



Capital Claims

-Property Depreciation Specialists-

Your Property. Our Passion. Your Cash Flow

Phone: 1300 922 220

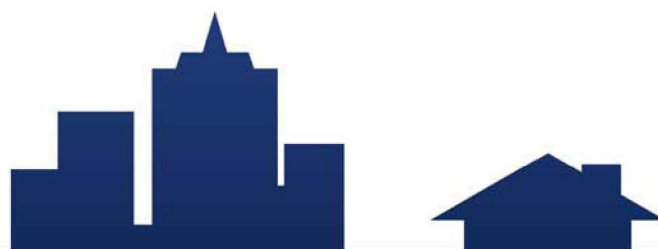
Web: www.capitalclaims.com.au

CAPITAL ALLOWANCE & TAX DEPRECIATION REPORT

5 Port Stephens Street

RAYMOND TERRACE, NSW 2324

We print our reports on 100% recycled paper.



- Maximum Deductions
- All Property Types
- Superior Service
- Quality Guarantee
- ATO Compliance
- AIQS Members
- Quick Turnaround
- Competitive Fees

11-February-2010

Mr Bernie Roberts
C/-SIDCOR
50 Hunter Street
NEWCASTLE, NSW 2300

ABN: 52 245 613 400
a: PO Box 89, Charlestown, NSW 2290
p: (02) 4920 6500
f: (02) 4920 6588
e: info@capitalclaims.com.au
w: www.capitalclaims.com.au

Dear Bernie,

Re: 5 Port Stephens Street RAYMOND TERRACE, NSW 2324

Thank you for selecting Capital Claims to undertake an assessment of your investment property depreciation entitlements for the above address.

Our goal at Capital Claims is maximise the affordability of investment property ownership. Our extensive experience in this specialist area of quantity surveying has allowed us to sharpen our ability to maximise your claim. We uncover and assess all possible depreciable items within the ATO guidelines, ensuring that as our client you receive every dollar to which you are entitled.

Please find herewith a detailed report outlining all depreciable claims allowable under Divisions 40 and 43 of the Income Tax Assessment Act 1997.

Key Report Elements

- **Property Information** (page 3) – please review this information to confirm accuracy of details;
- **40 Year Projection** (page 5) – summarises the full entitlements forecasted over the life of the property;
- **Graphical Representation** (page 6) – provides for a quick assessment of the comparable depreciation methods;
- **Detailed Depreciation Schedules** (pages 7-9) – all depreciable assets and capital allowances are itemised and projected.

Should you require any clarification or have any queries with respect to the contents of this report, or if you have any feedback you would like to share with us, please do not hesitate to contact us on 02 4920 6500.

Yours Sincerely,



Mark Wilkins
Managing Director

It is important to note that any change of property ownership, or the completion of any extensive capital works, will make the contents of this report inaccurate or void. In these circumstances please contact us to ensure the report remains compliant and valid.

Table of Contents

Contents	Page
Introduction	1
Property Information	3
Schedule of Information	3
Methodology	4
40 Year Projection	5
Graphical Representation	6
Detailed Schedules	
Diminishing Value	7
Pooling	10
Prime Cost	13
Division 43	16
Additional Information	17

Disclaimer

The information provided in this report has been prepared by Capital Claims Pty Ltd, as property depreciation consultants and not in any other capacity, on the basis of estimated costs and information provided to us by the client and authorities. It is intended for use by the parties to whom directed. The contents should be treated as advice on construction costs and like matters, and not as legal, accounting or taxation advice. We recommend that clients consult with their own advisors before relying on these schedules.

Capital Claims Pty Ltd does not accept any contractual, tortious or any other form of liability for any consequences, loss or damage which may arise as a result of any other person acting upon or relying on this document.



Property Information

Property Owner:	Mr Bernie Roberts
Property Address:	5 Port Stephens Street RAYMOND TERRACE, NSW 2324
Settlement Date:	01-September-1985
Days in First Year:	301
Property Type:	Commercial
Schedule Start Date:	02-September-1985
Construction Cost @ Schedule Preparation Date:	\$216,402
Building First Use:	01-September-1985

Schedule of Information

Written and Verbal Information Provided by:	Mr Bernie Roberts
Verbal Information Provided by:	Port Stephens Council
Site Inspection Conducted by Capital Claims on:	05-February-2010

Methodology

As an overview of the methodology applied in this report, below is a brief of the methods, adjustments and applied legislation utilised to maximise the claims for your property. The following measures have been applied:

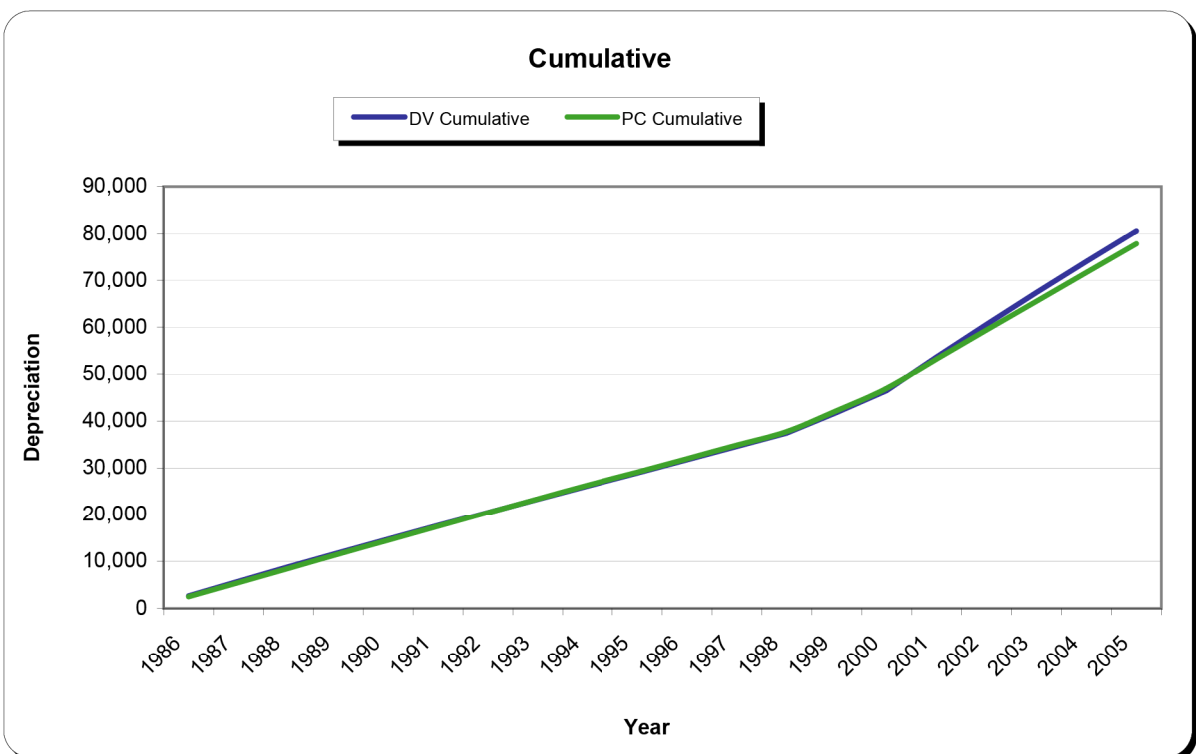
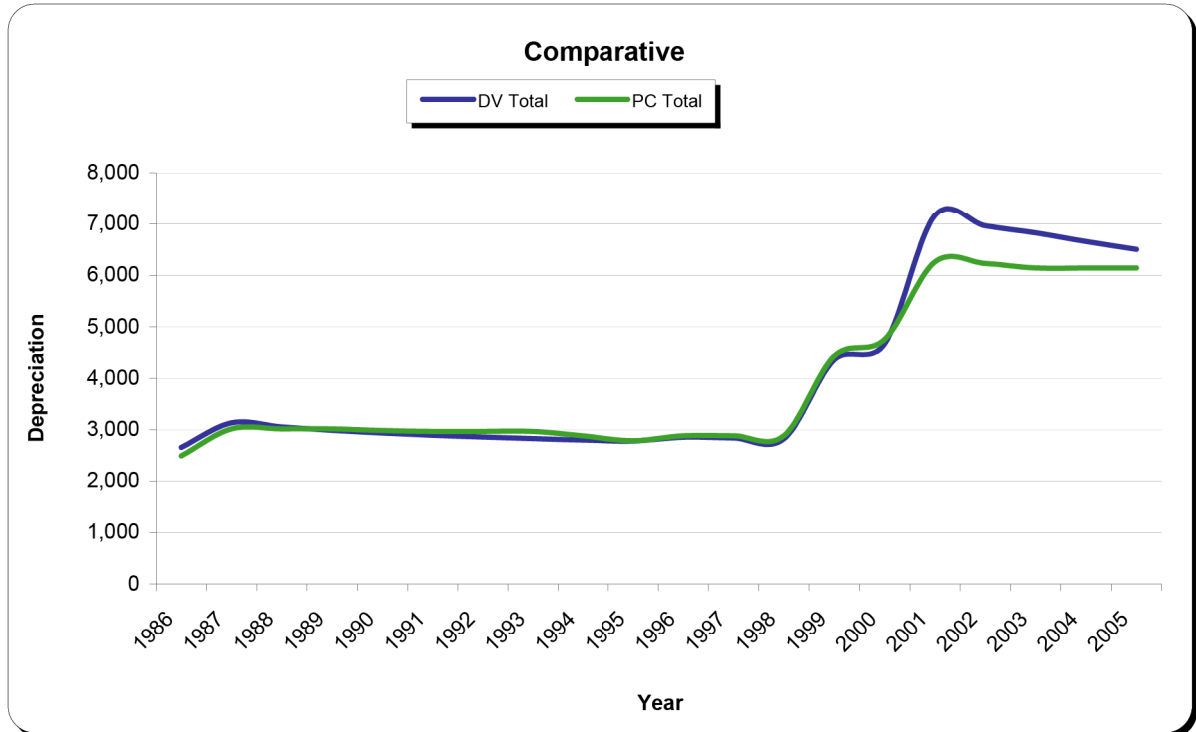
- **Pro-Rata Adjusted** - the first year is adjusted to the number of days from purchase till 30th June;
- **Low Cost Pool** - assets costing less than \$1000 at acquisition have been allocated to a common pool to be depreciated at 18.75% in the year of acquisition and each year thereafter at 37.5%;
- **Low Value Pool** - assets with an adjusted value less than \$1000 at the start of each financial year have been allocated to a common pool to be depreciated at 37.5% each year;
- **Preliminaries and Consultants Fees** - have been apportioned within the schedules;
- **Non Depreciable Items** - have been excluded from the schedules, including:
 - Land cost;
 - Rates & taxes;
 - Holding costs;
 - Soft landscaping;
 - Non qualifying works;
- **Estimated Costs** - where actual cost information was not available, Capital Claims have estimated these assets/works using current cost advice;
- **Alternative Schedules** - two alternative schedules have been applied, Diminishing Value (including Pooling) and Prime Cost. You will need to select which one suits your own personal investment structure, your financial advisor can assist you with this;
- **Existing Schedules** - we have assumed that there are not any existing depreciation schedules currently being used for this property or within the contract of sale.
- **\$300 immediate write-off** - individual assets costing \$300 or less are written off in full in the first year of ownership;
- **Scrapped Assets** - Where a depreciating asset has been removed from the property and effectively scrapped, the residual value will appear in the schedule in **blue font** in the year the asset was scrapped;

