



Tax Depreciation Report

3/21 Tasman Street, Preston VIC 3072

Belma Akdag 176 Waterworks Rd BERDAT , QLD 4061

	Issue Schedule
Issue Date:	Issued by:
08 October 2018	Mark Kilroy Bsc (Hons) MRICS



October 2018 Job No: RES3072003

Belma Akdag 176 Waterworks Rd BERDAT , QLD 4061

Tax Depreciation Report – 3/21 Tasman Street, Preston VIC 3072

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





TABLE OF CONTENTS

1.	Property Information	. 2
2.	Report Details	. 3
3.	Capital Allowances	. 4
4.	Capital Works	. 6
5.	Summary of Entitlements – Diminishing Value Method	. 7
6.	Summary of Entitlements – Prime Cost Method	. 8
7.	Comparison Graphs	. 9
8.	Capital Expenditure Analysed	10
	Reconciliation of Capital Expenditure	
10.	Diminishing Value Depreciation Schedule	11
11.	Prime Cost Depreciation Schedule	13
12.	Division 43 Capital Works Schedule	15
13.	Definition of Terms	16
14.	Contact Details	17
15.	Disclaimer	18



1. Property Information

Date of Report

8 October 2018

Purchaser

Belma Akdag

Property Address

3/21 Tasman Street, Preston VIC 3072

Real Property Description

LOT 3 RP17717

Property Type Residential Townhouse

Date of Construction

1 January 1980

Property Photo





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 deprecating 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 o most popular form of depreciatio the cash-flow benefits in the early asset ownership.	due to referred to as straight line depreciation is
Benefits	Benefits
 Cash-flow during initial asset ownership Ability to use Low Value assets less than \$1000 unable to write off these a 	• Write off assets when they are demolished or disposed.
Calculation Example	Calculation Example
Under Diminishing Value mether effective life is dividing by 200.	d, the Under Prime Cost method, the effective life is dividing by 100.
200 / 10 Years = 20% (Adjusted Va	ue) 100 / 10 Years = 10% (Straight Line)
If an asset has a value of \$10,00 effective life of 10 years the annual depreciation may be claim	llowing effective life of 10 years the following
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



