



Tax Depreciation Report

21 Drew Street ,
Warrnambool VIC 3280

Melissa Dillon
2 Saunton Dr
CRANBOURNE, VIC 3977

Issue Schedule	
Issue Date:	Issued by:
15 September 2020	Mark Kilroy Bsc (Hons) MRICS

Melissa Dillon
2 Saunton Dr
CRANBOURNE, VIC 3977

September 2020
Job No: RES3208001

Tax Depreciation Report – 21 Drew Street , Warrnambool VIC 3280

We thank you for choosing Koste Pty Ltd to prepare the attached Tax Depreciation report and schedule for the above property.

This report has been prepared to provide an independent review of Tax Depreciation entitlements available on the subject property, under The Income Tax Assessment Act 1997.

Koste Pty Ltd are a registered tax agent (24836767) who comply with the Tax Agent Services Act 2009. The attached schedule is based on an apportionment of the total expenditure, together with the Tax Commissioners current intentions in preparing this document.

As you continue to grow your portfolio, we would be pleased to provide you with free estimates of tax depreciation allowances on purchases. We can also provide updates for \$100+GST on any revised depreciation reports which may include new capital works and write-offs on disposed assets over the coming years.

The majority of our custom is based on repeat customers and from word of mouth. Testimonials are important to our business especially on social media including Google+, LinkedIn and Facebook. If you are pleased with our service and have some time to write a short testimonial on either social media or via an email, this would be greatly appreciated.

If you or your accountant require any further clarification on the contents of this report, please do not hesitate in contacting a member of our team on 1300 669 400 where they would be more than happy to assist.

Yours Sincerely

Koste Pty Ltd

Koste Pty Ltd
Tax Depreciation Quantity Surveyors



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1. Property Information

Date of Report

15 September 2020

Purchaser

Melissa Dillon

Property Address

21 Drew Street , Warrnambool VIC 3280

Real Property Description

LOT 14 PS804993

Property Type

Residential House

Date of Construction

10 August 2020

2. Report Details

2.1 Introduction

Koste Pty Ltd has prepared an independent Tax Depreciation Schedule for the purchase of the subject property under the Income Tax Act 1997.

We have evaluated and reported the allowances based on the following:

Division 40 (Capital Allowances)

Referred to as Depreciating Assets, identified as assets which can be removed with ease including; Appliances, Furnishings and the like. Koste will identify and provide an analysis using both Diminishing Value and Prime Cost methods of depreciation. All items which have a value less than \$300 will be written off in the first year.

Division 40 (Capital Allowances) - Low Value Pool

Low Cost Assets are depreciating assets which have a cost of between \$300 and \$1,000 at your purchase date. These assets are depreciated at 18.75% in the first year, and 37.5% in each subsequent year.

Division 43 (Capital Works)

Capital works often referred to as Building Allowances entitles the tax payer to a deduction on assessable income producing buildings and other capital works. The opening value of these assets will be calculated on the date of installation; typical assets may include Windows, Doors and Walls.

3. Capital Allowances

3.1 Entitlement

Capital Allowances Division 40 of the Income Tax Act 1997 allows the taxpayer to a deduction of the decline in value of a depreciating asset used for income producing purpose over its effective life. A depreciating asset will deteriorate over the life and will therefore decline in value.

3.2 Qualifying Expenditure Calculation

On a property acquisition, Capital Allowances (Plant and Equipment) are based on a reasonable apportionment of the purchase price relating to qualifying plant under the Income Tax Assessment Act (ITAA) 1977 Section 40 – 195.

3.3 Effective Life

The Commissioner of Taxation provides regular tax rulings which determine the period an asset can be used to produce income. Included within this report is as new effective life rates.

3.4 Immediate Write-Off Assets

A depreciating asset which costs less than \$300 can be immediately written off under Division 40 of ITAA. Please note that this is only applicable to residential property investments.

3.5 Low Value Pool

Assets which have a starting value of between \$300 and \$1000 have been included within the Low Value Pool. These assets are depreciated at 18.75% in the first year and 37.5% for all subsequent years on a diminishing basis.