For a further detailed understanding of the legislation applied within this report please refer to the section titled "Additional Information" on page 11 of this report. Here you will find the references, interpretations, assumptions and rulings applied in preparing this report. If you have any further questions regarding the methodology of this report please feel free to contact our helpful team at Capital Claims.

40 Year Projection

Period			Diminishing Value				Prime Cost		
Year	Start Date	End Date	Diminishing Value	Pooling	Division 43	DV Total	Prime Cost	Division 43	PC Total
1	02-Sep-85	30-Jun-86	493	0	2,161	2,654	328	2,161	2,489
2	01-Jul-86	30-Jun-87	514	0	2,621	3,135	397	2,621	3,018
3	01-Jul-87	30-Jun-88	432	0	2,621	3,053	397	2,621	3,018
4	01-Jul-88	30-Jun-89	368	0	2,621	2,989	397	2,621	3,018
5	01-Jul-89	30-Jun-90	314	0	2,621	2,935	364	2,621	2,985
6	01-Jul-90	30-Jun-91	271	0	2,621	2,892	346	2,621	2,967
7	01-Jul-91	30-Jun-92	236	0	2,621	2,857	346	2,621	2,967
8	01-Jul-92	30-Jun-93	205	0	2,621	2,826	346	2,621	2,967
9	01-Jul-93	30-Jun-94	179	0	2,621	2,800	259	2,621	2,880
10	01-Jul-94	30-Jun-95	158	0	2,621	2,779	167	2,621	2,788
11	01-Jul-95	30-Jun-96	138	0	2,716	2,854	167	2,716	2,883
12	01-Jul-96	30-Jun-97	122	0	2,716	2,838	167	2,716	2,883
13	01-Jul-97	30-Jun-98	108	0	2,716	2,824	167	2,716	2,883
14	01-Jul-98	30-Jun-99	96	0	4,267	4,363	167	4,267	4,434
15	01-Jul-99	30-Jun-00	85	0	4,591	4,676	167	4,591	4,758
16	01-Jul-00	30-Jun-01	2,075	0	5,093	7,168	1,167	5,093	6,260
17	01-Jul-01	30-Jun-02	1,869	0	5,093	6,962	1,136	5,093	6,229
18	01-Jul-02	30-Jun-03	1,681	0	5,143	6,824	1,000	5,143	6,143
19	01-Jul-03	30-Jun-04	1,513	0	5,143	6,656	1,000	5,143	6,143
20	01-Jul-04	30-Jun-05	1,361	0	5,143	6,504	1,000	5,143	6,143
21	01-Jul-05	30-Jun-06	1,675	0	5,163	6,838	1,300	5,163	6,463
22	01-Jul-06	30-Jun-07	2,112	155	5,438	7,705	1,650	5,438	7,088
23	01-Jul-07	30-Jun-08	1,787	998	5,438	8,223	1,938	5,438	7,376
24	01-Jul-08	30-Jun-09	1,309	2,472	5,446	9,227	2,577	5,446	8,023
25	01-Jul-09	30-Jun-10	1,133	2,012	5,446	8,591	2,678	5,446	8,124
26	01-Jul-10	30-Jun-11	984	1,352	3,285	5,621	2,737	3,285	6,022
27	01-Jul-11	30-Jun-12	857	845	2,825	4,527	2,637	2,825	5,462
28	01-Jul-12	30-Jun-13	565	872	2,825	4,262	2,313	2,825	5,138
29	01-Jul-13	30-Jun-14	508	544	2,825	3,877	1,713	2,825	4,538
30	01-Jul-14	30-Jun-15	458	341	2,825	3,624	1,673	2,825	4,498
31	01-Jul-15	30-Jun-16	412	212	2,825	3,449	1,614	2,825	4,439
32	01-Jul-16	30-Jun-17	371	133	2,825	3,329	1,264	2,825	4,089
33	01-Jul-17	30-Jun-18	333	83	2,825	3,241	1,142	2,825	3,967
34	01-Jul-18	30-Jun-19	300	51	2,825	3,176	1,141	2,825	3,966
35	01-Jul-19	30-Jun-20	0	1,045	2,825	3,870	1,141	2,825	3,966
36	01-Jul-20	30-Jun-21	0	653	2,825	3,478	117	2,825	2,942
37	01-Jul-21	30-Jun-22	0	408	2,825	3,233	100	2,825	2,925
38	01-Jul-22	30-Jun-23	0	254	2,825	3,079	100	2,825	2,925
39	01-Jul-23	30-Jun-24	0	159	2,825	2,984	100	2,825	2,925
40	01-Jul-24	30-Jun-25	0	97	2,825	2,922	100	2,825	2,925
41	01-Jul-25	30-Jun-26	0	0	2,825	2,825	0	2,825	2,825
Total			\$ 25,022	\$ 12,686	\$ 140,960	\$ 178,668	\$ 37,520	\$ 140,960	\$ 178,480