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

1 18 June 10 to 30 June 10 134 0 134 12 146 2 1 July 10 to 30 June 11 4,612 0 4,612 937 5,54 3 1 July 10 to 30 June 12 3,714 0 3,724 941 3,965 4 1 July 13 to 30 June 15 2,061 0 2,487 941 3,002 7 1 July 15 to 30 June 15 2,061 0 2,061 941 3,002 7 1 July 16 to 30 June 15 2,061 0 1,719 941 2,660 8 1 July 16 to 30 June 18 352 1,542 1,894 941 2,835 10 1 July 16 to 30 June 19 317 964 1,281 941 2,835 11 July 21 to 30 June 22 231 235 660 848 941 1,822 12 July 21 to 30 June 22 231 235 466 941 1,607 14 July 22 to 30 June 24 187 92 279 941	Year	Financial Year	Effective Life	Pooled Plant	Total Div 40	Division 43	Totals
3 1 July 11 to 30 June 12 3,714 0 3,714 941 4,655 4 1 July 12 to 30 June 13 3,024 0 3,024 941 3,665 5 1 July 13 to 30 June 14 2,487 0 2,487 941 3,002 7 1 July 15 to 30 June 15 2,061 0 2,061 941 3,002 7 1 July 15 to 30 June 16 1,719 0 1,719 941 2,660 8 1 July 15 to 30 June 17 536 1,903 2,439 941 2,835 10 1 July 18 to 30 June 19 317 964 1,281 941 2,225 11 1 July 21 to 30 June 20 285 602 888 941 1,829 12 1 July 21 to 30 June 22 231 235 466 941 1,407 14 1 July 23 to 30 June 24 187 92 279 941 1,220 16 1 July 25 to 30 June 25 168 57 226 941		18 June 10 to 30 June 10	134	0	134	12	146
41113300300439651111311240241333	2	1 July 10 to 30 June 11	4,612	0	4,612	937	5,549
5 1 July 13 to 30 June 14 2,487 0 2,487 941 3,428 6 1 July 14 to 30 June 15 2,061 0 2,061 941 3,002 7 1 July 15 to 30 June 16 1,719 0 1,719 941 2,660 8 1 July 15 to 30 June 18 352 1,542 1,894 941 2,835 10 1 July 15 to 30 June 19 317 964 1,281 941 2,825 11 1 July 16 to 30 June 20 285 602 888 941 1,829 12 1 July 21 to 30 June 21 257 376 633 941 1,829 12 1 July 21 to 30 June 22 231 235 466 941 1,407 14 1 July 21 to 30 June 23 208 147 355 941 1,220 15 1 July 24 to 30 June 26 152 36 188 941 1,129 16 1 July 25 to 30 June 27 136 22 159 941 1,100 19 1 July 26 to 30 June 27 136 22 159	3	1 July 11 to 30 June 12	3,714	0	3,714	941	4,655
61 July 14 to 30 June 152,06102,0619413,00271 July 15 to 30 June 161,71901,7199412,66081 July 16 to 30 June 175361,9032,4399412,385101 July 17 to 30 June 183521,5421,8949412,285111 July 19 to 30 June 202856028889411,829121 July 21 to 30 June 212573766339411,574131 July 21 to 30 June 222312354669411,407141 July 21 to 30 June 232081473559411,226151 July 23 to 30 June 24187922799411,226161 July 24 to 30 June 25168572269411,167171 July 25 to 30 June 26152361889411,129181 July 26 to 30 June 28123141379411,060211 July 26 to 30 June 2911191199411,060221 July 27 to 30 June 3102372379411,320221 July 31 to 30 June 3102372379411,303251 July 33 to 30 June 3405858941999261 July 33 to 30 June 3503636941977271 July 35 to 30 June 3503636941977	4	1 July 12 to 30 June 13	3,024	0	3,024	941	3,965
7 1 July 15 to 30 June 16 1,719 0 1,719 941 2,660 8 1 July 16 to 30 June 17 536 1,903 2,439 941 3,380 9 1 July 17 to 30 June 18 352 1,542 1,894 941 2,835 10 1 July 18 to 30 June 19 317 964 1,281 941 2,225 11 1 July 18 to 30 June 20 285 602 888 941 1,829 12 1 July 20 to 30 June 21 257 376 633 941 1,574 13 1 July 21 to 30 June 22 231 235 466 941 1,407 14 1 July 23 to 30 June 23 208 147 355 941 1,206 16 1 July 24 to 30 June 25 168 57 226 941 1,167 17 1 July 25 to 30 June 26 152 36 188 941 1,129 18 1 July 27 to 30 June 28 123 14 137 941 1,	5	1 July 13 to 30 June 14	2,487	0	2,487	941	3,428
8 1 July 16 to 30 June 17 536 1,903 2,439 941 3,380 9 1 July 17 to 30 June 18 352 1,542 1,894 941 2,835 10 1 July 18 to 30 June 19 317 964 1,281 941 2,825 11 1 July 20 to 30 June 20 285 602 888 941 1,829 12 1 July 21 to 30 June 21 257 376 633 941 1,429 14 1 July 21 to 30 June 23 208 147 355 941 1,220 16 1 July 25 to 30 June 25 168 57 226 941 1,107 17 1 July 25 to 30 June 26 152 36 188 941 1,129 18 1 July 26 to 30 June 27 136 22 159 941 1,000 19 1 July 27 to 30 June 28 123 14 137 941 1,078 20 1 July 28 to 30 June 30 0 377 373 941 1,320 21 1 July 29 to 30 June 31 0 237 237 <t< td=""><td>6</td><td>1 July 14 to 30 June 15</td><td>2,061</td><td>0</td><td>2,061</td><td>941</td><td>3,002</td></t<>	6	1 July 14 to 30 June 15	2,061	0	2,061	941	3,002
8 1 July 16 to 30 June 17 536 1,903 2,439 941 3,380 9 1 July 17 to 30 June 18 352 1,542 1,894 941 2,835 10 1 July 18 to 30 June 19 317 964 1,281 941 2,222 11 1 July 20 to 30 June 20 285 602 888 941 1,829 12 1 July 20 to 30 June 21 257 376 633 941 1,429 14 1 July 21 to 30 June 22 231 235 466 944 1,429 15 1 July 23 to 30 June 23 208 147 355 941 1,220 16 1 July 25 to 30 June 25 168 57 226 941 1,107 17 1 July 25 to 30 June 27 136 22 159 941 1,108 19 1 July 26 to 30 June 28 123 14 137 941 1,078 20 1 July 28 to 30 June 30 0 377 379 941 1,320 21 1 July 29 to 30 June 31 0 237 237 <	7	1 July 15 to 30 June 16		0	1,719	941	2,660
9 1 July 17 to 30 June 18 352 1,542 1,894 941 2,835 10 1 July 18 to 30 June 19 317 964 1,281 941 2,222 11 1 July 20 to 30 June 20 285 602 888 941 1,829 12 1 July 20 to 30 June 21 257 376 633 941 1,574 13 1 July 20 to 30 June 23 208 147 355 941 1,260 16 1 July 24 to 30 June 23 208 147 355 941 1,226 16 1 July 24 to 30 June 25 168 57 226 941 1,167 17 1 July 24 to 30 June 25 152 36 188 941 1,129 18 1 July 26 to 30 June 27 136 22 159 941 1,060 21 1 July 27 to 30 June 28 123 14 137 941 1,078 22 1 July 28 to 30 June 30 0 377 379 941 1,320 22 1 July 30 to 30 June 33 0 92 92 941	8	1 July 16 to 30 June 17		1,903	2,439	941	3,380
11 1 July 19 to 30 June 20 285 602 888 941 1,829 12 1 July 20 to 30 June 21 257 376 633 941 1,574 13 1 July 21 to 30 June 22 231 235 466 941 1,407 14 1 July 25 to 30 June 23 208 147 355 941 1,226 16 1 July 25 to 30 June 26 152 36 188 941 1,167 17 1 July 25 to 30 June 26 152 36 188 941 1,100 19 1 July 27 to 30 June 27 136 22 159 941 1,000 19 1 July 27 to 30 June 28 123 14 137 941 1,000 20 1 July 26 to 30 June 29 111 9 119 941 1,060 21 1 July 30 to 30 June 31 0 237 237 941 1,320 22 1 July 31 to 30 June 32 0 148 148 941 1,089 24 1 July 35 to 30 June 33 0 92 92 941	9	1 July 17 to 30 June 18	352	1,542		941	2,835
12 1 July 20 to 30 June 21 257 376 633 941 1,574 13 1 July 21 to 30 June 22 231 235 466 941 1,407 14 1 July 22 to 30 June 23 208 147 355 941 1,296 15 1 July 23 to 30 June 24 187 92 279 941 1,129 16 1 July 24 to 30 June 25 168 57 226 941 1,167 17 1 July 25 to 30 June 26 152 36 188 941 1,129 18 1 July 27 to 30 June 27 136 22 159 941 1,000 19 1 July 27 to 30 June 28 123 14 137 941 1,078 20 1 July 20 to 30 June 29 111 9 119 941 1,060 21 1 July 20 to 30 June 31 0 237 237 941 1,178 23 1 July 31 to 30 June 32 0 148 148 841 1,089 24 1 July 32 to 30 June 33 0 92 92 941	10	1 July 18 to 30 June 19	317	964	1,281	941	2,222