An asset that has a written down value under \$1000 in following years will be allocated to the low value pool and depreciated at 37.5% using diminishing value method. This method does not apply to assets that were depreciated using the prime cost method in any previous years.

3.6 Method of Depreciation

We provide you with a choice to calculate the decline in value for depreciating assets. Your choice on whether to use Diminishing Value or Prime Cost method of depreciation should be discussed with your accountant. Once a depreciation method is chosen for an asset this cannot be changed.

Diminishing Value Method					Prime Cost Method				
Diminishing value method is often the most popular form of depreciation due to the cash-flow benefits in the early years of asset ownership.					Prime Cost Method of Depreciation, often referred to as straight line depreciation is depreciated at a constant rate each year.				
Benefits					Benefits				
<ul style="list-style-type: none"> • Cash-flow during initial years of asset ownership • Ability to use Low Value Pool for assets less than \$1000 (Note: unable to write off these assets) 					<ul style="list-style-type: none"> • Write off assets when they are demolished or disposed. 				
Calculation Example					Calculation Example				
Under Diminishing Value method, the effective life is dividing by 200.					Under Prime Cost method, the effective life is dividing by 100.				
200 / 10 Years = 20% (Adjusted Value)					100 / 10 Years = 10% (Straight Line)				
If an asset has a value of \$10,000 and an effective life of 10 years the following annual depreciation may be claimed.					If an asset has a value of \$10,000 and an effective life of 10 years the following annual depreciation may be claimed.				
Year 1	Year 2	Year 3	Year 4	Year 5	Year 1	Year 2	Year 3	Year 4	Year 5
\$2,000	\$1,600	\$1,280	\$1,024	\$819.20	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000

4. Capital Works

4.1 Entitlement

Capital Works Division 43 of the Income Tax Act 1997 allows the taxpayer to a deduction of the decline in value of a depreciating asset used for income producing purpose over its effective life.

4.2 Method of Depreciation

Capital Works allowances under Division 43 are based on the historical construction costs and are not based on an apportionment of the purchase price. Where construction costs are not available, a qualified Quantity Surveyor will establish costs in accordance with the Tax Ruling TR97/25.

Capital Works are depreciated by Prime Cost method only, which may vary dependant on the date the construction works commenced and the property usage. Where a property has been updated over the years, capital works expenditure may be allocated in different periods. Clients must make any construction periods clear wherever possible to ensure your claim is maximised.

4.3 Method of Depreciation

Structural improvements such as fencing, paths and other hard landscaping can also be written off at 2.5% per annum if construction started after 27 February 1992.

