



## Commercial Tax Depreciation Report

30 Main Street,  
Pialba QLD 4655

Issue Schedule	
<b>Issue Date:</b>	<b>Issued by:</b>
January 2017	Mark Kilroy Bsc (Hons) MRICS

Kanti Jeraj  
4 Moira Court,  
Sunnybank Hills QLD 4109

27<sup>th</sup> January 2017  
Job No: COM4655005

**Tax Depreciation Report – 30 Main Street, Pialba QLD 4655**

Dear Kanti,

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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# CONTENTS

1	Executive Summary.....	4
2	Property Information.....	5
3	Report Details.....	6
4	Capital Allowances .....	7
5	Capital Works .....	9
6	Summary Analysis .....	10
7	Tax Summary.....	11
8	Diminishing Value (DV).....	13
9	Prime Cost (PC).....	14
10	Low Value Pool.....	15
11	Capital Works (Div 43) .....	16
12	Definition of Terms .....	17
	Contact Details.....	18

# 1 EXECUTIVE SUMMARY

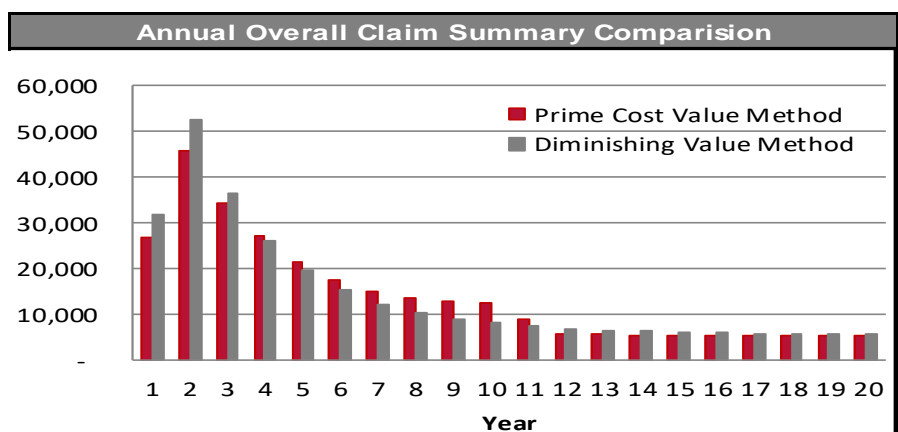
## 1.1 EXPENDITURE ANALYSED

Overall Expenditure Analysed		
Description	Value (\$)	%
Div 40 - Capital Allowances	179,329	31%
Div 43 Capital Works Incl. Adds	200,367	35%
Repairs and Maintenance	-	0%
Capital Non Eligible	14,133	2%
Goodwill / Other	176,407	31%
<b>Total Purchase Cost</b>	<b>570,235</b>	<b>100%</b>

## 1.2 FIRST YEAR EXPENDITURE

First Year Allowances Y/E - 30/06/17		
Description	Diminishing Value (\$)	Prime Cost (\$)
Div 40 - Depreciating Assets	10,232	5,116
Div 40 - Low Value Pool	18,876	18,876
Div 43 - Capital Works	2,836	2,836
Repairs & Maintenance	-	-
Write Off Expenditure	-	-
<b>Total - Year 1</b>	<b>31,944</b>	<b>26,828</b>

## 1.3 OVERALL CLAIM SUMMARY CHART



## 2 PROPERTY INFORMATION

<b>Client</b>	Kanti Jeraj
<b>Property</b>	30 Main Street, Pialba QLD 4655
<b>Property Type</b>	Commercial Pharmacy
<b>Date of Fitout Completion</b>	IPG Pialba Pty Ltd
<b>Date of first let</b>	19/12/2016

Property Photo



## 3 REPORT DETAILS

### 3.1 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.

## 4 CAPITAL ALLOWANCES

### 4.1 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.

### 4.2 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 as detailed below:

$$\text{Qualifying Plant} = \frac{\text{Purchase Price} \times \text{Replacement Cost of Plant}}{\text{Land Value} + \text{Replacement Cost of Plant} + \text{Replacement Cost of Building}}$$