13 1 July 21 to 30 June 22 231 235 466 941 1,407 14 1 July 22 to 30 June 23 208 147 355 941 1,296 15 1 July 23 to 30 June 24 187 92 279 941 1,220 16 1 July 24 to 30 June 25 168 57 226 941 1,107 17 1 July 25 to 30 June 26 152 36 188 941 1,129 18 1 July 25 to 30 June 27 136 22 159 941 1,100 19 1 July 27 to 30 June 28 123 14 137 941 1,060 21 1 July 29 to 30 June 29 111 9 119 941 1,060 22 1 July 30 to 30 June 31 0 237 237 941 1,320 22 1 July 30 to 30 June 33 0 92 92 941 1,033 25 1 July 33 to 30 June 33 0 92 92 941 1,033 25 1 July 35 to 30 June 36 0 23 23 896	11	1 July 19 to 30 June 20	285	602	888	941	1,829
14 1 July 22 to 30 June 23 208 147 355 941 1,296 15 1 July 23 to 30 June 24 187 92 279 941 1,220 16 1 July 24 to 30 June 25 168 57 226 941 1,167 17 1 July 25 to 30 June 26 152 36 188 941 1,129 18 1 July 26 to 30 June 27 136 22 159 941 1,100 19 1 July 26 to 30 June 28 123 14 137 941 1,060 20 1 July 28 to 30 June 30 0 379 379 941 1,220 22 1 July 30 to 30 June 31 0 237 237 941 1,089 23 1 July 31 to 30 June 32 0 148 144 944 1,089 24 1 July 32 to 30 June 33 0 92 92 941 1,033 25 1 July 34 to 30 June 35 0 36 36 941 977 27 1 July 36 to 30 June 37 0 14 144 849 863	12	1 July 20 to 30 June 21	257	376	633	941	1,574
15 1 July 23 to 30 June 24 187 92 279 941 1,220 16 1 July 24 to 30 June 25 168 57 226 941 1,167 17 1 July 25 to 30 June 26 152 36 188 941 1,129 18 1 July 25 to 30 June 28 123 14 137 941 1,078 20 1 July 27 to 30 June 28 123 14 137 941 1,060 21 1 July 26 to 30 June 29 111 9 119 941 1,060 21 1 July 30 to 30 June 31 0 237 237 941 1,320 22 1 July 30 to 30 June 31 0 237 237 941 1,089 23 1 July 30 to 30 June 32 0 148 148 941 1,089 24 1 July 32 to 30 June 33 0 92 92 941 1,033 25 1 July 35 to 30 June 35 0 36 36 941 977 27 1 July 35 to 30 June 38 0 9 9 849 851	13	1 July 21 to 30 June 22	231	235	466	941	1,407
16 1 July 24 to 30 June 25 168 57 226 941 1,167 17 1 July 25 to 30 June 26 152 36 188 941 1,129 18 1 July 26 to 30 June 27 136 22 159 941 1,007 19 1 July 27 to 30 June 28 123 14 137 941 1,060 20 1 July 26 to 30 June 29 111 9 119 941 1,600 21 1 July 20 to 30 June 30 0 379 379 941 1,320 22 1 July 30 to 30 June 31 0 237 237 941 1,078 23 1 July 31 to 30 June 32 0 148 148 941 1,089 24 1 July 32 to 30 June 33 0 92 92 941 1,033 25 1 July 35 to 30 June 35 0 36 36 941 977 27 1 July 35 to 30 June 36 0 23 23 896 919 28 1 July 36 to 30 June 37 0 14 14 849 863	14	1 July 22 to 30 June 23	208	147	355	941	1,296
17 1 July 25 to 30 June 26 152 36 188 941 1,129 18 1 July 26 to 30 June 27 136 22 159 941 1,100 19 1 July 27 to 30 June 28 123 14 137 941 1,060 20 1 July 28 to 30 June 29 111 9 119 941 1,060 21 1 July 29 to 30 June 30 0 379 379 941 1,320 22 1 July 30 to 30 June 31 0 237 237 941 1,089 24 1 July 32 to 30 June 32 0 148 148 941 1,089 24 1 July 33 to 30 June 33 0 92 92 941 1,033 25 1 July 33 to 30 June 36 0 23 23 896 919 28 1 July 36 to 30 June 37 0 14 14 849 863 29 1 July 36 to 30 June 40 0 3 3 849 855 31 1 July 39 to 30 June 40 0 3 3 849 855	15	1 July 23 to 30 June 24	187	92	279	941	1,220
18 1 July 26 to 30 June 27 136 22 159 941 1,100 19 1 July 27 to 30 June 28 123 14 137 941 1,078 20 1 July 28 to 30 June 29 111 9 119 941 1,060 21 1 July 29 to 30 June 30 0 379 379 941 1,320 22 1 July 30 to 30 June 31 0 237 237 941 1,078 23 1 July 31 to 30 June 32 0 148 148 941 1,089 24 1 July 32 to 30 June 33 0 92 92 941 1,033 25 1 July 34 to 30 June 35 0 36 36 941 977 27 1 July 35 to 30 June 36 0 23 23 896 919 28 1 July 36 to 30 June 37 0 14 14 849 863 29 1 July 37 to 30 June 38 0 9 9 849 858 30 1 July 39 to 30 June 41 0 2 2 849 855 <t< td=""><td>16</td><td>1 July 24 to 30 June 25</td><td>168</td><td>57</td><td>226</td><td>941</td><td>1,167</td></t<>	16	1 July 24 to 30 June 25	168	57	226	941	1,167
19 1 July 27 to 30 June 28 123 14 137 941 1,078 20 1 July 28 to 30 June 29 111 9 119 941 1,060 21 1 July 29 to 30 June 30 0 379 379 941 1,320 22 1 July 30 to 30 June 31 0 237 237 941 1,178 23 1 July 31 to 30 June 32 0 148 148 941 1,089 24 1 July 32 to 30 June 33 0 92 92 941 1,033 25 1 July 33 to 30 June 34 0 58 58 941 999 26 1 July 34 to 30 June 35 0 36 36 941 977 27 1 July 35 to 30 June 37 0 14 14 849 863 29 1 July 37 to 30 June 38 0 9 9 849 858 30 1 July 38 to 30 June 41 0 2 2 849 851 31 1 July 40 to 30 June 43 0 1 1 849 850	17	1 July 25 to 30 June 26	152	36	188	941	1,129
20 1 July 28 to 30 June 29 111 9 119 941 1,060 21 1 July 29 to 30 June 30 0 379 379 941 1,320 22 1 July 30 to 30 June 31 0 237 237 941 1,178 23 1 July 31 to 30 June 32 0 148 148 941 1,089 24 1 July 32 to 30 June 33 0 92 92 941 1,033 25 1 July 34 to 30 June 35 0 36 36 941 977 26 1 July 35 to 30 June 36 0 23 23 896 919 28 1 July 35 to 30 June 37 0 14 14 849 863 29 1 July 37 to 30 June 38 0 9 9 849 858 30 1 July 38 to 30 June 40 0 3 3 849 852 31 1 July 39 to 30 June 41 0 2 2 849 851 33 1 July 41 to 30 June 44 0 1 1 849 850 3	18	1 July 26 to 30 June 27	136	22	159	941	1,100
211 July 29 to 30 June 3003793799411,320221 July 30 to 30 June 3102372379411,178231 July 31 to 30 June 3201481489411,089241 July 32 to 30 June 33092929411,033251 July 34 to 30 June 3405858941999261 July 34 to 30 June 3503636941977271 July 35 to 30 June 3602323896919281 July 36 to 30 June 37014414849863291 July 37 to 30 June 38099849858301 July 39 to 30 June 40033849852311 July 39 to 30 June 41022849851331 July 40 to 30 June 42011849850341 July 42 to 30 June 43011849850351 July 43 to 30 June 44011849850361 July 44 to 30 June 45000597597371 July 45 to 30 June 4600597597381 July 47 to 30 June 48000597597391 July 47 to 30 June 480001,2091,209	19	1 July 27 to 30 June 28	123	14	137	941	1,078
221 July 30 to 30 June 3102372379411,178231 July 31 to 30 June 3201481489411,089241 July 32 to 30 June 33092929411,033251 July 33 to 30 June 3405858941999261 July 34 to 30 June 3503636941977271 July 35 to 30 June 3602323896919281 July 36 to 30 June 3701414849863291 July 37 to 30 June 380999849858301 July 39 to 30 June 40033849852311 July 39 to 30 June 41022849851331 July 41 to 30 June 42011849850341 July 42 to 30 June 43011849850351 July 44 to 30 June 45000597597361 July 45 to 30 June 46000597597371 July 45 to 30 June 48000597597381 July 47 to 30 June 48000597597402048+0001,2091,2091,209	20	1 July 28 to 30 June 29	111	9	119	941	1,060