5. Summary of Entitlements – Diminishing Value Method

Year	Financial Year	Effective Life	Pooled Plant	Total Div 40	Division 43	Totals
1	10 August 20 to 30 June 21	4,113	2,297	6,410	4,428	10,838
2	1 July 21 to 30 June 22	3,108	4,031	7,138	5,000	12,138
3	1 July 22 to 30 June 23	2,499	2,519	5,018	5,000	10,018
4	1 July 23 to 30 June 24	1,851	1,887	3,738	5,000	8,738
5	1 July 24 to 30 June 25	1,304	1,551	2,855	5,000	7,855
6	1 July 25 to 30 June 26	1,066	970	2,036	5,000	7,036
7	1 July 26 to 30 June 27	876	606	1,482	5,000	6,482
8	1 July 27 to 30 June 28	493	725	1,218	5,000	6,218
9	1 July 28 to 30 June 29	427	453	880	5,000	5,880
10	1 July 29 to 30 June 30	370	283	653	5,000	5,653
11	1 July 30 to 30 June 31	321	177	498	5,000	5,498
12	1 July 31 to 30 June 32	148	475	624	5,000	5,624
13	1 July 32 to 30 June 33	0	658	658	5,000	5,658
14	1 July 33 to 30 June 34	0	411	411	5,000	5,411
15	1 July 34 to 30 June 35	0	257	257	5,000	5,257
16	1 July 35 to 30 June 36	0	161	161	5,000	5,161
17	1 July 36 to 30 June 37	0	100	100	5,000	5,100
18	1 July 37 to 30 June 38	0	63	63	5,000	5,063
19	1 July 38 to 30 June 39	0	39	39	5,000	5,039
20	1 July 39 to 30 June 40	0	25	25	5,000	5,025
21	1 July 40 to 30 June 41	0	15	15	5,000	5,015
22	1 July 41 to 30 June 42	0	10	10	5,000	5,010
23	1 July 42 to 30 June 43	0	6	6	5,000	5,006
24	1 July 43 to 30 June 44	0	4	4	5,000	5,004
25	1 July 44 to 30 June 45	0	2	2	5,000	5,002
26	1 July 45 to 30 June 46	0	1	1	5,000	5,001
27	1 July 46 to 30 June 47	0	1	1	5,000	5,001
28	1 July 47 to 30 June 48	0	1	1	5,000	5,001
29	1 July 48 to 30 June 49	0	0	0	5,000	5,000
30	1 July 49 to 30 June 50	0	0	0	5,000	5,000
31	1 July 50 to 30 June 51	0	0	0	5,000	5,000
32	1 July 51 to 30 June 52	0	0	0	5,000	5,000
33	1 July 52 to 30 June 53	0	0	0	5,000	5,000
34	1 July 53 to 30 June 54	0	0	0	5,000	5,000
35	1 July 54 to 30 June 55	0	0	0	5,000	5,000
36	1 July 55 to 30 June 56	0	0	0	5,000	5,000
37	1 July 56 to 30 June 57	0	0	0	5,000	5,000
38	1 July 57 to 30 June 58	0	0	0	5,000	5,000
39	1 July 58 to 30 June 59	0	0	0	5,000	5,000
40	2059+	0	0	0	5,534	5,534
Totals		16,575	17,730	34,305	199,962	234,267

The diminishing value method involves multiplying the remaining amount (or also known as the written down value) of the item by the depreciation rate each year. Hence the term diminishing value method as it diminishes in value each year never quite reaching zero.

Example

	DV Rate	Opening Value	Year 1	WDV	Year 2
Carpet	20%	\$1,000	\$200	\$800	\$160

6. Summary of Entitlements – Prime Cost Method

Year	Financial Year	Effective Life	Pooled Plant	Total Div 40	Division 43	Totals
1	10 August 20 to 30 June 21	2,358	2,297	4,655	4,428	9,083
2	1 July 21 to 30 June 22	2,009	3,732	5,741	5,000	10,741
3	1 July 22 to 30 June 23	2,009	2,332	4,341	5,000	9,341
4	1 July 23 to 30 June 24	2,009	1,458	3,467	5,000	8,467
5	1 July 24 to 30 June 25	2,009	911	2,920	5,000	7,920
6	1 July 25 to 30 June 26	2,009	569	2,578	5,000	7,578
7	1 July 26 to 30 June 27	2,009	356	2,365	5,000	7,365
8	1 July 27 to 30 June 28	2,009	222	2,231	5,000	7,231
9	1 July 28 to 30 June 29	1,165	139	1,304	5,000	6,304
10	1 July 29 to 30 June 30	1,050	87	1,137	5,000	6,137
11	1 July 30 to 30 June 31	718	54	773	5,000	5,773
12	1 July 31 to 30 June 32	660	34	694	5,000	5,694
13	1 July 32 to 30 June 33	660	21	681	5,000	5,681
14	1 July 33 to 30 June 34	660	13	673	5,000	5,673
15	1 July 34 to 30 June 35	660	8	668	5,000	5,668
16	1 July 35 to 30 June 36	63	5	68	5,000	5,068
17	1 July 36 to 30 June 37	0	3	3	5,000	5,003
18	1 July 37 to 30 June 38	0	2	2	5,000	5,002
19	1 July 38 to 30 June 39	0	1	1	5,000	5,001
20	1 July 39 to 30 June 40	0	1	1	5,000	5,001
21	1 July 40 to 30 June 41	0	0	0	5,000	5,000
22	1 July 41 to 30 June 42	0	0	0	5,000	5,000
23	1 July 42 to 30 June 43	0	0	0	5,000	5,000
24	1 July 43 to 30 June 44	0	0	0	5,000	5,000
25	1 July 44 to 30 June 45	0	0	0	5,000	5,000
26	1 July 45 to 30 June 46	0	0	0	5,000	5,000
27	1 July 46 to 30 June 47	0	0	0	5,000	5,000
28	1 July 47 to 30 June 48	0	0	0	5,000	5,000
29	1 July 48 to 30 June 49	0	0	0	5,000	5,000
30	1 July 49 to 30 June 50	0	0	0	5,000	5,000
31	1 July 50 to 30 June 51	0	0	0	5,000	5,000
32	1 July 51 to 30 June 52	0	0	0	5,000	5,000
33	1 July 52 to 30 June 53	0	0	0	5,000	5,000
34	1 July 53 to 30 June 54	0	0	0	5,000	5,000
35	1 July 54 to 30 June 55	0	0	0	5,000	5,000
36	1 July 55 to 30 June 56	0	0	0	5,000	5,000
37	1 July 56 to 30 June 57	0	0	0	5,000	5,000
38	1 July 57 to 30 June 58	0	0	0	5,000	5,000
39	1 July 58 to 30 June 59	0	0	0	5,000	5,000
40	2059+	0	0	0	5,534	5,534
Totals		22,056	12,249	34,305	199,962	234,267