Graphical Representation



Diminishing Value Method

5 Port Stephens Street: RAYMOND TERRACE, NSW 2324

Financial Years 1 -10																					
Financial Year		Decline in Value Rate																			
Start Date		Effective Life (yrs)																			
End Date		Adjustable Value																			
		1	2	3	4	5	6	7	8	9	10	Adjustable Value @ 30-Jun-95									
		02-Sep-85	01-Jul-86	01-Jul-87	01-Jul-88	01-Jul-89	01-Jul-90	01-Jul-91	01-Jul-92	01-Jul-93	01-Jul-94	01-Jul-95									
		30-Jun-86	30-Jun-87	30-Jun-88	30-Jun-89	30-Jun-90	30-Jun-91	30-Jun-92	30-Jun-93	30-Jun-94	30-Jun-95	30-Jun-95									
1. Unit Specific - Depreciating Assets (Division 40)																					
Bathroom Accessories - Freestanding		63	54	34	22	14	9	6	4	2	2	3									
Fire Extinguishers		106	118	108	98	89	81	74	67	61	56	56									
Hot Water Systems		101	113	103	94	85	78	71	64	59	53	53									
Vinyl		222	229	187	154	126	103	85	70	57	47	21									
Post Purchase Additions																					
Holsts	01-Jul-00	0	0	0	0	0	0	0	0	0	0	20,000									
Security System	01-Jul-05	0	0	0	0	0	0	0	0	0	0	2,000									
Air Conditioner - Split Systems	01-Jul-06	0	0	0	0	0	0	0	0	0	0	3,500									
Blinds	01-Jul-07	0	0	0	0	0	0	0	0	0	0	1,231									
Ceiling Fans	01-Jul-07	0	0	0	0	0	0	0	0	0	0	620									
Furniture - Freestanding	01-Jul-07	0	0	0	0	0	0	0	0	0	0	550									
Racks	01-Jul-08	0	0	0	0	0	0	0	0	0	0	3,000									
Lighting Plant	09-Feb-09	0	0	0	0	0	0	0	0	0	0	2,000									
Security System	02-Feb-10	0	0	0	0	0	0	0	0	0	0	495									
Sub Total		\$ 493	\$ 514	\$ 432	\$ 368	\$ 314	\$ 271	\$ 236	\$ 205	\$ 179	\$ 158	\$ 34,711									
2. Low Cost & Low Value Pool																					
Sub Total		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -										
3. Division 40																					
Sub Total		\$ 493	\$ 514	\$ 432	\$ 368	\$ 314	\$ 271	\$ 236	\$ 205	\$ 179	\$ 158										
4. Division 43																					
Sub Total		\$ 2,161	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 152,775									
Annual Decline in Value - Total																					
Sub Total		\$ 2,654	\$ 3,135	\$ 3,053	\$ 2,989	\$ 2,935	\$ 2,892	\$ 2,857	\$ 2,826	\$ 2,800	\$ 2,779	\$ 187,486									

Job Number: 3405

Diminishing Value Method

5 Port Stephens Street, RAYMOND TERRACE, NSW 2324

Financial Years 11-20		Financial Year	11	12	13	14	15	16	17	18	19	20	Adjustable Value @ 30-Jun-05
		Start Date	01-Jul-95	01-Jul-96	01-Jul-97	01-Jul-98	01-Jul-99	01-Jul-00	01-Jul-01	01-Jul-02	01-Jul-03	01-Jul-04	
		End Date	30-Jun-96	30-Jun-97	30-Jun-98	30-Jun-99	30-Jun-00	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	
		Decline in Value Rate											
1. Unit Specific - Depreciating Assets (Division 40)		Adjustable Value											
Bathroom Accessories - Freestanding		\$ 3	1	1	0	0	0	0	0	0	0	0	1
Fire Extinguishers		\$ 561	51	46	42	38	35	31	29	26	24	22	217
Hot Water Systems		\$ 539	48	44	40	37	33	30	28	25	23	21	210
Vinyl		\$ 213	38	31	26	21	17	14	12	10	8	6	30
Post Purchase Additions													
Hoists	01-Jul-00	\$ 20,000	0	0	0	0	0	2,000	1,800	1,620	1,458	1,312	11,810
Security System	01-Jul-05	\$ 2,000	0	0	0	0	0	0	0	0	0	0	2,000
Air Conditioner - Split Systems	01-Jul-06	\$ 3,500	0	0	0	0	0	0	0	0	0	0	3,500
Blinds	01-Jul-07	\$ 1,231	0	0	0	0	0	0	0	0	0	0	1,231
Ceiling Fans	01-Jul-07	\$ 620	0	0	0	0	0	0	0	0	0	0	620
Furniture - Freestanding	01-Jul-07	\$ 550	0	0	0	0	0	0	0	0	0	0	550
Racks	01-Jul-08	\$ 3,000	0	0	0	0	0	0	0	0	0	0	3,000
Lighting Plant	09-Feb-09	\$ 2,000	0	0	0	0	0	0	0	0	0	0	2,000
Security System	02-Feb-10	\$ 495	0	0	0	0	0	0	0	0	0	0	495
Sub Total		\$ 34,711	\$ 138	\$ 122	\$ 108	\$ 96	\$ 85	\$ 2,075	\$ 1,869	\$ 1,681	\$ 1,513	\$ 1,361	\$ 25,663
2. Low Cost & Low Value Pool													
Sub Total			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3. Division 40													
Sub Total			\$ 138	\$ 122	\$ 108	\$ 96	\$ 85	\$ 2,075	\$ 1,869	\$ 1,681	\$ 1,513	\$ 1,361	\$ 25,663
4. Division 43													
Sub Total			\$ 2,716	\$ 2,716	\$ 2,716	\$ 4,267	\$ 4,591	\$ 5,093	\$ 5,093	\$ 5,143	\$ 5,143	\$ 5,143	\$ 110,154
Annual Decline in Value - Total			\$ 2,854	\$ 2,838	\$ 2,824	\$ 4,363	\$ 4,676	\$ 7,168	\$ 6,962	\$ 6,824	\$ 6,656	\$ 6,504	\$ 135,817

