



Tax Depreciation Report

David Low Way,
Bli Bli QLD 4560, Australia

Infinity News Bli Bli Pty Ltd
87 Oxlade Drive
BRISBANE, QLD 4005

Issue Schedule	
Issue Date:	Issued by:
06 February 2019	Mark Kilroy Bsc (Hons) MRICS

Infinity News Bli Bli Pty Ltd
87 Oxlade Drive
BRISBANE, QLD 4005

February 2019
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Tax Depreciation Report – David Low Way, Bli Bli QLD 4560, Australia

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

6 February 2019

Purchaser

Infinity News Bli Bli Pty Ltd

Property Address

David Low Way, Bli Bli QLD 4560, Australia

Property Type

Commercial - News Agency

Date of Construction

12 November 2018

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 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								
<p>Under Diminishing Value method, the effective life is dividing by 200.</p> <p>200 / 10 Years = 20% (Adjusted Value)</p> <p>If an asset has a value of \$10,000 and an effective life of 10 years the following annual depreciation may be claimed.</p>	<p>Under Prime Cost method, the effective life is dividing by 100.</p> <p>100 / 10 Years = 10% (Straight Line)</p> <p>If an asset has a value of \$10,000 and an effective life of 10 years the following annual depreciation may be claimed.</p>								
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	12 November 18 to 30 June 19	13,058	2,360	15,418	761	16,179
2	1 July 19 to 30 June 20	17,043	3,834	20,877	1,208	22,085
3	1 July 20 to 30 June 21	12,177	2,711	14,888	1,208	16,096
4	1 July 21 to 30 June 22	8,795	2,062	10,858	1,208	12,066
5	1 July 22 to 30 June 23	6,535	1,289	7,824	1,208	9,032
6	1 July 23 to 30 June 24	3,967	2,010	5,978	1,208	7,186
7	1 July 24 to 30 June 25	3,126	1,256	4,383	1,208	5,591
8	1 July 25 to 30 June 26	2,471	785	3,256	1,208	4,464
9	1 July 26 to 30 June 27	1,735	770	2,505	1,208	3,713
10	1 July 27 to 30 June 28	1,223	811	2,034	1,208	3,242
11	1 July 28 to 30 June 29	859	872	1,731	1,208	2,939
12	1 July 29 to 30 June 30	518	862	1,380	1,208	2,588
13	1 July 30 to 30 June 31	415	538	953	1,208	2,161
14	1 July 31 to 30 June 32	332	337	668	1,208	1,876
15	1 July 32 to 30 June 33	265	210	476	1,208	1,684
16	1 July 33 to 30 June 34	212	131	344	1,208	1,552
17	1 July 34 to 30 June 35	0	401	401	1,208	1,609
18	1 July 35 to 30 June 36	0	250	250	1,208	1,458
19	1 July 36 to 30 June 37	0	156	156	1,208	1,364
20	1 July 37 to 30 June 38	0	98	98	1,208	1,306
21	1 July 38 to 30 June 39	0	61	61	1,208	1,269
22	1 July 39 to 30 June 40	0	38	38	1,208	1,246
23	1 July 40 to 30 June 41	0	24	24	1,208	1,232
24	1 July 41 to 30 June 42	0	15	15	1,208	1,223
25	1 July 42 to 30 June 43	0	9	9	1,208	1,217
26	1 July 43 to 30 June 44	0	6	6	1,208	1,214
27	1 July 44 to 30 June 45	0	4	4	1,208	1,212
28	1 July 45 to 30 June 46	0	2	2	1,208	1,210
29	1 July 46 to 30 June 47	0	1	1	1,208	1,209
30	1 July 47 to 30 June 48	0	1	1	1,208	1,209
31	1 July 48 to 30 June 49	0	1	1	1,208	1,209
32	1 July 49 to 30 June 50	0	0	0	1,208	1,208
33	1 July 50 to 30 June 51	0	0	0	1,208	1,208
34	1 July 51 to 30 June 52	0	0	0	1,208	1,208
35	1 July 52 to 30 June 53	0	0	0	1,208	1,208
36	1 July 53 to 30 June 54	0	0	0	1,208	1,208
37	1 July 54 to 30 June 55	0	0	0	1,208	1,208
38	1 July 55 to 30 June 56	0	0	0	1,208	1,208
39	1 July 56 to 30 June 57	0	0	0	1,208	1,208
40	2057+	0	0	0	1,635	1,635
Totals		72,731	21,909	94,640	48,300	142,940

