



duotax
QUANTITY SURVEYORS

Property Tax Depreciation Experts.

Accountants: see schedule on pages 6 & 7

3 April, 2023

REF:250152

H Leary Super Pty Ltd ATF H Leary Super Fund

**5 Halfpenny Avenue
Byford WA 6122**

Dear Client,

Please find within this document your tax depreciation schedule for the property mentioned above. The schedule has been prepared in accordance with the Income Tax Assessment Act 1997 (ITAA97) and subsequent amendments to ensure that you receive the best possible depreciation allowances on your investment property.

This report is to be used solely by the persons addressed above for depreciation claims as it contains information that is suitable to their needs and circumstances and will become void should the title or ownership of the property be transferred. Should the particulars of this report be inaccurate, it is the responsibility of the recipient to advise our office. The depreciation schedule advises depreciation claims only and is not to be used for any other purpose.

Duo Tax have provided methodology to support calculations throughout this report primarily to assist you in understanding your assets and how they are depreciated. However, should you feel the information does not provide clarity or you may have further queries, please contact our quantity surveyor and they will endeavour to help.

Duo Tax has assumed that the property is purely used for the purposes of investment, any apportioning of private use must be done by the person using the report.

Should the issue of this document supersede any former reports issued by Duo Tax, please ensure that prior reports are no longer used.

Yours faithfully,

Duo Tax Quantity Surveyors

Duo Tax Quantity Surveyors

Members of the Australian Institute of Quantity Surveyors & Registered (Quantity Surveying) Tax Agents

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First Financial Year's Apportioned Depreciation

The first year's claim is adjusted to coincide with the day the property is available for rent (i.e. the date assets are acquired for income producing purposes) and does not represent a full year's depreciation as it has been pro-rated up to 30th June. Thus no further adjustment is required.

Division 43 Assets

Division 43 specifically addresses the building write-off component of your property. The historical construction costs include fees for preliminary items such as design fees, engineering and building approval costs. Where actual costs are not known, a quantity surveyor has estimated this amount by determining the appropriate costs for the building/structural improvement of the asset as at the date it was constructed. The percentage rate at which the building depreciates is dependent upon when construction commenced and the intended use of the building for i.e. commercial, manufacturing or residential purposes. This percentage will either be 2.5% or 4% and has been applied accordingly with respect to the information provided to us.

In some cases, the Division 43 component will not be applicable to your property if it was constructed prior to 15th September 1987 or the structural improvements made on your property occurred prior to 27th of February 1992. If this is the case, the 'Capital Works' component within the schedule on pages 8 and 9 will be purposely left blank. It is worth mentioning that the only method of depreciation for any capital works is via the prime cost method.

In cases where the property is used for other purposes such as commercial or manufacturing, the cut-off date for claims of depreciation on the construction cost (Division 43) differs that the asset owner may also claim 2.5% between 20th July 1982 through to 21st August 1984.

Jointly Held Property & Splitting of Assets

Each report is developed for the intended use for all owners of the property. The report is to be apportioned by your accountant depending on your entitlement.

Example, where the ownership is evenly split (50/50), apply 50% to the total.

Example: \$5,000 in depreciation in 2016-17 with 2 owners (50% ownership per owner)

\$5,000 x 50% = \$2,500 depreciation per owner

Owner 1's tax deduction is \$2,500

Owner 2's tax deduction is \$2,500

Limits to Second-Hand Plant and Equipment; Capital Loss

The Income Tax Assessment Act 1997 Section 40-27 states that residential property investors can no longer claim Division 40, otherwise referred to as plant and equipment, depreciation on those assets that are second-hand where the property exchanges contract after the 9th of May 2017 or is not used for a taxable purpose by the end of the 2017 financial year. Where second-hand plant and equipment is part of the purchase of a rental property, a capital loss schedule is produced by Duo Tax to show their residual values should a loss be incurred on these assets.

The plant and equipment have been valued from the date the property had been acquired and its residual value at the beginning of each Financial Year has been determined through the diminishing value and prime cost methods with the first residual value being the opening value at the report start date.

In the event that an asset within the schedule is no longer installed in the property (e.g. due to demolition or upgrading of equipment), the residual asset value may be claimed as a capital loss to offset any capital gains at present or future where applicable, or used in the calculations for capital gains if the item was sold. Duo Tax recommends you receive advice from your tax agent or accountant as this information is general knowledge and not tax advice.