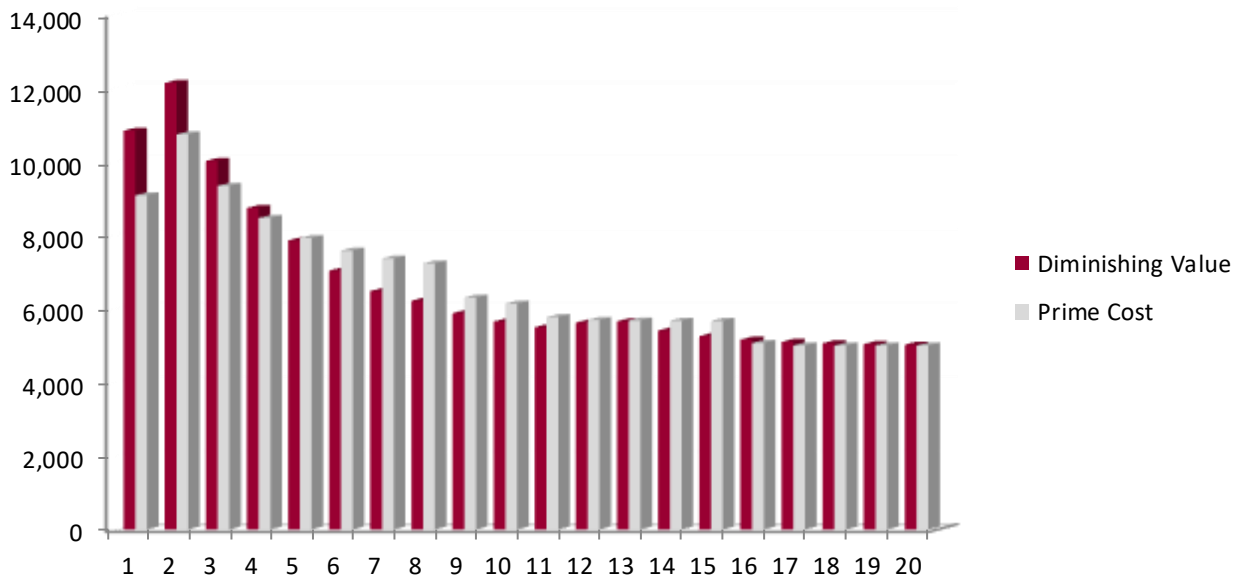
The prime cost method assumes that the item depreciates uniformly over its effective life. It is also known as straight line method and has a lower rate compared to diminishing value method. So the item depreciates at a constant rate until the written down value reaches zero.