231 July 31 to 30 June 3201481489411,089241 July 32 to 30 June 33092929411,033251 July 33 to 30 June 3405858941999261 July 34 to 30 June 3503636941977271 July 35 to 30 June 3602323896919281 July 36 to 30 June 3701414849863291 July 37 to 30 June 38099849858301 July 38 to 30 June 40033849855311 July 39 to 30 June 40022849851331 July 40 to 30 June 41022849850341 July 42 to 30 June 43011849850351 July 43 to 30 June 44011849850361 July 44 to 30 June 45000597597371 July 45 to 30 June 46000597597381 July 46 to 30 June 48000597597391 July 47 to 30 June 480001,2091,209402048+00001,2091,209	21	1 July 29 to 30 June 30	0	379	379	941	1,320
241 July 32 to 30 June 33092929411,033251 July 33 to 30 June 3405858941999261 July 34 to 30 June 3503636941977271 July 35 to 30 June 3602323896919281 July 36 to 30 June 3701414849863291 July 37 to 30 June 380999849858301 July 38 to 30 June 40033849852311 July 40 to 30 June 41022849851331 July 42 to 30 June 42011849850341 July 43 to 30 June 44011849850351 July 45 to 30 June 45000597597361 July 45 to 30 June 4600597597381 July 47 to 30 June 48000597597402048+0001,2091,209	22	1 July 30 to 30 June 31	0	237	237	941	1,178
251 July 33 to 30 June 3405858941999261 July 34 to 30 June 3503636941977271 July 35 to 30 June 3602323896919281 July 35 to 30 June 3701414849863291 July 37 to 30 June 38099849858301 July 38 to 30 June 39066849855311 July 39 to 30 June 40033849852321 July 40 to 30 June 41022849851331 July 41 to 30 June 42011849850341 July 42 to 30 June 43011849850351 July 43 to 30 June 44011849850361 July 44 to 30 June 45000597597371 July 45 to 30 June 46000597597381 July 47 to 30 June 48000597597402048+0001,2091,2091,209	23	1 July 31 to 30 June 32	0	148	148	941	1,089
261 July 34 to 30 June 350363636941977271 July 35 to 30 June 3602323896919281 July 36 to 30 June 3701414849863291 July 37 to 30 June 38099849858301 July 38 to 30 June 39066849855311 July 39 to 30 June 40033849852321 July 40 to 30 June 41022849851331 July 41 to 30 June 42011849850341 July 42 to 30 June 43011849850351 July 43 to 30 June 44011849850361 July 44 to 30 June 45000772772371 July 45 to 30 June 46000597597381 July 47 to 30 June 48000597597391 July 47 to 30 June 480001,2091,209402048+0001,2091,2091,209	24	1 July 32 to 30 June 33	0	92	92	941	1,033
271 July 35 to 30 June 3602323896919281 July 36 to 30 June 3701414849863291 July 37 to 30 June 38099849858301 July 38 to 30 June 39066849855311 July 39 to 30 June 40033849852321 July 40 to 30 June 41022849851331 July 41 to 30 June 42011849850341 July 42 to 30 June 43011849850351 July 43 to 30 June 44011849850361 July 45 to 30 June 45000597597371 July 45 to 30 June 46000597597381 July 47 to 30 June 48000597597402048+0001,2091,2091,209	25	1 July 33 to 30 June 34	0	58	58	941	999
281 July 36 to 30 June 3701414849863291 July 37 to 30 June 38099849858301 July 38 to 30 June 39066849855311 July 39 to 30 June 40033849852321 July 40 to 30 June 41022849851331 July 41 to 30 June 42011849850341 July 42 to 30 June 43011849850351 July 43 to 30 June 44011849850361 July 45 to 30 June 45000772772371 July 45 to 30 June 4600597597381 July 46 to 30 June 47000597597391 July 47 to 30 June 480001,2091,209402048+00001,2091,209	26	1 July 34 to 30 June 35	0	36	36	941	977
291 July 37 to 30 June 38099849858301 July 38 to 30 June 39066849855311 July 39 to 30 June 40033849852321 July 40 to 30 June 41022849851331 July 41 to 30 June 42011849850341 July 42 to 30 June 43011849850351 July 43 to 30 June 44011849850361 July 44 to 30 June 45000772772371 July 45 to 30 June 46000597597381 July 47 to 30 June 48000597597402048+0001,2091,2091,209	27	1 July 35 to 30 June 36	0	23	23	896	919
30 1 July 38 to 30 June 39 0 6 6 849 855 31 1 July 39 to 30 June 40 0 3 3 849 852 32 1 July 40 to 30 June 41 0 2 2 849 851 33 1 July 41 to 30 June 42 0 1 1 849 850 34 1 July 42 to 30 June 43 0 1 1 849 850 35 1 July 43 to 30 June 44 0 1 1 849 850 36 1 July 44 to 30 June 45 0 0 0 772 772 37 1 July 45 to 30 June 45 0 0 0 597 597 38 1 July 46 to 30 June 47 0 0 0 597 597 39 1 July 47 to 30 June 48 0 0 0 597 597 40 2048+ 0 0 0 1,209 1,209 1,209	28		0	14	14	849	863
311 July 39 to 30 June 40033849852321 July 40 to 30 June 41022849851331 July 41 to 30 June 42011849850341 July 42 to 30 June 43011849850351 July 43 to 30 June 44011849850361 July 44 to 30 June 45000772772371 July 45 to 30 June 46000597597381 July 46 to 30 June 47000597597391 July 47 to 30 June 480001,2091,209402048+0001,2091,2091,209	29	1 July 37 to 30 June 38	0	9	9	849	858
32 1 July 40 to 30 June 41 0 2 2 849 851 33 1 July 41 to 30 June 42 0 1 1 849 850 34 1 July 42 to 30 June 43 0 1 1 849 850 35 1 July 43 to 30 June 44 0 1 1 849 850 36 1 July 44 to 30 June 45 0 0 0 772 772 37 1 July 45 to 30 June 46 0 0 0 597 597 38 1 July 46 to 30 June 47 0 0 0 597 597 39 1 July 47 to 30 June 48 0 0 0 597 597 40 2048+ 0 0 0 1,209 1,209 1,209	30	1 July 38 to 30 June 39	0	6	6	849	855
33 1 July 41 to 30 June 42 0 1 1 849 850 34 1 July 42 to 30 June 43 0 1 1 849 850 35 1 July 43 to 30 June 44 0 1 1 849 850 36 1 July 44 to 30 June 45 0 0 0 772 772 37 1 July 45 to 30 June 46 0 0 0 597 597 38 1 July 46 to 30 June 47 0 0 0 597 597 39 1 July 47 to 30 June 48 0 0 0 597 597 40 2048+ 0 0 0 1,209 1,209	31	1 July 39 to 30 June 40	0	3	3	849	852
34 1 July 42 to 30 June 43 0 1 1 849 850 35 1 July 43 to 30 June 44 0 1 1 849 850 36 1 July 44 to 30 June 45 0 0 0 772 772 37 1 July 45 to 30 June 46 0 0 0 597 597 38 1 July 46 to 30 June 47 0 0 0 597 597 39 1 July 47 to 30 June 48 0 0 0 597 597 40 2048+ 0 0 0 1,209 1,209 1,209	32	1 July 40 to 30 June 41	0	2	2	849	851
35 1 July 43 to 30 June 44 0 1 1 849 850 36 1 July 44 to 30 June 45 0 0 0 772 772 37 1 July 45 to 30 June 46 0 0 0 597 597 38 1 July 46 to 30 June 47 0 0 0 597 597 39 1 July 47 to 30 June 48 0 0 0 597 597 40 2048+ 0 0 0 1,209 1,209	33	1 July 41 to 30 June 42	0	1	1	849	850
36 1 July 44 to 30 June 45 0 0 0 772 772 37 1 July 45 to 30 June 46 0 0 0 597 597 38 1 July 46 to 30 June 47 0 0 0 597 597 39 1 July 47 to 30 June 48 0 0 0 597 597 40 2048+ 0 0 0 1,209 1,209	34	1 July 42 to 30 June 43	0	1	1	849	850
37 1 July 45 to 30 June 46 0 0 0 597 597 38 1 July 46 to 30 June 47 0 0 0 597 597 39 1 July 47 to 30 June 48 0 0 0 597 597 40 2048+ 0 0 0 1,209 1,209	35	1 July 43 to 30 June 44	0	1	1	849	850
38 1 July 46 to 30 June 47 0 0 0 597 597 39 1 July 47 to 30 June 48 0 0 0 597 597 40 2048+ 0 0 0 1,209 1,209	36	1 July 44 to 30 June 45	0	0	0	772	772
39 1 July 47 to 30 June 48 0 0 0 597 597 40 2048+ 0 0 0 1,209 1,209	37	1 July 45 to 30 June 46	0	0	0	597	597
40 2048+ 0 0 0 1,209 1,209	38	1 July 46 to 30 June 47	0	0	0	597	597
	39	1 July 47 to 30 June 48	0	0	0	597	597
Totals 20,814 7,010 27,824 34,993 62,817	40	2048+	0	0	0	1,209	1,209
		Totals	20,814	7,010	27,824	34,993	62,817