### 4.3 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.

### 4.4 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.

### 4.5 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.

## 4.6 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				
Diminishing value method is often the most popular form of depreciation due to the cash-flow benefits in the early years of asset ownership.				
Benefits				
<ul style="list-style-type: none"> <li>• Cash-flow during initial years of asset ownership</li> <li>• Ability to use Low Value Pool for assets less than \$1000 (Note: unable to write off these assets)</li> </ul>				
Calculation Example				
Under Diminishing Value method, the effective life is dividing by 200.				
<b><math>200 / 10 \text{ Years} = 20\% \text{ (Adjusted Value)}</math></b>				
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
\$2,000	\$1,600	\$1,280	\$1,024	\$819.20

Prime Cost Method				
Prime Cost Method of Depreciation, often referred to as straight line depreciation is depreciated at a constant rate each year.				
Benefits				
<ul style="list-style-type: none"> <li>• Write off assets when they are demolished or disposed.</li> </ul>				
Calculation Example				
Under Prime Cost method, the effective life is dividing by 100.				
<b><math>100 / 10 \text{ Years} = 10\% \text{ (Straight Line)}</math></b>				
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
\$1,000	\$1,000	\$1,000	\$1,000	\$1,000



# 5 CAPITAL WORKS

## 5.1 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.

## 5.2 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.

## 5.3 STRUCTURAL IMPROVEMENTS

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.

## 5.4 CAPITAL WORKS DEPRECIATION RATES

The following table demonstrates the various property types and depreciation rates for Capital Works 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

## 6 SUMMARY ANALYSIS

PROPERTY DETAILS	
<b>Property Address</b>	30 Main Street, Pialba QLD 4655

PURCHASE DETAILS			
<b>Exchange Date</b>	01/11/2016	<b>Settlement Date</b>	19/12/2016
<b>Purchase Price (Incl Fees)</b>	\$570,235	<b>Land Value (Est)</b>	N/A

FITOUT DETAILS			
<b>Construction Start Date</b>	01/04/2014	<b>Construction End Date</b>	01/05/2014
<b>Historic Fitout Cost</b>	\$393,829		

EXPENDITURE ANALYSED		
<b>Div 40 (Capital Allowances)</b>	\$179,329	This Tax Depreciation Schedule has been prepared based on the information provided for the construction or purchase of the said property. The apportionment of capital expenditure is based on this information.
<b>Div 43 (Capital Works)</b>	\$200,367	
<b>Capital Non Deductable</b>	\$14,133	
<b>Goodwill / Other</b>	\$176,407	
<b>Total Expenditure Analysed</b>	\$570,235	

Notes	
<b>Opening Values</b>	This is based on the original construction costs incurred including variations
<b>Effective Lives</b>	Used In accordance with the Commissioner of Taxation Rates
<b>Site Inspection</b>	The site inspection includes the measurement, photographic records, and identification of depreciating assets.
<b>Disclaimer</b>	This schedule is provided for the sole use of the tax payer and may not be used by a third party without the permission of Koste Pty Ltd.

# 7 TAX SUMMARY

The following tables outline the depreciation entitlements for the remaining life of the property. **Note: First Year Allowances are for YE 30/06/17**