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	12 November 18 to 30 June 19	6,529	2,360	8,889	761	9,650
2	1 July 19 to 30 June 20	10,363	3,834	14,197	1,208	15,405
3	1 July 20 to 30 June 21	10,363	2,397	12,760	1,208	13,968
4	1 July 21 to 30 June 22	10,363	1,498	11,861	1,208	13,069
5	1 July 22 to 30 June 23	10,363	936	11,299	1,208	12,507
6	1 July 23 to 30 June 24	8,511	585	9,096	1,208	10,304
7	1 July 24 to 30 June 25	6,841	366	7,207	1,208	8,415
8	1 July 25 to 30 June 26	4,884	229	5,113	1,208	6,321
9	1 July 26 to 30 June 27	4,826	143	4,969	1,208	6,177
10	1 July 27 to 30 June 28	4,826	89	4,915	1,208	6,123
11	1 July 28 to 30 June 29	2,065	56	2,121	1,208	3,329
12	1 July 29 to 30 June 30	445	35	480	1,208	1,688
13	1 July 30 to 30 June 31	445	22	467	1,208	1,675
14	1 July 31 to 30 June 32	405	14	419	1,208	1,627
15	1 July 32 to 30 June 33	332	9	341	1,208	1,549
16	1 July 33 to 30 June 34	165	5	171	1,208	1,379
17	1 July 34 to 30 June 35	75	3	78	1,208	1,286
18	1 July 35 to 30 June 36	75	2	77	1,208	1,285
19	1 July 36 to 30 June 37	75	1	76	1,208	1,284
20	1 July 37 to 30 June 38	75	1	76	1,208	1,284
21	1 July 38 to 30 June 39	28	1	28	1,208	1,236
22	1 July 39 to 30 June 40	0	0	0	1,208	1,208
23	1 July 40 to 30 June 41	0	0	0	1,208	1,208
24	1 July 41 to 30 June 42	0	0	0	1,208	1,208
25	1 July 42 to 30 June 43	0	0	0	1,208	1,208
26	1 July 43 to 30 June 44	0	0	0	1,208	1,208
27	1 July 44 to 30 June 45	0	0	0	1,208	1,208
28	1 July 45 to 30 June 46	0	0	0	1,208	1,208
29	1 July 46 to 30 June 47	0	0	0	1,208	1,208
30	1 July 47 to 30 June 48	0	0	0	1,208	1,208
31	1 July 48 to 30 June 49	0	0	0	1,208	1,208
32	1 July 49 to 30 June 50	0	0	0	1,208	1,208
33	1 July 50 to 30 June 51	0	0	0	1,208	1,208
34	1 July 51 to 30 June 52	0	0	0	1,208	1,208
35	1 July 52 to 30 June 53	0	0	0	1,208	1,208
36	1 July 53 to 30 June 54	0	0	0	1,208	1,208
37	1 July 54 to 30 June 55	0	0	0	1,208	1,208
38	1 July 55 to 30 June 56	0	0	0	1,208	1,208
39	1 July 56 to 30 June 57	0	0	0	1,208	1,208
40	2057+	0	0	0	1,635	1,635
Totals		82,055	12,585	94,640	48,300	142,940