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

1 2 3 4 5 6 7 8 9 10 11	18 June 10 to 30 June 10 1 July 10 to 30 June 11 1 July 11 to 30 June 12 1 July 12 to 30 June 13 1 July 13 to 30 June 14 1 July 14 to 30 June 15 1 July 15 to 30 June 16 1 July 16 to 30 June 17 1 July 17 to 30 June 18 1 July 18 to 30 June 19 1 July 19 to 30 June 20	67 2,320 2,322 2,322 2,322 2,311 2,017 2,006 1,993	0 0 0 0 0 0 0 0 0	67 2,320 2,322 2,322 2,322 2,311 2,017 2,006	12 937 941 941 941 941 941	79 3,257 3,263 3,263 3,263 3,252 2,958
3 4 5 6 7 8 9 10	1 July 11 to 30 June 12 1 July 12 to 30 June 13 1 July 13 to 30 June 14 1 July 14 to 30 June 15 1 July 15 to 30 June 16 1 July 16 to 30 June 17 1 July 17 to 30 June 18 1 July 18 to 30 June 19	2,322 2,322 2,322 2,311 2,017 2,006 1,993	0 0 0 0 0 0	2,322 2,322 2,322 2,311 2,017	941 941 941 941 941 941	3,263 3,263 3,263 3,252
4 5 6 7 8 9 10	1 July 12 to 30 June 13 1 July 13 to 30 June 14 1 July 14 to 30 June 15 1 July 15 to 30 June 16 1 July 16 to 30 June 17 1 July 17 to 30 June 18 1 July 18 to 30 June 19	2,322 2,322 2,311 2,017 2,006 1,993	0 0 0 0 0	2,322 2,322 2,311 2,017	941 941 941 941	3,263 3,263 3,252
5 6 7 8 9 10	1 July 13 to 30 June 14 1 July 14 to 30 June 15 1 July 15 to 30 June 16 1 July 16 to 30 June 17 1 July 17 to 30 June 18 1 July 18 to 30 June 19	2,322 2,311 2,017 2,006 1,993	0 0 0 0	2,322 2,311 2,017	941 941 941	3,263 3,252
6 7 8 9 10	1 July 14 to 30 June 15 1 July 15 to 30 June 16 1 July 16 to 30 June 17 1 July 17 to 30 June 18 1 July 18 to 30 June 19	2,311 2,017 2,006 1,993	0 0 0	2,311 2,017	941 941	3,252
7 8 9 10	1 July 15 to 30 June 16 1 July 16 to 30 June 17 1 July 17 to 30 June 18 1 July 18 to 30 June 19	2,017 2,006 1,993	0	2,017	941	
8 9 10	1 July 16 to 30 June 17 1 July 17 to 30 June 18 1 July 18 to 30 June 19	2,006 1,993	0			2.958
9 10	1 July 17 to 30 June 18 1 July 18 to 30 June 19	1,993		2.006		_,
10	1 July 18 to 30 June 19		0	_,	941	2,947
		1 002	0	1,993	941	2,934
11	1 July 19 to 30 June 20	1,993	0	1,993	941	2,934
		1,966	0	1,966	941	2,907
12	1 July 20 to 30 June 21	1,141	0	1,141	941	2,082
13	1 July 21 to 30 June 22	1,114	0	1,114	941	2,055
14	1 July 22 to 30 June 23	799	0	799	941	1,740
15	1 July 23 to 30 June 24	659	0	659	941	1,600
16	1 July 24 to 30 June 25	578	0	578	941	1,519
17	1 July 25 to 30 June 26	380	0	380	941	1,321
18	1 July 26 to 30 June 27	380	0	380	941	1,321
19	1 July 27 to 30 June 28	380	0	380	941	1,321
20	1 July 28 to 30 June 29	380	0	380	941	1,321
21	1 July 29 to 30 June 30	373	0	373	941	1,314
22	1 July 30 to 30 June 31	0	0	0	941	941
23	1 July 31 to 30 June 32	0	0	0	941	941
24	1 July 32 to 30 June 33	0	0	0	941	941
25	1 July 33 to 30 June 34	0	0	0	941	941
26	1 July 34 to 30 June 35	0	0	0	941	941
27	1 July 35 to 30 June 36	0	0	0	896	896
28	1 July 36 to 30 June 37	0	0	0	849	849
29	1 July 37 to 30 June 38	0	0	0	849	849
30	1 July 38 to 30 June 39	0	0	0	849	849
31	1 July 39 to 30 June 40	0	0	0	849	849
32	1 July 40 to 30 June 41	0	0	0	849	849
33	1 July 41 to 30 June 42	0	0	0	849	849
34	1 July 42 to 30 June 43	0	0	0	849	849
35	1 July 43 to 30 June 44	0	0	0	849	849
36	1 July 44 to 30 June 45	0	0	0	772	772
37	1 July 45 to 30 June 46	0	0	0	597	597
38	1 July 46 to 30 June 47	0	0	0	597	597
39	1 July 47 to 30 June 48	0	0	0	597	597
40	2048+	0	0	0	1,209	1,209
	Totals	27,824	0	27,824	34,993	62,817

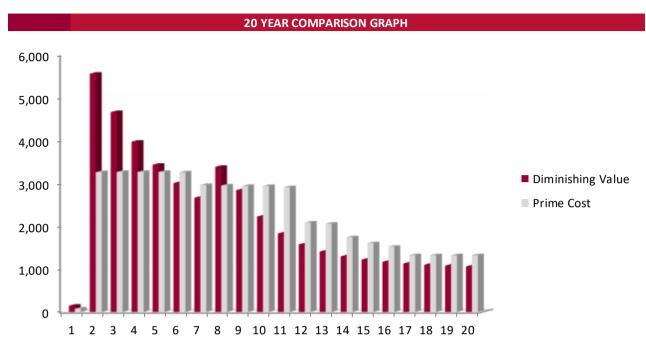
The prime cost method assumes that the item depreciates uniformly over its effective life. It is also known as straight line method and has a lower rate compared to diminishing value method. So the item depreciates at a constant rate until the written down value reaches zero.

Example

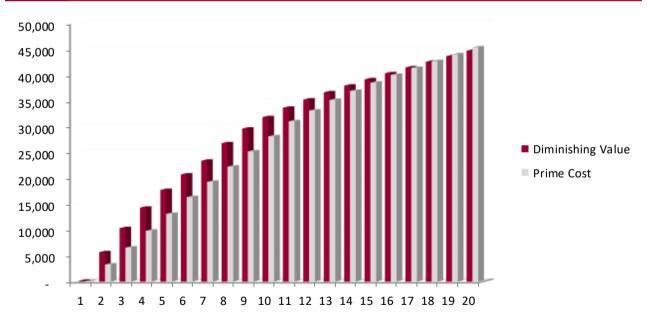
	PC Rate	Opening Value	Year 1	WDV	Year 2
Carpet	10%	\$1,000	\$100	\$900	\$100



7. Comparison Graphs



20 YEAR 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

Purchase Details	
Contract Date	18 June 2010
Settlement Date	18 June 2010
Expenditure Analysed	
Purchase Price	\$175,000
Legals	\$500
Post Expenditure*	\$9,904
Total Expenditure Analysed	\$185,404
Historical Construction Details	
Construction Start Date	5 July 1979
Construction Completion Date	1 January 1980
Historical Construction Cost (Estimated)**	\$75,432
9. Reconciliation of Capital Expenditure	

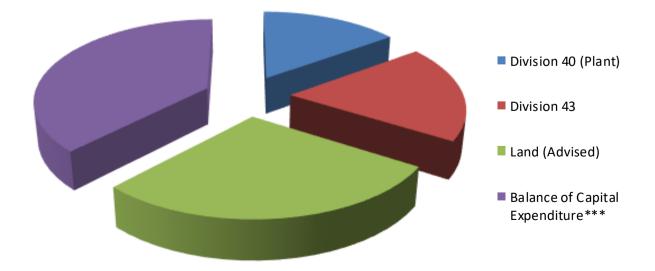
Apportionment of cost relating to:	
Division 40 (Plant)	\$27,824
Division 43	\$34,993
Land (Advised)	\$52,500
Balance of Capital Expenditure***	\$70,087
Total Expenditure Analysed	\$185,404

Notes

* This report is taking account of 50% ownership purchase (\$175,000). Post expenditure is based on remaining 20% of completion. No future deduction is required.