## 7.1 DIMINISHING VALUE METHOD

Diminishing Value Method						
	Opening Value	Division 40 Allowances	Division 40 Low Value Pool	Division 43 Deductions	Total	Written Down Value
Year 1 - 193 Days	379,695	10,232	18,876	2,836	31,944	347,751
Year 2 - Y/E 30-Jun-2018	347,751	16,443	30,674	5,363	52,479	295,272
Year 3 - Y/E 30-Jun-2019	295,272	11,922	19,171	5,363	36,455	258,816
Year 4 - Y/E 30-Jun-2020	258,816	8,869	11,982	5,363	26,214	232,603
Year 5 - Y/E 30-Jun-2021	232,603	6,728	7,489	5,363	19,579	213,023
Year 6 - Y/E 30-Jun-2022	213,023	5,177	4,680	5,363	15,220	197,803
Year 7 - Y/E 30-Jun-2023	197,803	4,025	2,925	5,363	12,313	185,490
Year 8 - Y/E 30-Jun-2024	185,490	3,153	1,828	5,363	10,344	175,147
Year 9 - Y/E 30-Jun-2025	175,147	2,483	1,143	5,363	8,988	166,159
Year 10 - Y/E 30-Jun-2026	166,159	1,963	714	5,363	8,039	158,120
Year 11 - Y/E 30-Jun-2027	158,120	1,556	446	5,363	7,365	150,755
Year 12 - Y/E 30-Jun-2028	150,755	1,236	279	5,363	6,877	143,877
Year 13 - Y/E 30-Jun-2029	143,877	983	174	5,363	6,520	137,357
Year 14 - Y/E 30-Jun-2030	137,357	783	109	5,363	6,255	131,103
Year 15 - Y/E 30-Jun-2031	131,103	624	68	5,363	6,055	125,048
Year 16 - Y/E 30-Jun-2032	125,048	498	43	5,363	5,903	119,144
Year 17 - Y/E 30-Jun-2033	119,144	398	27	5,363	5,787	113,358
Year 18 - Y/E 30-Jun-2034	113,358	318	17	5,363	5,697	107,661
Year 19 - Y/E 30-Jun-2035	107,661	254	10	5,363	5,627	102,034
Year 20 - Y/E 30-Jun-2036	102,034	203	6	5,363	5,572	96,463
Year 21 - Y/E 30-Jun-2037	96,463	162	11	5,363	5,535	90,927
Year 22 - Y/E 30-Jun-2038	90,927	129	-	5,363	5,492	85,435
Year 23 - Y/E 30-Jun-2039	85,435	104	-	5,363	5,466	79,969
Year 24 - Y/E 30-Jun-2040	79,969	83	-	5,363	5,445	74,524
Year 25 - Y/E 30-Jun-2041	74,524	66	-	5,363	5,429	69,095
Year 26 - Y/E 30-Jun-2042	69,095	53	-	5,363	5,415	63,680
Year 27 - Y/E 30-Jun-2043	63,680	42	-	5,363	5,405	58,275
Year 28 - Y/E 30-Jun-2044	58,275	34	-	5,363	5,396	52,879
Year 29 - Y/E 30-Jun-2045	52,879	27	-	5,363	5,390	47,489
Year 30 - Y/E 30-Jun-2046	47,489	22	-	5,363	5,384	42,105
Year 31 - Y/E 30-Jun-2047	42,105	17	-	5,363	5,380	36,725
Year 32 - Y/E 30-Jun-2048	36,725	14	-	5,363	5,376	31,349
Year 33 - Y/E 30-Jun-2049	31,349	11	-	5,363	5,374	25,975
Year 34 - Y/E 30-Jun-2050	25,975	9	-	5,363	5,371	20,604
Year 35 - Y/E 30-Jun-2051	20,604	7	-	5,363	5,370	15,234
Year 36 - Y/E 30-Jun-2052	15,234	6	-	5,363	5,368	9,866
Year 37 - Y/E 30-Jun-2053	9,866	5	-	5,363	5,367	4,499
Year 38 - Y/E 30-Jun-2054	4,499	4	-	4,481	4,485	15
Year 39 - Y/E 30-Jun-2055	15	3	-	-	3	12
Year 40 - Y/E 30-Jun-2056	12	2	-	-	2	9
Year 41+ - Y/E 30-Jun-2057	9	9	-	-	9	-
<b>Totals</b>		<b>78,655</b>	<b>100,674</b>	<b>200,367</b>	<b>379,695</b>	