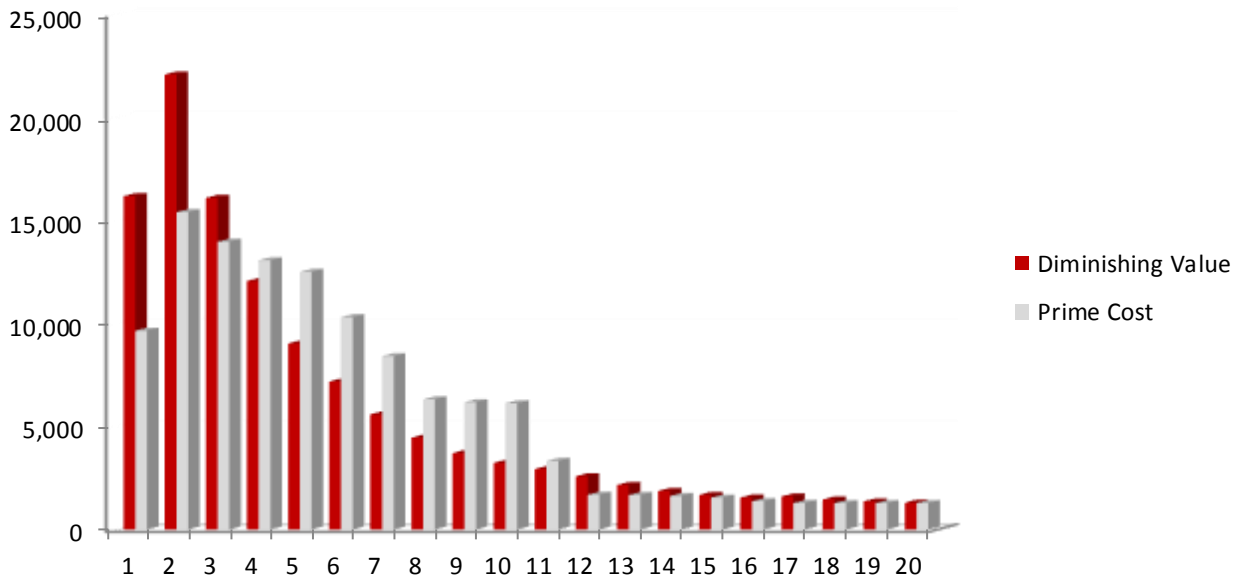
The prime cost method assumes that the item depreciates uniformly over its effective life. It is also known as straight line method and has a lower rate compared to diminishing value method. So the item depreciates at a constant rate until the written down value reaches zero.

Example

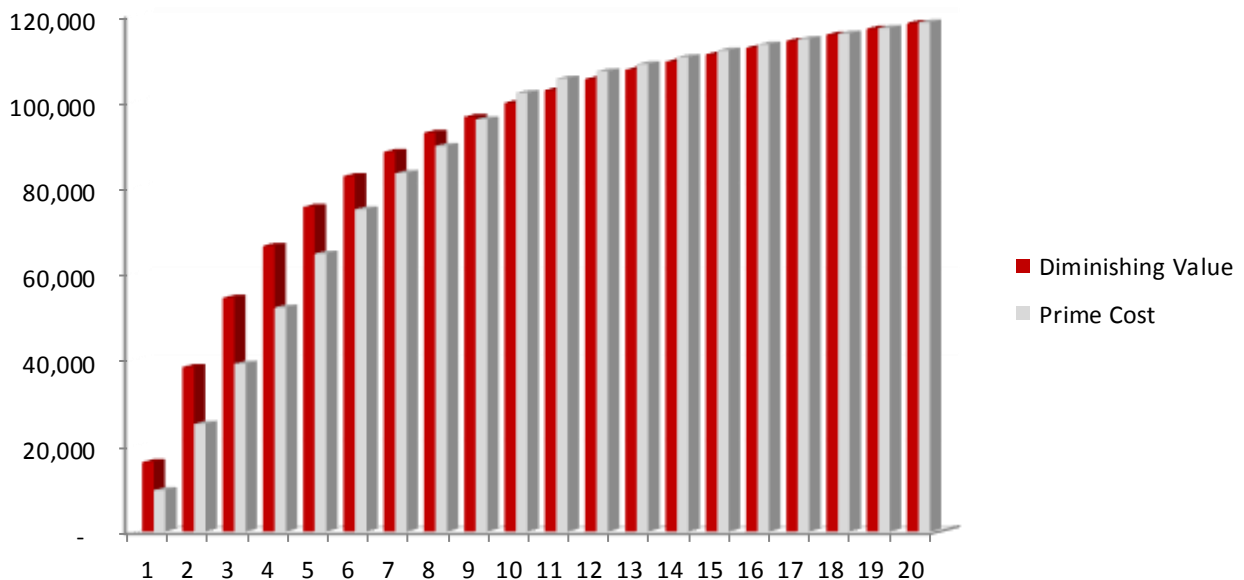
	PC Rate	Opening Value	Year 1	WDV	Year 2
Carpet	10%	\$1,000	\$100	\$900	\$100