Example

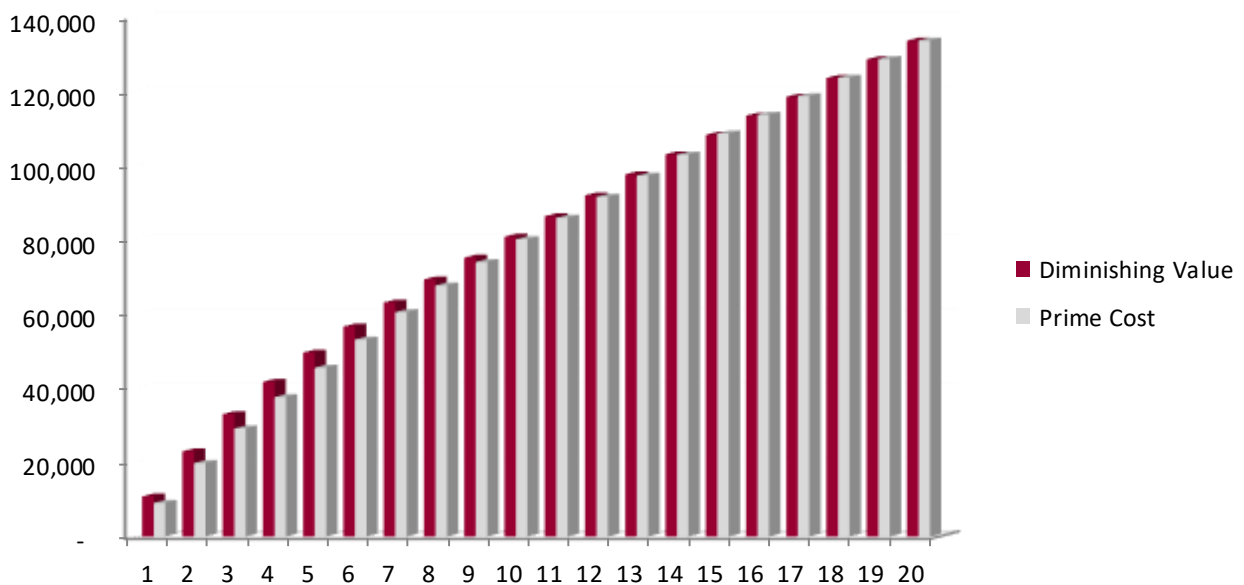
	PC Rate	Opening Value	Year 1	WDV	Year 2
Carpet	10%	\$1,000	\$100	\$900	\$100

7. Comparison Graphs

20 YEAR COMPARISON GRAPH



20 YEAR CUMULATIVE GRAPH



Advantages of using diminishing value method over prime cost method, as can be seen in the 20 year comparison graph, diminishing value method has higher deductions in the first few years. Prime cost method has lower deductions over the first few years, but around the 5-6 year mark starts to give higher deductions and in later years. However cumulatively they equal out at about the 10 year mark. It comes down to whether you want the higher deductions in the first few years or the more evenly spread out deductions approach.

8. Capital Expenditure Analysed

Construction Details

Contract Date	29 November 2019
Handover Date	10 August 2020

Expenditure Analysed

Construction Cost	\$225,002
Post Expenditure	\$13,991
Total Expenditure Analysed	\$238,993

Historical Construction Details

Construction Start Date	29 November 2019
Construction Completion Date	10 August 2020
Historical Construction Cost (Advised)*	\$225,002
Lot Entitlement	1
Overall Lot Entitlement	1