## 7.2 PRIME COST METHOD

Prime Cost Value Method						
	Opening Value	Division 40 Allowances	Division 40 Low Value Pool	Division 43 Deductions	Total	Written Down Value
Year 1 - 193 Days	379,695	5,116	18,876	2,836	26,828	352,867
Year 2 - Y/E 30-Jun-2018	352,867	9,676	30,674	5,363	45,712	307,155
Year 3 - Y/E 30-Jun-2019	307,155	9,676	19,171	5,363	34,209	272,946
Year 4 - Y/E 30-Jun-2020	272,946	9,676	11,982	5,363	27,020	245,926
Year 5 - Y/E 30-Jun-2021	245,926	8,658	7,489	5,363	21,509	224,417
Year 6 - Y/E 30-Jun-2022	224,417	7,449	4,680	5,363	17,492	206,925
Year 7 - Y/E 30-Jun-2023	206,925	6,691	2,925	5,363	14,979	191,946
Year 8 - Y/E 30-Jun-2024	191,946	6,256	1,828	5,363	13,446	178,499
Year 9 - Y/E 30-Jun-2025	178,499	6,256	1,143	5,363	12,761	165,739
Year 10 - Y/E 30-Jun-2026	165,739	6,256	714	5,363	12,332	153,407
Year 11 - Y/E 30-Jun-2027	153,407	2,948	446	5,363	8,757	144,650
Year 12 - Y/E 30-Jun-2028	144,650	-	279	5,363	5,641	139,008
Year 13 - Y/E 30-Jun-2029	139,008	-	174	5,363	5,537	133,472
Year 14 - Y/E 30-Jun-2030	133,472	-	109	5,363	5,471	128,000
Year 15 - Y/E 30-Jun-2031	128,000	-	68	5,363	5,431	122,570
Year 16 - Y/E 30-Jun-2032	122,570	-	43	5,363	5,405	117,164
Year 17 - Y/E 30-Jun-2033	117,164	-	27	5,363	5,389	111,775
Year 18 - Y/E 30-Jun-2034	111,775	-	17	5,363	5,379	106,396
Year 19 - Y/E 30-Jun-2035	106,396	-	10	5,363	5,373	101,023
Year 20 - Y/E 30-Jun-2036	101,023	-	6	5,363	5,369	95,654
Year 21 - Y/E 30-Jun-2037	95,654	-	11	5,363	5,373	90,281
Year 22 - Y/E 30-Jun-2038	90,281	-	-	5,363	5,363	84,918
Year 23 - Y/E 30-Jun-2039	84,918	-	-	5,363	5,363	79,556
Year 24 - Y/E 30-Jun-2040	79,556	-	-	5,363	5,363	74,193
Year 25 - Y/E 30-Jun-2041	74,193	-	-	5,363	5,363	68,831
Year 26 - Y/E 30-Jun-2042	68,831	-	-	5,363	5,363	63,468
Year 27 - Y/E 30-Jun-2043	63,468	-	-	5,363	5,363	58,106
Year 28 - Y/E 30-Jun-2044	58,106	-	-	5,363	5,363	52,743
Year 29 - Y/E 30-Jun-2045	52,743	-	-	5,363	5,363	47,381
Year 30 - Y/E 30-Jun-2046	47,381	-	-	5,363	5,363	42,018
Year 31 - Y/E 30-Jun-2047	42,018	-	-	5,363	5,363	36,656
Year 32 - Y/E 30-Jun-2048	36,656	-	-	5,363	5,363	31,293
Year 33 - Y/E 30-Jun-2049	31,293	-	-	5,363	5,363	25,931
Year 34 - Y/E 30-Jun-2050	25,931	-	-	5,363	5,363	20,568
Year 35 - Y/E 30-Jun-2051	20,568	-	-	5,363	5,363	15,206
Year 36 - Y/E 30-Jun-2052	15,206	-	-	5,363	5,363	9,843
Year 37 - Y/E 30-Jun-2053	9,843	-	-	5,363	5,363	4,481
Year 38 - Y/E 30-Jun-2054	4,481	-	-	4,481	4,481	-
Year 39 - Y/E 30-Jun-2055	-	-	-	-	-	-
Year 40 - Y/E 30-Jun-2056	-	-	-	-	-	-
Year 41+ - Y/E 30-Jun-2057	-	-	-	-	-	-
<b>Totals</b>		<b>78,655</b>	<b>100,674</b>	<b>200,367</b>	<b>379,695</b>	

## 8 DIMINISHING VALUE (DV)

Code	Assets	Method	EL	Rate(%)	Opening Value	Year 1 (193 Days)	Closing Value	Year 2 30/06/2018	Year 3 30/06/2019	Year 4 30/06/2020	Year 5 30/06/2021
<b>Equipment</b>											
TB165	Computers > Generally	DV	4.00	50	6,250	1,652	4,598	2,299	1,149	575	287
<b>Kitchen equipment</b>											
TB266	Refrigeration assets > Generally	DV	10.00	20	4,305	455	3,850	770	616	493	394
<b>Retail plant</b>											
TB337	Point of sale assets > Generally	DV	6.00	33	5,550	978	4,572	1,524	1,016	677	452
<b>Security</b>											
TB346	Closed circuit television systems > Monitors	DV	4.00	50	1,450	383	1,067	533	267	133	67
TB351	Security systems > Control panels	DV	5.00	40	2,850	603	2,247	899	539	324	194
<b>Retail - Floor Coverings</b>											
RT104	Removable > Vinyl	DV	10.00	20	18,700	1,978	16,722	3,344	2,676	2,140	1,712
<b>Retail - Furniture</b>											
RT106	Equipment > Counters, freestanding	DV	10.00	20	11,400	1,206	10,194	2,039	1,631	1,305	1,044
RT107	Equipment > Shelving	DV	10.00	20	28,150	2,977	25,173	5,035	4,028	3,222	2,578
<b>Total</b>					<b>78,655</b>	<b>10,232</b>	<b>68,423</b>	<b>16,443</b>	<b>11,922</b>	<b>8,869</b>	<b>6,728</b>