Job Number: 3405

Diminishing Value Method

5 Port Stephens Street, RAYMOND TERRACE, NSW 2324

Financial Years 21-30		Financial Year	21	22	23	24	25	26	27	28	29	30	Adjustable Value @ 30-Jun-15
		Start Date	01-Jul-05	01-Jul-06	01-Jul-07	01-Jul-08	01-Jul-09	01-Jul-10	01-Jul-11	01-Jul-12	01-Jul-13	01-Jul-14	
		End Date	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	
		Decline in Value Rate											
1. Unit Specific - Depreciating Assets (Division 40)		Adjustable Value											
Bathroom Accessories - Freestanding	1	\$ 11,810											
Fire Extinguishers	217	\$ 2,000											
Hot Water Systems	210	\$ 3,500											
Vinyl	30	\$ 1,231											
Post Purchase Additions													
Hoists		\$ 11,810											
Security System		\$ 2,000											
Air Conditioner - Split Systems		\$ 3,500											
Blinds		\$ 1,231											
Ceiling Fans		\$ 620											
Furniture - Freestanding		\$ 550											
Racks		\$ 3,000											
Lighting Plant		\$ 2,000											
Security System		\$ 495											
Sub Total		\$ 25,663	\$ 1,675	\$ 2,112	\$ 1,787	\$ 1,309	\$ 1,133	\$ 984	\$ 857	\$ 565	\$ 508	\$ 458	\$ 4,117
2. Low Cost & Low Value Pool													
Sub Total			\$ -	\$ 155	\$ 998	\$ 2,472	\$ 2,012	\$ 1,352	\$ 845	\$ 872	\$ 544	\$ 341	
3. Division 40													
Sub Total			\$ 1,675	\$ 2,267	\$ 2,785	\$ 3,781	\$ 3,145	\$ 2,336	\$ 1,702	\$ 1,437	\$ 1,052	\$ 799	\$ 4,684
4. Division 43													
Sub Total		\$ 110,154	\$ 5,163	\$ 5,438	\$ 5,438	\$ 5,446	\$ 5,446	\$ 3,285	\$ 2,825	\$ 2,825	\$ 2,825	\$ 2,825	\$ 68,637
Annual Decline in Value - Total		\$ 135,817	\$ 6,838	\$ 7,705	\$ 8,223	\$ 9,227	\$ 8,591	\$ 5,621	\$ 4,527	\$ 4,262	\$ 3,877	\$ 3,624	\$ 73,322

Low Cost and Low Value Pooling

5 Port Stephens Street RAYMOND TERRACE, NSW 2324

Financial Years 1 -10		Financial Year		1	2	3	4	5	6	7	8	9	10	Adjustable Value @ 30-Jun-95
		Start Date	End Date	02-Sep-85 30-Jun-86	01-Jul-86 30-Jun-87	01-Jul-86 30-Jun-87	01-Jul-87 30-Jun-88	01-Jul-88 30-Jun-89	01-Jul-89 30-Jun-90	01-Jul-90 30-Jun-91	01-Jul-91 30-Jun-92	01-Jul-92 30-Jun-93	01-Jul-93 30-Jun-94	01-Jul-94 30-Jun-95
1. Unit Specific - Depreciating Assets (Division 40)	Adjustable Value	Decline in Value Rate												
Bathroom Accessories - Freestanding	\$	-	0.0%	0	0	0	0	0	0	0	0	0	0	0
Fire Extinguishers	\$	-	0.0%	0	0	0	0	0	0	0	0	0	0	0
Hot Water Systems	\$	-	0.0%	0	0	0	0	0	0	0	0	0	0	0
Vinyl	\$	-	0.0%	0	0	0	0	0	0	0	0	0	0	0
Post Purchase Additions														
Hoists	\$	-	0.0%	0	0	0	0	0	0	0	0	0	0	0
Security System	\$	-	0.0%	0	0	0	0	0	0	0	0	0	0	0
Air Conditioner - Split Systems	\$	-	0.0%	0	0	0	0	0	0	0	0	0	0	0
Blinds	\$	-	37.5%	0	0	0	0	0	0	0	0	0	0	0
Ceiling Fans	\$	-	37.5%	0	0	0	0	0	0	0	0	0	0	0
Furniture - Freestanding	\$	-	37.5%	0	0	0	0	0	0	0	0	0	0	0
Racks	\$	-	37.5%	0	0	0	0	0	0	0	0	0	0	0
Lighting Plant	\$	-	37.5%	0	0	0	0	0	0	0	0	0	0	0
Security System	\$	-	37.5%	0	0	0	0	0	0	0	0	0	0	0
Sub Total	\$	-		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Decline in Value - Total				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Job Number: 3405