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

Purchase Details

Contract Date	13 October 2018
Settlement Date	12 November 2018

Expenditure Analysed

Purchase price	\$260,000
Total Expenditure Analysed	\$260,000

Historical Construction Details

Construction Start Date	13 October 2018
Construction Completion Date	12 November 2018
Historical Construction Cost (Estimated)*	\$142,940

9. Reconciliation of Capital Expenditure

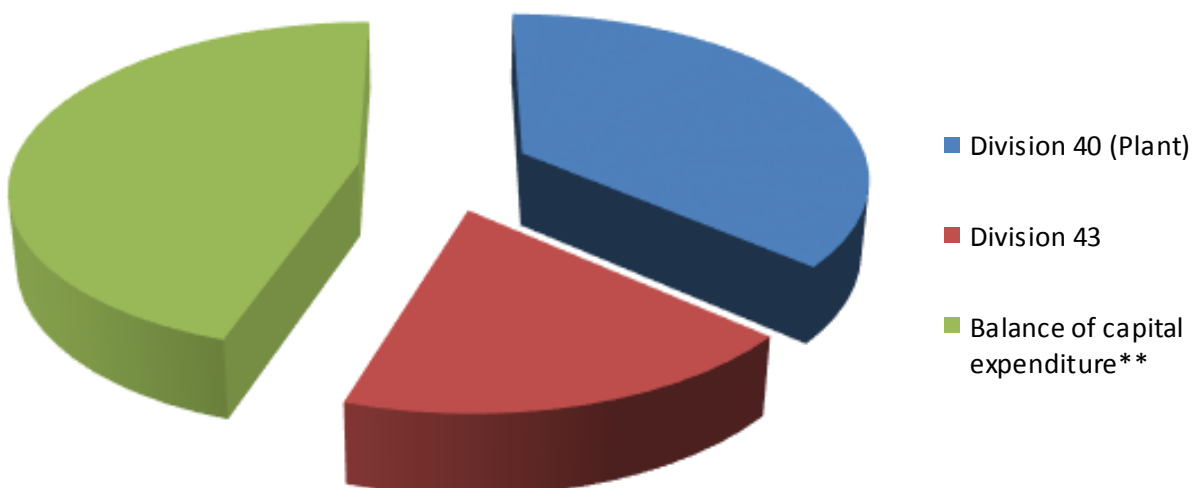
Apportionment of cost relating to:

Division 40 (Plant)	\$94,640
Division 43	\$48,300
Balance of capital expenditure**	\$117,060
Total Expenditure Analysed	\$260,000