** 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												
Min spir spir up 200120051 down2.0052.052.005 <th< th=""><th>Division 40 - Plant and Equipment</th><th>Value Rate</th><th>Install Date</th><th>Opening Value</th><th>Year 1</th><th>Year 2</th><th>Year 3</th><th>Year 4</th><th>Year 5</th><th>Year 6</th><th>Year 7</th><th>Year 8</th><th>Year 9</th><th>Year 10</th></th<>	Division 40 - Plant and Equipment	Value 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
	Air-conditioning assets (excl. ducting, pipes & vents)													
Admit functioning introductioning intervalues20001-2-402-243-0	Mini split system upto 20KW	20.00%	18-Jun-10	2,365	16	470	376	301	241	192	154	231	144	90
Init we determine the result of the resu	Bathroom assets													
AnomeNorm	Exhaust fans (including light/heating)	20.00%	18-Jun-10	246	2	49	39	31	25	20	16	24	15	9
$\frac{1}{10000000000000000000000000000000000$	Blinds Residential	20.00%	18-Jun-10	1,409	9	280	224	179	143	115	92	138	86	54
Detection & stamm system, detectors 100% 13.33 12.7 1 22 19 17 16 14 13 43 43 73 Fore controls without damage fruiture : 13.33% 15.30% <th< td=""><td>Door closers</td><td>20.00%</td><td>18-Jun-10</td><td>709</td><td>5</td><td>141</td><td>113</td><td>90</td><td>72</td><td>58</td><td>46</td><td>69</td><td>43</td><td>27</td></th<>	Door closers	20.00%	18-Jun-10	709	5	141	113	90	72	58	46	69	43	27
Detection & alarm system, detection 1000% 13-Jun 20 227 1 220 19 10 14 13 1	Fire control assets													
Final prime 13.3% 18 Jun 10 2,574 11 342 296 257 222 193 167 146 353 Final prime 15.0% 18 Jun 10 2,444 12 365 310 264 224 190 162 344 215 Ginge disposition 20.00% 18 Jun 10 118 8 215 188 150 120 966 77 115 72 Gender disposition 30.00% 18 Jun 10 394 3 78 633 23 16 11 8 7 4 Gender deford 30.00% 18 Jun 10 394 3 78 633 597 537 483 435 391 352 Gender deford 30.00% 18 Jun 10 7,389 24 736 653 597 537 483 435 391 352 Gender deford 30.00% 18 Jun 10 7,789 24 746 549 747 45 84 25 56 54 145 18 19		10.00%	18-Jun-10	217	1	22	19	17	16	14	13	43	27	17
Findmer 15.0% 18.4m-10 2.44 12 365 310 264 224 190 162 344 215 Grage dors, automatic Motors 20.00% 18.4m-10 1.182 8 235 188 150 150 120 96 77 115 72 Grage dors, automatic Motors 30.00% 18.4m-10 158 2 77 38 250 160 120 96 77 115 72 Grade dors 30.00% 18.4m-10 158 2 77 663 597 537 483 435 391 352 Hot water system (exclude graph Gas due to mint) 18.4m-10 1773 10 294 245 204 170 143 21 118 221 118 21 118 21 118 21 118 21 118 21 118 21 21 21 21 21 23 24 24 24 21 118 21 21 21 23 23 23 23 23 23														
Grage door, sutomatic Motors 20,00% 18,lun-10 1,182 8 2,35 1,88 1,50 1,20 96 77 1,15 72 Grabe door Grabe door G	Floating timber	13.33%	18-Jun-10	2,574	11	342	296	257	222	193	167	145	353	221
Motions 20.00% 18-Jun-10 J.182 8 235 188 150 200 96 77 115 72 Gridge descal 30.00% 18-Jun-10 558 2 47 33 23 16 11 88 73 74 Gridge descal 30.00% 18-Jun-10 334 3 78 663 507 616 11 83 73 43 Gridge descal 30.00% 18-Jun-10 7,389 24 736 663 507 537 483 435 391 352 Networks set detect central heating 10.00% 18-Jun-10 7,738 21 736 245 204 707 64 54 55 63 52 537 483 435 52 537 64 54 54 52 55 55 64 55 64 55 55 56 168 150 120 100 83 65 158 150 120 100 83 64 55 158 150 150 <td>Furniture</td> <td>15.00%</td> <td>18-Jun-10</td> <td>2,444</td> <td>12</td> <td>365</td> <td>310</td> <td>264</td> <td>224</td> <td>190</td> <td>162</td> <td>344</td> <td>215</td> <td>134</td>	Furniture	15.00%	18-Jun-10	2,444	12	365	310	264	224	190	162	344	215	134
Grindreg disposed Grindreg disposed 30.00% 18-lun 10 58 2 47 33 23 16 11 8 7 4 Grindreg bins 20.00% 18-lun 10 39.4 3 78 63 50 40 32 26 38 24 Grindre sheds, freestanding 20.00% 18-lun 10 7.89 24 736 668 597 537 48.3 435 391 352 Hexing units Gris ducide collamp ping) Gris ducide collamp ping) 667% 18-lun 10 1.773 10 294 245 204 170 142 118 221 138 Kithen Sas or electric 16.67% 18-lun 10 670 4 111 93 77 64 54 45 84 52 Dishwashers 20.00% 18-lun 10 850 2 10 84 120 100 83 69 58 108 68 88 68	Garage doors, automatic													
Garbage bins 30.00° $18.0u-10$ 158 2 47 33 23 16 11 8 7 4 Garden sheds, freestanding 20.00° $18.1u-10$ 394 33 78 63 50 40 32 26 38 24 Heating units Gas or electric 10.00° $18.1u-10$ $7,389$ 24 736 663 597 537 483 435 391 352 Heating units Gas or electric 16.7° $18.1u-10$ $1,773$ 10 244 245 204 170 142 118 221 138 Kitch assets 2000° $18.1u-10$ 967 4 111 93 77 64 54 58 58 56 567	Motors	20.00%	18-Jun-10	1,182	8	235	188	150	120	96	77	115	72	45
Garden freestanding 20.00% 18 -Jun 10 394 3 78 63 50 40 32 26 38 24 Heating unit Gas ducted central heating 10.00% 18 -Jun 10 7.389 24 736 663 597 537 483 435 391 352 How water systems (excluding pipe) Gas or electric 167% 18 -Jun 10 1.773 10 294 245 204 170 142 118 221 138 Kitchen saves. Oxide 3 200% 18 -Jun 10 670 4 111 93 77 662 77 622 292 58 Non-Solar Sector Defense 18 -Jun 10 946 6 188 150 120 96 77 622 92 58 Non-Solar Sector Defense 167% 18 -Jun 10 946 6 188 150 120 96 77 622 92 58 Defense Defense 167% 18 -Jun 10 357 2 949 41 34 28 24 44 28 Uiths States, removable 40.00% 18 -Jun 10 1214 16 479 287 172 103 62 37 21 133 Additional Rens (Post Expenditure) Y Dear E <td>Garbage disposal</td> <td></td>	Garbage disposal													
Area in the stating of the stating of the stating pairs of the s	Garbage bins	30.00%	18-Jun-10	158	2	47	33	23	16	11	8	7	4	3
Gas ducted central heating 10.00% 18-lun-10 7,389 24 736 663 597 537 483 435 391 352 Hot water systems (excluding piping) Gas or electric 16.67% 18-lun-10 1,773 10 294 245 204 170 142 188 221 138 Kitchen assets Cooktops 16.67% 18-lun-10 670 4 111 93 77 64 54 455 84 52 537 937	Garden sheds, freestanding	20.00%	18-Jun-10	394	3	78	63	50	40	32	26	38	24	15
More weak weak weak weak weak weak weak wea	Heating units													
Gas or electric 16.67% 18-Jun-10 1.773 10 294 245 204 170 142 118 221 138 Kitchen assets	Gas ducted central heating	10.00%	18-Jun-10	7,389	24	736	663	597	537	483	435	391	352	317
Kitchen assets Kitchen assets Cooktops 16.67% 18-Jun-10 670 4 111 93 77 64 54 45 84 52 Dishwashers 20.00% 18-Jun-10 946 6 188 150 120 96 77 62 92 58 Ovens 16.67% 18-Jun-10 867 5 144 120 100 83 69 58 108 68 Rangehods 5 144 120 100 83 69 58 108 68 Colspan="6">Colspan="6">Colspan="6">Colspan= 6 111 120 100 83 69 58 108 68 Colspan= 6 Colspan= 6 Colspan= 6 Colspan= 6	Hot water systems (excluding piping)													
Cooktops 16.67% 18-Jun-10 670 4 111 93 77 64 54 45 84 52 Dishwashers 20.00% 18-Jun-10 946 6 188 150 120 96 77 62 92 58 Overs 16.67% 18-Jun-10 867 5 144 120 100 83 69 58 108 68 Rangehoods 16.67% 18-Jun-10 867 5 144 120 100 83 69 58 108 68 Ughts Stades, removable 40.00% 18-Jun-10 1,214 16 479 287 172 103 62 37 21 13 Additional Items (Post Expenditure) Vear I Vear 2 Vear 3 Vear 4 Vear 5 Vear 6 Vear 7 Vear 9	Gas or electric	16.67%	18-Jun-10	1,773	10	294	245	204	170	142	118	221	138	87
Dishwashers 20.00% 18-Jun-10 946 6 188 150 120 96 77 62 92 58 Ovens 16.67% 18-Jun-10 867 5 144 120 100 83 69 58 108 68 Rangehoods 16.67% 18-Jun-10 867 5 144 120 100 83 69 58 108 68 Lights Shades, removable 40.00% 18-Jun-10 1,214 16 479 287 103 62 37 21 13 Additional items (Post Expenditure) Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Year 8 Year 9 Year 9 Air-conditioning assets (excl. ducting, pipes & vents) Year 1 Year 6 Year 7 Yea 7 Year 9 Yea 7 Year 9 Yea 7 Yea 9 Yea 9 Yea 9 Yea 9 Yea 7 Yea 7 Yea 7 Yea 9 Yea 7	Kitchen assets													
Ovens 16.67% 18-Jun-10 867 5 144 120 100 83 69 58 108 68 Rangehoods 16.67% 18-Jun-10 355 2 59 49 41 34 28 24 44 28 Lights Shades, removable 40.00% 18-Jun-10 1,214 16 479 287 172 103 62 37 21 13 Additional Items (Post Expenditure) Year 1 Year 2 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Year 8 Year 9					-									33
Rangehoods16.67%18-Jun-1035525949413428244428Lights Shades, removable40.00%18-Jun-101,2141647928717210362372113Additional Items (Post Expenditure)Year 1Year 2Year 3Year 3Year 4Year 5Year 6Year 7Year 8Year 9Year 9Additional seets (excl. ducting, pipes & vents)20.00%2-Jul-1060011996776249395937Binds Residential20.00%2-Jul-103583587157463729233522														36
Shades, removable 40.0% 18-Jun-10 1,214 16 479 287 172 103 62 37 21 13 Additional Items (Post Expenditure) Year 1 Year 2 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Year 8 Year 9 Year 9 Air-conditioning assets (excl. ducting, pipes & vents) Year 100 600 119 96 77 62 49 39 59 37 Blinds Residential 20.00% 2-Jul-10 358 71 57 46 37 29 23 35 22														42 17
Shades, removable 40.0% 18-Jun-10 1,214 16 479 287 172 103 62 37 21 13 Additional Items (Post Expenditure) Year 1 Year 2 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Year 8 Year 9 Year 9 Air-conditioning assets (excl. ducting, pipes & vents) Year 100 600 119 96 77 62 49 39 59 37 Blinds Residential 20.00% 2-Jul-10 358 71 57 46 37 29 23 35 22	Lichte													
Air-conditioning assets (excl. ducting, pipes & vents) Min split system upto 20KW 20.00% 2-Jul-10 600 119 96 77 62 49 39 59 37 Blinds Residential 20.00% 2-Jul-10 358 71 57 46 37 29 23 35 22		40.00%	18-Jun-10	1,214	16	479	287	172	103	62	37	21	13	8
Mini split system upto 20KW 20.00% 2-Jul-10 600 119 96 77 62 49 39 59 37 Blinds Residential 20.00% 2-Jul-10 358 71 57 46 37 29 23 35 22	Additional Items (Post Expenditure)				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Mini split system upto 20KW 20.00% 2-Jul-10 600 119 96 77 62 49 39 59 37 Blinds Residential 20.00% 2-Jul-10 358 71 57 46 37 29 23 35 22	Air-conditioning assets (eycl. ducting. nines & vents)													
		20.00%	2-Jul-10	600		119	96	77	62	49	39	59	37	23
Carried forward 25.870 134 4.229 3.421 2.797 2.306 1.916 1.601	Blinds Residential	20.00%	2-Jul-10	358		71	57	46	37	29	23	35	22	14
	Carrie	ed forward		25,870	134	4,229	3,421	2,797	2,306	1,916	1,601			