## 9 PRIME COST (PC)

						OV as at 19-Dec-2016	First Year 19-Dec-2016 to 30-Jun-2017	C.W.D.V 30-Jun-2017					
Code	Assets	Method	EL	Rate(%)	Opening Value		Year 1 (193 Days)	Closing Value	Year 2 30/06/2018	Year 3 30/06/2019	Year 4 30/06/2020	Year 5 30/06/2021	
<b>Equipment</b>													
TB165	Computers > Generally	PC	4.00	25	6,250		826	5,424	1,563	1,563	1,563	736	
<b>Kitchen equipment</b>													
TB266	Refrigeration assets > Generally	PC	10.00	10	4,305		228	4,077	431	431	431	431	
<b>Retail plant</b>													
TB337	Point of sale assets > Generally	PC	6.00	17	5,550		489	5,061	925	925	925	925	
<b>Security</b>													
TB346	Closed circuit television systems > Monitors	PC	4.00	25	1,450		192	1,258	363	363	363	171	
TB351	Security systems > Control panels	PC	5.00	20	2,850		301	2,549	570	570	570	570	
<b>Retail - Floor Coverings</b>													
RT104	Removable > Vinyl	PC	10.00	10	18,700		989	17,711	1,870	1,870	1,870	1,870	
<b>Retail - Furniture</b>													
RT106	Equipment > Counters, freestanding	PC	10.00	10	11,400		603	10,797	1,140	1,140	1,140	1,140	
RT107	Equipment > Shelving	PC	10.00	10	28,150		1,488	26,662	2,815	2,815	2,815	2,815	
<b>Total</b>					<b>78,655</b>		<b>5,116</b>	<b>73,539</b>	<b>9,676</b>	<b>9,676</b>	<b>9,676</b>	<b>8,658</b>	

# 10 LOW VALUE POOL

						OV as at 19-Dec-2016	First Year 19-Dec-2016 to 30-Jun-2017	C.W.D.V 30-Jun-2017					
Code	Assets	Method	EL	Rate(%)	Opening Value		Year 1 (193 Days)	Closing Value	Year 2 30/06/2018	Year 3 30/06/2019	Year 4 30/06/2020	Year 5 30/06/2021	
<b>Communications</b>													
TB125	Telephones > Telephone hand sets	LVP	LVP	37.50	360		68	293	110	69	43	27	
<b>Equipment</b>													
TB165	Computers > Generally	LVP	LVP	37.50	1,750		328	1,422	533	333	208	130	
TB168	Clock > Clock	LVP	LVP	37.50	100		19	81	30	19	12	7	
TB206	Signage > Signage for business identification	LVP	LVP	37.50	1,450		272	1,178	442	276	173	108	
<b>Fire protection</b>													
TB218	Fire control and alarm assets > Extinguishers	LVP	LVP	37.50	765		143	622	233	146	91	57	
TB222	Alarms > Smoke	LVP	LVP	37.50	660		124	536	201	126	79	49	
TB232	Emergency warning and intercommunication systems > EWIS Speakers	LVP	LVP	37.50	2,750		516	2,234	838	524	327	205	
TB233	Emergency warning and intercommunication systems > Strobe lights	LVP	LVP	37.50	580		109	471	177	110	69	43	
<b>Furniture</b>													
TB241	Furniture, freestanding > Chairs	LVP	LVP	37.50	660		124	536	201	126	79	49	
TB242	Furniture, freestanding > Desks	LVP	LVP	37.50	375		70	305	114	71	45	28	
TB245	Furniture, freestanding > Screens	LVP	LVP	37.50	145		27	118	44	28	17	11	
TB249	Cabinets > Timber/laminated	LVP	LVP	37.50	5,980		1,121	4,859	1,822	1,139	712	445	
TB250	Cabinets > Metal	LVP	LVP	37.50	390		73	317	119	74	46	29	
TB252	Tables > General	LVP	LVP	37.50	1,995		374	1,621	608	380	237	148	
<b>Kitchen equipment</b>													
TB265	Ovens > Microwave	LVP	LVP	37.50	149		28	121	45	28	18	11	
<b>Light &amp; power</b>													
TB276	Equipment > Lighting Plant (electric)	LVP	LVP	37.50	7,280		1,365	5,915	2,218	1,386	866	542	
TB277	Equipment > Lighting System (fluorescent)	LVP	LVP	37.50	19,600		3,675	15,925	5,972	3,732	2,333	1,458	
<b>Security</b>													
TB340	Security and monitoring assets > Camera scanning	LVP	LVP	37.50	8,500		1,594	6,906	2,590	1,619	1,012	632	
TB346	Closed circuit television systems > Monitors	LVP	LVP	37.50	240		45	195	73	46	29	18	
<b>Specialist equipment</b>													
TB355	Ladders	LVP	LVP	37.50	500		94	406	152	95	60	37	
TB364	Garbage disposal > Garbage Bins	LVP	LVP	37.50	140		26	114	43	27	17	10	
<b>Retail - Furniture</b>													
RT107	Equipment > Shelving	LVP	LVP	37.50	46,305		8,682	37,623	14,109	8,818	5,511	3,444	
<b>Total</b>					<b>100,674</b>		<b>18,876</b>	<b>81,797</b>	<b>30,674</b>	<b>19,171</b>	<b>11,982</b>	<b>7,489</b>	