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 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
Air-conditioning assets (excl. ducting, pipes & vents)													
Mini split system upto 20KW	20.00%	12-Nov-18	6,000	756	1,049	839	671	537	430	344	275	220	330
Ceiling Fans	18.75%	12-Nov-18	250	47	76	48	30	19	12	7	5	3	2
Cleaning equipment													
Vacuum cleaner, ducted system, hoses, motors & wands	18.75%	12-Nov-18	300	56	91	57	36	22	14	9	5	3	2
Counters, freestanding (including check-out and service counters)	20.00%	12-Nov-18	9,000	1,134	1,573	1,259	1,007	805	644	515	412	330	264
Computer systems													
General	40.00%	12-Nov-18	8,000	2,016	2,393	1,436	862	517	291	182	114	71	44
General	18.75%	12-Nov-18	1,100	206	335	209	131	82	51	32	20	12	8
Door closers	18.75%	12-Nov-18	220	41	67	42	26	16	10	6	4	2	2
Electrical Machinery & Equipment :													
Switchboards	10.00%	12-Nov-18	1,500	95	141	126	114	102	346	216	135	84	53
Fire control assets													
Fire extinguishers	18.75%	12-Nov-18	1,250	234	381	238	149	93	58	36	23	14	9
Floor coverings (removable without damage)													
Carpets	40.00%	12-Nov-18	6,695	1,688	2,003	1,202	721	433	243	152	95	59	37
Floating timber	13.33%	12-Nov-18	3,850	323	470	408	353	306	265	230	199	173	150
Furniture	15.00%	12-Nov-18	1,500	142	204	173	368	230	144	90	56	35	22
Furniture	18.75%	12-Nov-18	3,645	683	1,111	694	434	271	169	106	66	41	26
Garbage disposal													
Garbage bins	18.75%	12-Nov-18	320	60	98	61	38	24	15	9	6	4	2
Kitchen assets													
Microwave ovens	18.75%	12-Nov-18	170	32	52	32	20	13	8	5	3	2	1
Lights													
Emergency	18.75%	12-Nov-18	900	169	274	171	107	67	42	26	16	10	6
Fittings	18.75%	12-Nov-18	980	184	299	187	117	73	46	28	18	11	7
Point of Sales	33.33%	12-Nov-18	5,550	1,166	1,461	974	650	433	325	203	127	79	50
Refrigeration assets													
Generally (including blast chillers, condensers, evaporators, refrigeration cabinets, standalone freezers and standalone refrigerators)	20.00%	12-Nov-18	1,200	151	210	315	197	123	77	48	30	19	12
Carried forward			52,430	9,184	12,287	8,471	6,029	4,166	3,189	2,245	1,609	1,174	1,026

Diminishing Value Depreciation Schedule (cont.)

Assets Generally	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	
Division 40 - Plant and Equipment														
			Brought forward	52,430	9,184	12,287	8,471	6,029	4,166	3,189	2,245	1,609	1,174	1,026
Security systems & equipment														
Electronic	30.00%	12-Nov-18	11,150	2,108	2,713	1,899	1,329	930	651	456	319	279	175	
Shopping trolleys	18.75%	12-Nov-18	350	66	107	67	42	26	16	10	6	4	2	
Shelving	20.00%	12-Nov-18	27,610	3,480	4,826	3,861	3,089	2,471	1,977	1,581	1,265	1,012	810	
Signage	18.75%	12-Nov-18	3,100	581	945	590	369	231	144	90	56	35	22	
Pooled Plant Total				2,360	3,834	2,711	2,062	1,289	2,010	1,256	785	770	811	
Effective Life Plant Total				13,058	17,043	12,177	8,795	6,535	3,967	3,126	2,471	1,735	1,223	
Total Division 40			94,640	15,418	20,877	14,888	10,858	7,824	5,978	4,383	3,256	2,505	2,034	
Division 43 - Capital Works Allowance														
	Rate		Opening Value	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Building Works - Completed 2018	2.50%	12-Nov-18	48,300	761	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	
Total Division 43			48,300	761	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	
Total Depreciation			142,940	16,179	22,085	16,096	12,066	9,032	7,186	5,591	4,464	3,713	3,242	