Diminishing Value Depreciation Schedule (cont.)

Assets Generally Division 40 - Plant and Equipment	Diminishing Value 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
Bro	ught forward		25,870	134	4,229	3,421	2,797	2,306	1,916	1,601			
Floor coverings (removable without damage)													
Floating timber	13.33%	2-Jul-10	653		87	76	65	57	49	43	104	65	41
Furniture	15.00%	2-Jul-10	173		26	22	19	16	14	12	24	15	10
Garden sheds, freestanding	20.00%	2-Jul-10	100		20	16	13	10	8	7	10	6	4
Kitchen assets													
Cooktops	16.67%	2-Jul-10	170		28	24	20	16	14	11	21	13	8
Dishwashers	20.00%	2-Jul-10	240		48	38	31	25	20	16	24	15	9
Ovens	16.67%	2-Jul-10	220		36	31	25	21	18	15	28	17	11
Rangehoods	16.67%	2-Jul-10	90		15	13	10	9	7	6	11	7	4
Lights													
Shades, removable	40.00%	2-Jul-10	308		123	74	45	27	16	10	5	3	2
Pooled Plant Total											1,903	1,542	964
Effective Life Plant Total				134	4,612	3,714	3,024	2,487	2,061	1,719	536	352	317
Total Division 40			27,824	134	4,612	3,714	3,024	2,487	2,061	1,719	2,439	1,894	1,281
Division 43 - Capital Works Allowance													
	Rate		Opening Value	Year 1	Year2	Year 3	Year4	Year5	Year6	Year7	Year8	Year9	Year10
Building Works - Completed 1995	2.50%	18-Jun-10	1,580	2	62	62	62	62	62	62	62	62	62
Building Works - Completed 2005	2.50%	18-Jun-10	6,942	7	200	200	200	200	200	200	200	200	200
Building Works - Completed 2010	2.50%	02-Jul-10	19,476		484	487	487	487	487	487	487	487	487
Structural Improvements - Completed 1995	2.50%	18-Jun-10	770	1	30	30	30	30	30	30	30	30	30
Structural Improvements - Completed 2005	2.50%	18-Jun-10	1,810	2	52	52	52	52	52	52	52	52	52
Structural Improvements - Completed 2010	2.50%	02-Jul-10	4,415		109	110	110	110	110	110	110	110	110
Total Division 43			34,993	12	937	941	941	941	941	941	941	941	941
Total Depreciation			62,817	146	5,549	4,655	3,965	3,428	3,002	2,660	3,380	2,835	2,222