9. Reconciliation of Capital Expenditure

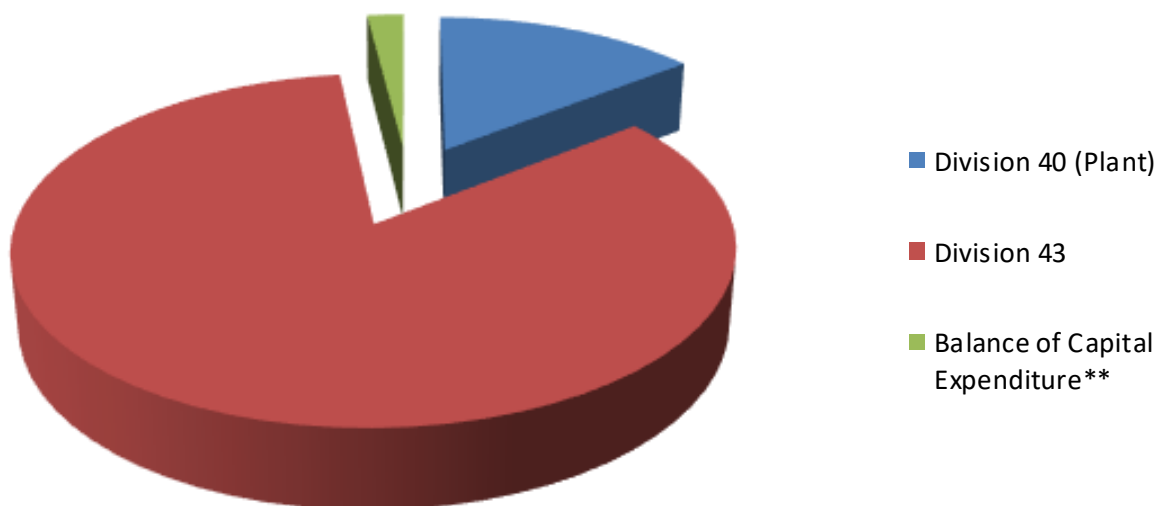
Apportionment of cost relating to:

Division 40 (Plant)	\$34,305
Division 43	\$199,962
Balance of Capital Expenditure**	\$4,725
Total Expenditure Analysed	\$238,992

Notes

* The historical construction has been calculated and the eligible qualifying expenditure for the purposes of calculating the Division 43 deductions capital works has been taken from this total by excluding the plant (Division 40) and any non eligible expenditure items

** Balance of capital expenditure comprises the apportionment of all capital works which are ineligible for depreciation or capital allowances



10. Diminishing Value Depreciation Schedule

Assets Generally	Diminishing	Install Date	Opening Value	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Division 40 - Plant and Equipment	Value Rate												
Bathroom assets													
Exhaust fans (including light/heating)	18.75%	10-Aug-20	475	89	145	90	56	35	22	14	9	5	3
Evaporative coolers:													
Fixed (excluding ducting and vents)	13.33%	10-Aug-20	4,614	546	542	470	407	353	306	265	230	199	173
Fire control assets													
Detection & alarm systems, detectors	18.75%	10-Aug-20	580	109	177	110	69	43	27	17	11	7	4
Floor coverings (removable without damage)													
Carpets	25.00%	10-Aug-20	6,669	1,480	1,297	973	730	547	410	308	346	216	135
Furniture													
	18.75%	10-Aug-20	5,287	991	1,611	1,007	629	393	246	154	96	60	38
Garage doors, automatic													
Motors	20.00%	10-Aug-20	1,582	281	260	208	312	195	122	76	48	30	19
Hot water systems (excluding piping)													
Solar	13.33%	10-Aug-20	5,274	624	620	537	466	404	350	303	263	228	197
Kitchen assets													
Cooktops	18.75%	10-Aug-20	923	173	281	176	110	69	43	27	17	10	7
Ovens	18.75%	10-Aug-20	857	161	261	163	102	64	40	25	16	10	6
Rangehoods	18.75%	10-Aug-20	989	185	301	188	118	74	46	29	18	11	7
Lights													
Shades, removable	18.75%	10-Aug-20	3,138	588	956	598	373	233	146	91	57	36	22
\$300 items	100.00%	10-Aug-20	382	382									
Additional Items (Post Expenditure)				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Blinds Residential	20.00%	6-Sep-20	2,315	377	388	310	248	372	233	145	91	57	35
Kitchen assets													
Dishwashers	25.00%	6-Sep-20	1,000	203	299	187	117	73	46	28	18	11	7
\$300 items	100.00%	6-Sep-20	220	220									
Pooled Plant Total				2,297	4,031	2,519	1,887	1,551	970	606	725	453	283
Effective Life Plant Total				4,113	3,108	2,499	1,851	1,304	1,066	876	493	427	370
Total Division 40			34,305	6,410	7,138	5,018	3,738	2,855	2,036	1,482	1,218	880	653

Diminishing Value Depreciation Schedule (cont.)