Low Cost and Low Value Pooling

5 Port Stephens Street, RAYMOND TERRACE, NSW 2324

Financial Years 11-20		Financial Year		11	12	13	14	15	16	17	18	19	20	Adjustable Value @ 30-Jun-05
		Start Date	End Date	01-Jul-95 30-Jun-96	01-Jul-96 30-Jun-97	01-Jul-97 30-Jun-98	01-Jul-98 30-Jun-99	01-Jul-99 30-Jun-00	01-Jul-00 30-Jun-01	01-Jul-01 30-Jun-02	01-Jul-02 30-Jun-03	01-Jul-03 30-Jun-04	01-Jul-04 30-Jun-05	
1. Unit Specific - Depreciating Assets (Division 40)		Adjustable Value	Decline in Value Rate											
Bathroom Accessories - Freestanding		\$ 3	37.5%											1
Fire Extinguishers		\$ 561	37.5%											217
Hot Water Systems		\$ 539	37.5%											210
Vinyl		\$ 213	37.5%											30
Post Purchase Additions														0
Hoists	01-Jul-00	\$ 20,000	37.5%											11,810
Security System	01-Jul-05	\$ 2,000	37.5%											2,000
Air Conditioner - Split Systems	01-Jul-06	\$ 3,500	37.5%											3,500
Blinds	01-Jul-07	\$ 1,231	37.5%											1,231
Ceiling Fans	01-Jul-07	\$ 620	37.5%											620
Furniture - Freestanding	01-Jul-07	\$ 550	37.5%											550
Racks	01-Jul-08	\$ 3,000	37.5%											3,000
Lighting Plant	09-Feb-09	\$ 2,000	37.5%											2,000
Security System	02-Feb-10	\$ 495	37.5%											495
Sub Total		\$ 34,711		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,663
Annual Decline in Value - Total				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Job Number: 3405

Low Cost and Low Value Pooling

5 Port Stephens Street, RAYMOND TERRACE, NSW 2324

Financial Years 21-30		21	22	23	24	25	26	27	28	29	30	Adjustable Value @
Financial Year		01-Jul-05	01-Jul-06	01-Jul-07	01-Jul-08	01-Jul-09	01-Jul-10	01-Jul-11	01-Jul-12	01-Jul-13	01-Jul-14	30-Jun-15
Start Date		30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	
End Date												
Decline in Value Rate												
1. Unit Specific - Depreciating Assets (Division 40)												
Bathroom Accessories - Freestanding	Adjustable Value	1										
Fire Extinguishers	\$	217	0	0	0	0	0	0	0	0	0	1
Hot Water Systems	\$	210	0	74	46	18	11	7	5	3	2	2
Vinyl	\$	30	0	72	45	17	11	7	4	3	1	3
Post Purchase Additions												
Hoists			9	6	4	2	1	1	1	0	0	1
Security System	01-Jul-00		0	0	0	0	0	0	0	0	0	4,117
Air Conditioner - Split Systems	01-Jul-05		0	0	0	0	0	85	53	33	21	35
Blinds	01-Jul-06		0	0	0	0	0	0	344	215	135	224
Ceiling Fans	01-Jul-07		0	462	288	180	113	71	44	27	17	29
Furniture - Freestanding	01-Jul-07		0	233	145	91	57	35	22	14	9	14
Racks	01-Jul-08		0	206	129	81	50	32	20	12	8	12
Lighting Plant	09-Feb-09		0	0	1,125	703	440	275	171	107	67	112
Security System	02-Feb-10		0	0	375	609	381	238	149	93	58	97
Sub Total												
	\$	-	\$ 155	\$ 998	\$ 2,472	\$ 2,012	\$ 1,352	\$ 845	\$ 872	\$ 544	\$ 341	\$ 4,684
Annual Decline in Value - Total		\$ -	\$ 155	\$ 998	\$ 2,472	\$ 2,012	\$ 1,352	\$ 845	\$ 872	\$ 544	\$ 341	3405