The Low Value Pool Items are depreciated at 18.75% based on their opening value in the first year, and 37.5% each subsequent year on a diminishing basis.

## 11 CAPITAL WORKS (DIV 43)

							OV as at Date of First Let 19-Dec-2016	First Year 19-Dec-2016 to 30-Jun-2017	C.W.D.V 30-Jun-2017					
Code	Assets	Completion Date	Historical Cost	Rate(%)	Annual Claim	Opening Value (\$)	Year 1 (193 Days)	Closing Value	Year 2 30/06/2018	Year 3 30/06/2019	Year 4 30/06/2020	Year 5 30/06/2021		
<b>Div 43 - Capital Works</b>														
BZ 1	Div 43 - Capital Works - Fitout Expenditure	1-May-14	214,500	2.50%	5,363	200,367	2,836	197,531	5,363	5,363	5,363	5,363		
<b>Total</b>			<b>214,500</b>		<b>5,363</b>	<b>200,367</b>	<b>2,836</b>	<b>197,531</b>	<b>5,363</b>	<b>5,363</b>	<b>5,363</b>	<b>5,363</b>		

The property is estimated to have been built in May 2014 and therefore does qualify for Div 43 capital works allowances charged at 2.5% annually.



## 12 DEFINITION OF TERMS

<b>Adjusted Value</b>	This is the value of an asset after a period of decline often referred to as the written down value or WDV.
<b>Balancing Adjustment</b>	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.
<b>Decline in Value</b>	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.
<b>Depreciating Assets</b>	Assets with limited effective life that are reasonably expected to decline in value.
<b>Diminishing Value Method</b>	This is the method of calculating the decline in value which uses the opening adjusted value as the basis for the calculation.
<b>Effective Life</b>	The effective life of a depreciating asset is how long it can be used by any entity for a taxable income producing purpose.
<b>Immediate WriteOff</b>	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.
<b>Installed Costs</b>	This is the total cost of installing the asset inclusive of fees and labour etc.
<b>Low Value Pool</b>	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.
<b>Low Cost Asset</b>	A depreciable asset with an installed cost of less than \$1000.
<b>Low Value Asset</b>	A depreciable asset that has an adjusted value of less than \$1000.
<b>Non Eligible</b>	This may include a proportion of the purchase price that is not claimable due to the age of the building or asset type.
<b>Prime Cost Method</b>	This is a method of calculating depreciation using a constant opening cost base often referred to as the "Straight Line" method.

## CONTACT DETAILS

COMPANY DETAILS	
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LEAD SURVEYOR DETAILS	
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