Division 43 - Capital Works Allowance													
	Rate		Opening Value	Year 1	Year2	Year 3	Year4	Year5	Year6	Year7	Year8	Year9	Year10
Building Works - Completed 2020	2.50%	10-Aug-20	186,398	4,137	4,660	4,660	4,660	4,660	4,660	4,660	4,660	4,660	4,660
Building Works - Completed 2020	2.50%	06-Sep-20	1,067	22	27	27	27	27	27	27	27	27	27
Structural Improvements - Completed 2020	2.50%	10-Aug-20	7,833	174	196	196	196	196	196	196	196	196	196
Structural Improvements - Completed 2020	2.50%	06-Sep-20	4,664	95	117	117	117	117	117	117	117	117	117
Total Division 43			199,962	4,428	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Depreciation			234,267	10,838	12,138	10,018	8,738	7,855	7,036	6,482	6,218	5,880	5,653

11. Prime Cost Depreciation Schedule

Assets Generally	Prime Cost													
Division 40 - Plant and Equipment	Rate	Install Date	Opening Value	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Bathroom assets														
Exhaust fans (including light/heating)	18.75%	10-Aug-20	475	89	145	90	56	35	22	14	9	5	3	
Evaporative coolers:														
Fixed (excluding ducting and vents)	6.67%	10-Aug-20	4,614	273	308	308	308	308	308	308	308	308	308	308
Fire control assets														
Detection & alarm systems, detectors	18.75%	10-Aug-20	580	109	177	110	69	43	27	17	11	7	4	
Floor coverings (removable without damage)														
Carpets	12.50%	10-Aug-20	6,669	740	834	834	834	834	834	834	834	91		
Furniture														
	18.75%	10-Aug-20	5,287	991	1,611	1,007	629	393	246	154	96	60	38	
Garage doors, automatic														
Motors	10.00%	10-Aug-20	1,582	140	158	158	158	158	158	158	158	158	158	158
Hot water systems (excluding piping)														
Solar	6.67%	10-Aug-20	5,274	312	352	352	352	352	352	352	352	352	352	352
Kitchen assets														
Cooktops	18.75%	10-Aug-20	923	173	281	176	110	69	43	27	17	10	7	
Ovens	18.75%	10-Aug-20	857	161	261	163	102	64	40	25	16	10	6	
Rangehoods	18.75%	10-Aug-20	989	185	301	188	118	74	46	29	18	11	7	
Lights														
Shades, removable	18.75%	10-Aug-20	3,138	588	956	598	373	233	146	91	57	36	22	
\$300 items	100.00%	10-Aug-20	382	382										
Additional Items (Post Expenditure)				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Blinds Residential														
	10.00%	06-Sep-20	2,315	188	232	232	232	232	232	232	232	232	232	232
Kitchen assets														
Dishwashers	12.50%	06-Sep-20	1,000	102	125	125	125	125	125	125	125	23		
\$300 items	100.00%	06-Sep-20	220	220										
Pooled Plant Total				2,297	3,732	2,332	1,458	911	569	356	222	139	87	
Effective Life Plant Total				2,358	2,009	2,009	2,009	2,009	2,009	2,009	2,009	1,165	1,050	
Total Division 40			34,305	4,655	5,741	4,341	3,467	2,920	2,578	2,365	2,231	1,304	1,137	

Prime Cost Depreciation Schedule (cont.)