Prime Cost Method

5 Port Stephens Street RAYMOND TERRACE, NSW 2324

Financial Years 1 -10																							
Financial Year		1		2		3		4		5		6		7		8		9		Adjustable Value @			
Start Date		02-Sep-85		01-Jul-86		01-Jul-87		01-Jul-88		01-Jul-89		01-Jul-90		01-Jul-91		01-Jul-92		01-Jul-93		01-Jul-94			
End Date		30-Jun-86		30-Jun-87		30-Jun-88		30-Jun-89		30-Jun-90		30-Jun-91		30-Jun-92		30-Jun-93		30-Jun-94		30-Jun-95			
Decline in Value Rate																							
Effective Life (yrs)																							
Adjustable Value																							
1. Unit Specific - Depreciating Assets (Division 40)																							
Bathroom Accessories - Freestanding	5	42	51	51	51	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Fire Extinguishers	13	70	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85		
Hot Water Systems	15	1,360	68	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82		
Vinyl	10	1,493	148	179	179	179	179	179	179	179	179	179	179	179	179	179	179	179	179	179	179		
Post Purchase Additions																							
Hoists	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Security System	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Air Conditioner - Split Systems	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Blinds	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Ceiling Fans	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Furniture - Freestanding	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Racks	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Lighting Plant	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Security System	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Sub Total		\$ 328	\$ 397	\$ 397	\$ 397	\$ 397	\$ 397	\$ 397	\$ 397	\$ 364	\$ 364	\$ 346	\$ 346	\$ 346	\$ 346	\$ 346	\$ 346	\$ 259	\$ 259	\$ 167	\$ 167		
2. Division 40																							
Sub Total		\$ 328	\$ 397	\$ 397	\$ 397	\$ 397	\$ 397	\$ 397	\$ 397	\$ 364	\$ 364	\$ 346	\$ 346	\$ 346	\$ 346	\$ 346	\$ 346	\$ 259	\$ 259	\$ 167	\$ 167		
3. Division 43																							
Sub Total		\$ 2,161	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621	\$ 2,621		
Annual Decline in Value - Total		\$ 2,489	\$ 3,018	\$ 3,018	\$ 3,018	\$ 3,018	\$ 3,018	\$ 3,018	\$ 3,018	\$ 2,985	\$ 2,985	\$ 2,967	\$ 2,967	\$ 2,967	\$ 2,967	\$ 2,967	\$ 2,967	\$ 2,967	\$ 2,880	\$ 2,880	\$ 2,788	\$ 2,788	

Job Number: 3405

Prime Cost Method

5 Port Stephens Street, RAYMOND TERRACE, NSW 2324

Financial Years 11-20		Financial Year	11	12	13	14	15	16	17	18	19	20	Adjustable Value @ 30-Jun-05
		Start Date	01-Jul-95	01-Jul-96	01-Jul-97	01-Jul-98	01-Jul-99	01-Jul-00	01-Jul-01	01-Jul-02	01-Jul-03	01-Jul-04	
		End Date	30-Jun-96	30-Jun-97	30-Jun-98	30-Jun-99	30-Jun-00	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	
		Decline in Value Rate											
1. Unit Specific - Depreciating Assets (Division 40)		Adjustable Value											
Bathroom Accessories - Freestanding		\$ -	0	0	0	0	0	0	0	0	0	0	0
Fire Extinguishers		\$ 584	85	85	85	85	85	85	74	0	0	0	0
Hot Water Systems		\$ 554	82	82	82	82	82	82	62	0	0	0	0
Vinyl		\$ -	0	0	0	0	0	0	0	0	0	0	0
Post Purchase Additions													
Hoists	01-Jul-00	\$ 20,000	0	0	0	0	0	1,000	1,000	1,000	1,000	1,000	15,000
Security System	01-Jul-05	\$ 2,000	0	0	0	0	0	0	0	0	0	0	2,000
Air Conditioner - Split Systems	01-Jul-06	\$ 3,500	0	0	0	0	0	0	0	0	0	0	3,500
Blinds	01-Jul-07	\$ 1,231	0	0	0	0	0	0	0	0	0	0	1,231
Ceiling Fans	01-Jul-07	\$ 620	0	0	0	0	0	0	0	0	0	0	620
Furniture - Freestanding	01-Jul-07	\$ 550	0	0	0	0	0	0	0	0	0	0	550
Racks	01-Jul-08	\$ 3,000	0	0	0	0	0	0	0	0	0	0	3,000
Lighting Plant	09-Feb-09	\$ 2,000	0	0	0	0	0	0	0	0	0	0	2,000
Security System	02-Feb-10	\$ 495	0	0	0	0	0	0	0	0	0	0	495
Sub Total		\$ 34,534	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 1,167	\$ 1,136	\$ 1,000	\$ 1,000	\$ 1,000	\$ 28,396
2. Division 40													
Sub Total		\$ 34,534	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 1,167	\$ 1,136	\$ 1,000	\$ 1,000	\$ 1,000	\$ 28,396
3. Division 43													
Sub Total		\$ 152,775	\$ 2,716	\$ 2,716	\$ 2,716	\$ 4,267	\$ 4,591	\$ 5,093	\$ 5,093	\$ 5,143	\$ 5,143	\$ 5,143	\$ 110,154
Annual Decline in Value - Total		\$ 187,309	\$ 2,883	\$ 2,883	\$ 2,883	\$ 4,434	\$ 4,758	\$ 6,260	\$ 6,229	\$ 6,143	\$ 6,143	\$ 6,143	\$ 138,550