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
Air-conditioning assets (excl. ducting, pipes & vents)													
Mini split system upto 20KW	10.00%	18-Jun-10	2,365	8	236	236	236	236	236	236	236	236	236
Bathroom assets													
Exhaust fans (including light/heating)	10.00%	18-Jun-10	246	1	25	25	25	25	25	25	25	25	25
Blinds Residential	10.00%	18-Jun-10	1,409	5	141	141	141	141	141	141	141	141	141
Door closers	10.00%	18-Jun-10	709	2	71	71	71	71	71	71	71	71	71
Fire control assets													
Detection & alarm systems, detectors	5.00%	18-Jun-10	217	0	11	11	11	11	11	11	11	11	11
Floor coverings (removable without damage)													
Floating timber	6.67%	18-Jun-10	2,574	6	172	172	172	172	172	172	172	172	172
Furniture	7.50%	18-Jun-10	2,444	6	183	183	183	183	183	183	183	183	183
Garage doors, automatic													
Motors	10.00%	18-Jun-10	1,182	4	118	118	118	118	118	118	118	118	118
Garbage disposal													
Garbage bins	15.00%	18-Jun-10	158	1	24	24	24	24	24	24	13		
Garden sheds, freestanding	10.00%	18-Jun-10	394	1	39	39	39	39	39	39	39	39	39
Heating units													
Gas ducted central heating	5.00%	18-Jun-10	7,389	12	369	369	369	369	369	369	369	369	369
Hot water systems (excluding piping)													
Gas or electric	8.33%	18-Jun-10	1,773	5	148	148	148	148	148	148	148	148	148
Kitchen assets													
Cooktops	8.33%	18-Jun-10	670	2	56	56	56	56	56	56	56	56	56
Dishwashers	10.00%	18-Jun-10	946	3	95	95	95	95	95	95	95	95	95
Ovens	8.33%	18-Jun-10	867	2	72	72	72	72	72	72	72	72	72
Rangehoods	8.33%	18-Jun-10	355	1	30	30	30	30	30	30	30	30	30
Lights													
Shades, removable	20.00%	18-Jun-10	1,214	8	243	243	243	243	234				
Additional Items (Post Expenditure)				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Air-conditioning assets (excl. ducting, pipes & vents)													
Mini split system upto 20KW	10.00%	02-Jul-10	600		60	60	60	60	60	60	60	60	60
Blinds Residential	10.00%	02-Jul-10	358		36	36	36	36	36	36	36	36	36
Carr	ied forward		25,870	67	2,128	2,129	2,129	2,129	2,120	1,886	1,875	1,862	1,862



Prime Cost Depreciation Schedule (cont.)

Assets Generally Division 40 - Plant and Equipment	Prime Cost 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
			25,870			2,129	2,129				1,875		
В	rought forward		25,870	67	2,128	2,129	2,129	2,129	2,120	1,886	1,875	1,862	1,862
Floor coverings (removable without damage)													
Floating timber	6.67%	02-Jul-10	653		44	44	44	44	44	44	44	44	44
Furniture	7.50%	02-Jul-10	173		13	13	13	13	13	13	13	13	13
Garden sheds, freestanding	10.00%	02-Jul-10	100		10	10	10	10	10	10	10	10	10
Kitchen assets													
Cooktops	8.33%	02-Jul-10	170		14	14	14	14	14	14	14	14	14
Dishwashers	10.00%	02-Jul-10	240		24	24	24	24	24	24	24	24	24
Ovens	8.33%	02-Jul-10	220		18	18	18	18	18	18	18	18	18
Rangehoods	8.33%	02-Jul-10	90		8	8	8	8	8	8	8	8	8
Lights													
Shades, removable	20.00%	02-Jul-10	308		62	62	62	62	60				
Pooled Plant Total													
Effective Life Plant Total				67	2,320	2,322	2,322	2,322	2,311	2,017	2,006	1,993	1,993
Total Division 40			27,824	67	2,320	2,322	2,322	2,322	2,311	2,017	2,006	1,993	1,993
Division 43 - Capital Works Allowance													
	Rate		Opening Value	Year 1	Year2	Year 3	Year4	Year5	Year6	Year7	Year8	Year9	Year10
Building Works - Completed 1995	2.50%	18-Jun-10	1,580	2	62	62	62	62	62	62	62	62	62
Building Works - Completed 2005	2.50%	18-Jun-10	6,942	7	200	200	200	200	200	200	200	200	200
Building Works - Completed 2010	2.50%	02-Jul-10	19,476		484	487	487	487	487	487	487	487	487
Structural Improvements - Completed 1995	2.50%	18-Jun-10	770	1	30	30	30	30	30	30	30	30	30
Structural Improvements - Completed 2005	2.50%	18-Jun-10	1,810	2	52	52	52	52	52	52	52	52	52
Structural Improvements - Completed 2010	2.50%	02-Jul-10	4,415		109	110	110	110	110	110	110	110	110
Total Division 43			34,993	12	937	941	941	941	941	941	941	941	941
Total Depreciation			62,817	79	3,257	3,263	3,263	3,263	3,252	2,958	2,947	2,934	2,934



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	Historical	Rate	Annual	Opening
	Dates	Cost		Claim	Value
Building Works - Completed 1995	12 Nov 95 to 12 Dec 95	2,481	2.50%	62	1,580
Building Works - Completed 2005	13 Feb 05 to 15 Mar 05	7,994	2.50%	200	6,942
Building Works - Completed 2010	18 Jun 10 to 2 Jul 10	19,476	2.50%	487	19,476

Sub-total		29.951		749	27,998
		29,951		749	27,990
Qualifying Structural Improvements					
Description	Start and Completion	Historical	Rate	Annual	Opening
	Dates	Cost		Claim	Value
Structural Improvements - Completed 1995	12 Nov 95 to 12 Dec 95	1,208	2.50%	30	770
Structural Improvements - Completed 2005	13 Feb 05 to 15 Mar 05	2,084	2.50%	52	1,810
Structural Improvements - Completed 2010	18 Jun 10 to 2 Jul 10	4,415	2.50%	110	4,415

Sub-total	7,707	192	6,995
Totals	37,658	941	34,993

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.





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

COMPANY DETAILS				
Company Name	Koste Pty Ltd			
Postal Address	Suite 1, L12/133 Mary Street, Brisbane, Qld 4000			
Office Number	1300 669 400			
Office Email	info@koste.com.au			

LEAD SURVEYOR DETAILS				
Surveyors Name	Mark Kilroy			
Tax Agent Number	24370523			
Contact Number	1300 669 400			
Email	mark@koste.com.au			



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.