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%	12-Nov-18	6,000	378	600	600	600	600	600	600	600	600	600
Ceiling Fans													
	18.75%	12-Nov-18	250	47	76	48	30	19	12	7	5	3	2
Cleaning equipment													
Vacuum cleaner, ducted system, hoses, motors & wands	18.75%	12-Nov-18	300	56	91	57	36	22	14	9	5	3	2
Counters, freestanding (including check-out and service counters)													
	10.00%	12-Nov-18	9,000	567	900	900	900	900	900	900	900	900	900
Computer systems													
General	20.00%	12-Nov-18	8,000	1,008	1,600	1,600	1,600	1,600	592				
General	18.75%	12-Nov-18	1,100	206	335	209	131	82	51	32	20	12	8
Door closers													
	18.75%	12-Nov-18	220	41	67	42	26	16	10	6	4	2	2
Electrical Machinery & Equipment :													
Switchboards	5.00%	12-Nov-18	1,500	47	75	75	75	75	75	75	75	75	75
Fire control assets													
Fire extinguishers	18.75%	12-Nov-18	1,250	234	381	238	149	93	58	36	23	14	9
Floor coverings (removable without damage)													
Carpets	20.00%	12-Nov-18	6,695	844	1,339	1,339	1,339	1,339	495				
Floating timber	6.67%	12-Nov-18	3,850	162	257	257	257	257	257	257	257	257	257
Furniture													
	7.50%	12-Nov-18	1,500	71	113	113	113	113	113	113	113	113	113
Furniture	18.75%	12-Nov-18	3,645	683	1,111	694	434	271	169	106	66	41	26
Garbage disposal													
Garbage chutes	18.75%	12-Nov-18	320	60	98	61	38	24	15	9	6	4	2
Kitchen assets													
Microwave ovens	18.75%	12-Nov-18	170	32	52	32	20	13	8	5	3	2	1
Lights													
Emergency	18.75%	12-Nov-18	900	169	274	171	107	67	42	26	16	10	6
Fittings	18.75%	12-Nov-18	980	184	299	187	117	73	46	28	18	11	7
Point of Sales													
	16.67%	12-Nov-18	5,550	583	925	925	925	925	925	342			
Refrigeration assets													
Generally (including blast chillers, condensers, evaporators, refrigeration cabinets, standalone freezers and standalone refrigerators)	10.00%	12-Nov-18	1,200	76	120	120	120	120	120	120	120	120	120
			Carried forward	52,430	5,448	8,712	7,669	7,016	6,609	4,502	2,673	2,231	2,169
													2,130

Prime Cost Depreciation Schedule (cont.)

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
Brought forward			52,430	5,448	8,712	7,669	7,016	6,609	4,502	2,673	2,231	2,169	2,130
Security systems & equipment													
Electronic	15.00%	12-Nov-18	11,150	1,054	1,673	1,673	1,673	1,673	1,673	1,673	58		
Shopping trolleys	18.75%	12-Nov-18	350	66	107	67	42	26	16	10	6	4	2
Shelving	10.00%	12-Nov-18	27,610	1,740	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761
Signage	18.75%	12-Nov-18	3,100	581	945	590	369	231	144	90	56	35	22
Pooled Plant Total				2,360	3,834	2,397	1,498	936	585	366	229	143	89
Effective Life Plant Total				6,529	10,363	10,363	10,363	10,363	8,511	6,841	4,884	4,826	4,826
Total Division 40			94,640	8,889	14,197	12,760	11,861	11,299	9,096	7,207	5,113	4,969	4,915
Division 43 - Capital Works Allowance													
	Rate		Opening Value	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Building Works - Completed 2018			48,300	761	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208
Total Division 43			48,300	761	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208
Total Depreciation			142,940	9,650	15,405	13,968	13,069	12,507	10,304	8,415	6,321	6,177	6,123

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 2018	13 Oct 18 to 12 Nov 18	48,300	2.50%	1,208	48,300
Sub-total		48,300		1,208	48,300

Qualifying Structural Improvements

Description	Start and Completion Dates	Historical Cost	Rate	Annual Claim	Opening Value
Sub-total					
Totals		48,300		1,208	48,300

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

COMPANY DETAILS	
Company Name	Koste Pty Ltd
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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.