Job Number: 3405

Prime Cost Method

5 Port Stephens Street, RAYMOND TERRACE, NSW 2324

Financial Years 21-30		Financial Year	21	22	23	24	25	26	27	28	29	30	Adjustable Value @ 30-Jun-15
		Start Date	01-Jul-05	01-Jul-06	01-Jul-07	01-Jul-08	01-Jul-09	01-Jul-10	01-Jul-11	01-Jul-12	01-Jul-13	01-Jul-14	
		End Date	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	
		Decline in Value Rate											
1. Unit Specific - Depreciating Assets (Division 40)		Adjustable Value											
Bathroom Accessories - Freestanding		\$ -	0	0	0	0	0	0	0	0	0	0	0
Fire Extinguishers		\$ -	0	0	0	0	0	0	0	0	0	0	0
Hot Water Systems		\$ -	0	0	0	0	0	0	0	0	0	0	0
Vinyl		\$ -	0	0	0	0	0	0	0	0	0	0	0
Post Purchase Additions													
Hoists	01-Jul-00	\$ 15,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	5,000
Security System	01-Jul-05	\$ 2,000	300	300	300	300	300	300	200	0	0	0	0
Air Conditioner - Split Systems	01-Jul-06	\$ 3,500	0	350	350	350	350	350	350	350	350	350	350
Blinds	01-Jul-07	\$ 1,231	0	0	123	123	123	123	123	123	123	123	247
Ceiling Fans	01-Jul-07	\$ 620	0	0	124	124	124	124	124	0	0	0	0
Furniture - Freestanding	01-Jul-07	\$ 550	0	0	41	41	41	41	41	41	41	41	222
Racks	01-Jul-08	\$ 3,000	0	0	0	600	600	600	600	600	600	600	0
Lighting Plant	09-Feb-09	\$ 2,000	0	0	0	39	100	100	100	100	100	100	1,361
Security System	02-Feb-10	\$ 495	0	0	0	0	40	99	99	99	99	99	0
Sub Total		\$ 28,396	\$ 1,300	\$ 1,650	\$ 1,938	\$ 2,577	\$ 2,678	\$ 2,737	\$ 2,637	\$ 2,313	\$ 1,713	\$ 1,673	\$ 7,180
2. Division 40													
Sub Total		\$ 28,396	\$ 1,300	\$ 1,650	\$ 1,938	\$ 2,577	\$ 2,678	\$ 2,737	\$ 2,637	\$ 2,313	\$ 1,713	\$ 1,673	\$ 7,180
3. Division 43													
Sub Total		\$ 110,154	\$ 5,163	\$ 5,438	\$ 5,438	\$ 5,446	\$ 5,446	\$ 3,285	\$ 2,825	\$ 2,825	\$ 2,825	\$ 2,825	\$ 68,637
Annual Decline in Value - Total		\$ 138,550	\$ 6,463	\$ 7,088	\$ 7,376	\$ 8,023	\$ 8,124	\$ 6,022	\$ 5,462	\$ 5,138	\$ 4,538	\$ 4,498	\$ 75,817

Division 43

Works Description	Date	Rate	Original Cost	Annual Claims
Original Works	01-September-1985	4.0%	\$ 65,515	\$ 2,621
Additional Works	01-July-1995	2.5%	\$ 3,800	\$ 95
Additional Works	01-September-1998	2.5%	\$ 75,000	\$ 1,875
Additional Works	01-July-2000	2.5%	\$ 20,106	\$ 503
Additional Works	01-July-2002	2.5%	\$ 2,000	\$ 50
Additional Works	01-July-2005	2.5%	\$ 800	\$ 20
Additional Works	01-July-2006	2.5%	\$ 11,000	\$ 275
Additional Works	01-July-2008	2.5%	\$ 300	\$ 8
Total			\$ 178,521	

Additional Information

Capital Claims has been engaged on behalf of Bernie Roberts to prepare a Capital Allowance and Tax Depreciation Report on 5 Port Stephens Street, RAYMOND TERRACE, NSW 2324.

Where actual costs for the building structure and the depreciable assets were not available these costs have been estimated using Capital Claims cost advice current to the date of the assessment. Where necessary costs have been adjusted through the application of Building Price Indices.

The report covers both Division 40 and Division 43 of ITAA97:

• **Division 43** - may also be known as the Capital Allowance and applies to the structural elements of the property that are not considered Depreciable Assets or Plant and Equipment. Capital Allowances are only claimable upon works that have commenced construction after:

- **18th July 1985** for Residential properties;
- **20th July 1982** for Non Residential properties;
- **20th July 1982** for Industrial properties;
- **22nd August 1979** for Traveller Accommodation properties.

Where the property is too old to qualify for the Capital Allowances no claim has been made.

• **Division 40** - consists of the Depreciable Assets or Plant and Equipment items, these are basically items that can be 'easily' removed from the property as opposed to 'permanently fixed'. Items that are either mechanical or electronic in nature will also be included in this element even where they are permanently fixed to the property.

The effective lives applied to the assets in this report are those set down by the Tax Commissioner in their assessment of the applicable effective life. Low Value/Cost Pooling and the immediate write off rules have been applied where appropriate to maximise the claimable benefits available to the property owners during the qualifying periods. The rates are in accordance with:

- **Income Tax Order 1217** - for assets acquired prior to 1 July 1991;
- **Income Tax Ruling IT 2685** - for assets acquired up until 1 January 2001;
- **Tax Ruling TR 2000/18** - for assets acquired up until 1 July 2006;
- **Tax Ruling TR 2006/5 and subsequent addendums** - for assets acquired since 1 July 2006.

Both the Diminishing Value Method and Prime Cost Method of depreciation have been provided within this report. Each of these methods have considered the legislation in application at the time of the acquisition of the asset and the preparation of the report. Where Low Cost Pooling has been applied the asset has been depreciated at 18.75% in the year of acquisition and 37.5% for all subsequent years.

We have assumed that the property owner is entitled to claim the available depreciation and that no schedules of depreciation exist or form conditions of the acquisition of the property.

The report is based on Capital Claims Pty Ltd interpretation of the Income Tax Assessment Act of 1997, tax cases, rulings, interpretive decisions and intentions of the Commissioner of Taxation.