton and the replacement of such jetty or jetties with floating pontoon style finger jetty or jetties.
- A Request for Tender was advertised on 3 November 2018 with a closing date of 20 November 2018.
- The value of the contract is not expected to exceed the CEO's delegated authority under Delegation LG3J.
- It is anticipated that a contract will be awarded in January 2019.

**RFT18/18 EQUIPMENT FINANCE LEASE FOR NETWORK SERVERS**

- Requirement – financing of network servers by way of an equipment finance lease.
- A Request for Tender was advertised on 15 December 2018 with a closing date of 10 January 2019.
- The value of the contract is not expected to exceed the CEO's delegated authority under Delegation LG3J.
- It is anticipated that a contract will be awarded in January 2019.

**EOI01/18 CONSTRUCTION OF THE CITY CENTRE EASTERN LINK – STAGE 1**

- Requirement – Construction of the City Centre Eastern Link Stage 1.
- An Expression of Interest was advertised on 15 December 2018 with a closing date of 22 January 2019.
- It is anticipated that the process for making a preliminary selection among prospective will be completed in February 2019.
- It is anticipated that the tender phase for acceptable tenderers will commence early in February 2019.

**17.1.2 Donations Contributions and Subsidies Fund – November and December 2018**

The Council allocates an annual budget allowance to the Donations, Contributions and Subsidies (Sponsorship Fund). This is provided such that eligible groups and individuals can apply for and receive sponsorship to assist them in the pursuit of endeavours that bring direct benefit to the broader community. Allocation of the funds is delegated to the Chief Executive Officer, in accordance with published guidelines and funding availability.

Five applications were supported in November 2018, totalling \$1,550.00 and four applications were supported in December 2018, totalling \$3,550.00 as outlined in the tables below:

| App. No.             | Recipient               | Purpose  | Amount            |
|----------------------|-------------------------|--|-------------------|
| <b>November 2018</b> |                         |  |                   |
| 35/1819              | Vasse Primary School    | Year 6 graduation assembly award.  | \$100.00          |
| 36/1819              | Hannah Bowden           | Funding to assist with associated travel expenses to join the highly prestigious International Youth leadership Conference being held in Prague in January 2019. | \$350.00          |
| 37/1819              | Charlee Langridge       | Selected to partake in the 2018 Australasian Show Horse and Rider Championships. Funding to assist with associated travel expenses.                              | \$300.00          |
| 38/1819              | Dunsborough Art Society | Funds to assist with covering cost to hire Yallingup Hall as the venue for their ten day art exhibition commencing 3 January 2019.                               | \$500.00          |
| 39/1819              | Caelin Winchcobe        | Selected to represent WA at the Oceania Laser Dinghy Championships in Devonport, Tasmania in January 2019. Funds to assist with associated travel expenses.      | \$300.00          |
|                      |                         | <b>November Total</b>  | <b>\$1,550.00</b> |

| App. No.             | Recipient             | Purpose  | Amount     |
|----------------------|-----------------------|--|------------|
| <b>December 2018</b> |                       |  |            |
| 40/1819              | Busselton Tennis Club | Funding to assist with costs associated with court preparation, umpires, trophies & catering required whilst hosting the Busselton Junior Open tennis Tournament in January 2019. The three day event is allocated by Tennis Australia, attracting local and state wide competitors. | \$1,000.00 |
| 41/1819              | Busselton Tennis Club | Funds will assist with costs associated with court preparation, umpires, trophies & catering required whilst hosting the Busselton Junior Open tennis Tournament in March 2019. The three day event is allocated by Tennis Australia, attracting local and state wide competitors.   | \$1,000.00 |

|         |   |   |                   |
|---------|---|---|-------------------|
| 45/1819 | Acting Up Academy of Performing Arts Inc. | Funding to assist with covering the cost of running five drama and musical theatre workshops & one drama audience participation performance as part of 'Summer Shorts 2019' - a short summer school of creative workshops for all ages being held in the ArtGEO precinct. The funding contribution provides opportunities for children and adults to participate in the workshops at an affordable cost (from \$10-\$20per person). | \$500.00          |
| 46/1819 | Ocean Edge Performance Writers            | Funding to assist with covering the cost of running two workshops for script writing and performance as part of 'Summer Shorts 2019' - a short summer school of creative workshops for all ages being held in the ArtGEO precinct. The funding contribution provides opportunities for children and adults to participate in the workshops at an affordable cost (\$10per person).  | \$750.00          |
| 47/1819 | Charles Sissoev                           | Selected to represent WA as a member of the U15 Country Men's development team competing at the Southern Cross challenge (basketball) being held in Melbourne, VIC 18-21 January 2019.  | \$300.00          |
|         |   | <b>December Total</b>   | <b>\$3,550.00</b> |

#### **OFFICER RECOMMENDATION**

That the items from the Councillors' Information Bulletin be noted:

- [17.1.1 2018/2019 Tenders](#)
- [17.1.2 Donations Contributions and Subsidies Fund – November and December 2018](#)

**18. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**19. URGENT BUSINESS****20. CONFIDENTIAL MATTERS**

The reports listed below are of a confidential nature, in accordance with section 5/23(2) of the Local Government Act 1995. These reports have been provided to Councillors, the Chief Executive Officer and Directors only.

**RECOMMENDATION**

That the meeting is closed to members of the public to discuss the following items which are confidential for the reasons as shown.

**20.1 RFT 16-18 OLD BUTTER FACTORY REPAIR WORKS**

This report contains information of a confidential nature in accordance with Section 5.23(2)(c) of the Local Government Act 1995, as it contains information relating to a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting

**21. CLOSURE**