Division 43 - Capital Works Allowance												
	Rate	Opening Value	Year 1	Year2	Year 3	Year4	Year5	Year6	Year7	Year8	Year9	Year10
Building Works - Completed 2020	2.50%	10-Aug-20	186,398	4,137	4,660	4,660	4,660	4,660	4,660	4,660	4,660	4,660
Building Works - Completed 2020	2.50%	06-Sep-20	1,067	22	27	27	27	27	27	27	27	27
Structural Improvements - Completed 2020	2.50%	10-Aug-20	7,833	174	196	196	196	196	196	196	196	196
Structural Improvements - Completed 2020	2.50%	06-Sep-20	4,664	95	117	117	117	117	117	117	117	117
Total Division 43			199,962	4,428	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Depreciation			234,267	9,083	10,741	9,341	8,467	7,920	7,578	7,365	7,231	6,304

12. Division 43 Capital Works Schedule

The table below outlines the amount of Division 43 building write-off available for this property. The building write-off is claimed over forty years from the construction date of the works completed and is the remaining value after plant and equipment has been taken out.

Qualifying Building Allowance

Description	Start and Completion Dates	Historical Cost	Rate	Annual Claim	Opening Value
Building Works - Completed 2020	29 Nov 19 to 10 Aug 20	186,398	2.50%	4,660	186,398
Building Works - Completed 2020	6 Sep 20 to 6 Sep 20	1,067	2.50%	27	1,067
Sub-total		187,465		4,687	187,465

Qualifying Structural Improvements

Description	Start and Completion Dates	Historical Cost	Rate	Annual Claim	Opening Value
Structural Improvements - Completed 2020	29 Nov 19 to 10 Aug 20	7,833	2.50%	196	7,833
Structural Improvements - Completed 2020	6 Sep 20 to 6 Sep 20	4,664	2.50%	117	4,664
Sub-total		12,497		313	12,497
Totals		199,963		5,000	199,962

The table below demonstrates the various property types and the depreciation rates for Capital expenditure deductions. Eligibility is based on the date of construction commencement.

	Today - 27 Feb 92	26 Feb 92 - 16 Sept 87	15 Sept 87 - 18 Jul 85	17 Jul 85 - 22 Aug 84	21 Aug 84 - 20 Jul 82	19 Jul 82 - 21 Aug 79
Traveller Accommodation	4%	2.5%	4%	4%	2.5%	2.5%
Non Residential	2.5%	2.5%	4%	4%	2.5%	N/A
Manufacturing	4%	2.5%	4%	4%	2.5%	N/A
Residential	2.5%	2.5%	4%	N/A	N/A	N/A
Structural Improvement	2.5%	N/A	N/A	N/A	N/A	N/A

13. Definition of Terms

Adjusted Value	This is the value of an asset after a period of decline often referred to as the written down value or WDV.
Balancing Adjustment	The balancing adjustment amount is the difference between the termination value and the adjustable value of a depreciating asset at the time of a balancing adjustment event.
Decline in Value	Deductions for the cost of a depreciating asset are based on the decline in value between any two dates. This report includes both methods of the decline in value of a depreciating asset; the prime cost method and diminishing value method.
Depreciating Assets	Assets with limited effective life that are reasonably expected to decline in value.
Diminishing Value Method	This is the method of calculating the decline in value which uses the opening adjusted value as the basis for the calculation.
Effective Life	The effective life of a depreciating asset is how long it can be used by any entity for a taxable income producing purpose.
Immediate WriteOff	A depreciating asset which costs less than \$300 can be immediately written off at 100% of the total cost. This is only available where the asset is not part of a set e.g. table and chairs.
Installed Costs	This is the total cost of installing the asset inclusive of fees and labour etc.
Low Value Pool	Low cost assets which have a value between \$300 and \$1000. These assets are depreciated at 18.75% in the first year and 37.5% in each subsequent years.
Low Cost Asset	A depreciable asset with an installed cost of less than \$1000.
Low Value Asset	A depreciable asset that has an adjusted value of less than \$1000.
Non Eligible	This may include a proportion of the purchase price that is not claimable due to the age of the building or asset type.
Prime Cost Method	This is a method of calculating depreciation using a constant opening cost base often referred to as the "Straight Line" method.

14. Contact Details

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15. Disclaimer

This report has been prepared for the exclusive use of the parties named within this report, Koste Pty Ltd does not accept any contractual, tortious or other form of liability for any consequences that may arise from any other person acting upon or using this valuation.