DEPRECIATION SCHEDULE

Schedule Particulars

This capital works schedule has been produced by integrating the following particulars, making this document bespoke to the needs of whom the report was intended for.

Asset owner	Property Type	House
H Leary Super Pty Ltd ATF H Leary Super Fund	Property Address	5 Halfpenny Avenue Byford WA 6122
	Local Council Authority	Serpentine-Jarrahdale
	Purchase Price	\$450,000
	Settlement Date	12 April, 2023
	Year of Construction	2007
	Date of Structural Improvement	Not Applicable
	Rental Start Date	12 April, 2023
	Report Start Date	12 April, 2023
<i>Building cost of the original structure at time of completion</i>	Initial Capital Works	\$241,554
<i>Additional capital works by the owner or previous owners</i>	Capital Improvements	Not Applicable
<i>Residual value of the original structure and/or capital improvements</i>	Capital Works (Div43)	\$146,270
<i>Acquisition cost of Plant & Equipment at Settlement/OC Date</i>	Plant & Equipment (Div40) (Not eligible)	\$14,098
	Total Expenditure	\$146,270

CAPITAL WORKS SCHEDULE

Year	Financial Years			Plant & Equipment	Capital Works	Total Depreciation
1	12/04/23	-	30/06/23	\$0	\$1,324	\$1,324
2	1/07/23	-	30/06/24	\$0	\$6,038	\$6,038
3	1/07/24	-	30/06/25	\$0	\$6,038	\$6,038
4	1/07/25	-	30/06/26	\$0	\$6,038	\$6,038
5	1/07/26	-	30/06/27	\$0	\$6,038	\$6,038
6	1/07/27	-	30/06/28	\$0	\$6,038	\$6,038
7	1/07/28	-	30/06/29	\$0	\$6,038	\$6,038
8	1/07/29	-	30/06/30	\$0	\$6,038	\$6,038
9	1/07/30	-	30/06/31	\$0	\$6,038	\$6,038
10	1/07/31	-	30/06/32	\$0	\$6,038	\$6,038
11	1/07/32	-	30/06/33	\$0	\$6,038	\$6,038
12	1/07/33	-	30/06/34	\$0	\$6,038	\$6,038
13	1/07/34	-	30/06/35	\$0	\$6,038	\$6,038
14	1/07/35	-	30/06/36	\$0	\$6,038	\$6,038
15	1/07/36	-	30/06/37	\$0	\$6,038	\$6,038
16	1/07/37	-	30/06/38	\$0	\$6,038	\$6,038
17	1/07/38	-	30/06/39	\$0	\$6,038	\$6,038
18	1/07/39	-	30/06/40	\$0	\$6,038	\$6,038
19	1/07/40	-	30/06/41	\$0	\$6,038	\$6,038
20	1/07/41	-	30/06/42	\$0	\$6,038	\$6,038
21	1/07/42	-	30/06/43	\$0	\$6,038	\$6,038
22	1/07/43	-	30/06/44	\$0	\$6,038	\$6,038
23	1/07/44	-	30/06/45	\$0	\$6,038	\$6,038
24	1/07/45	-	30/06/46	\$0	\$6,038	\$6,038
25	1/07/46	-	30/06/47	\$0	\$6,038	\$6,038
26	1/07/47	-	30/06/48	\$0	\$34	\$34
27	1/07/48	-	30/06/49	\$0	\$0	\$0
Total	-	-	-	\$0	\$146,270	\$146,270

ANNEXURE 1

REF:250152

DIVISION 43 CAPITAL WORKS TABULATED CALCS"		Financial Year	Starting	Ending	Initial Capital Works	Additional Renovations	Total Div 43 Depreciation
Original Build Date 1/07/2007 Initial Construction Cost \$241,554 Schedule Start 12/04/2023 Schedule Start Cost \$146,270		1	12/04/2023	30/06/2023	1324	0	1324
		2	1/07/2023	30/06/2024	6038	0	6038
		3	1/07/2024	30/06/2025	6038	0	6038
		4	1/07/2025	30/06/2026	6038	0	6038
		5	1/07/2026	30/06/2027	6038	0	6038
		6	1/07/2027	30/06/2028	6038	0	6038
		7	1/07/2028	30/06/2029	6038	0	6038
		8	1/07/2029	30/06/2030	6038	0	6038
		9	1/07/2030	30/06/2031	6038	0	6038
		10	1/07/2031	30/06/2032	6038	0	6038
		11	1/07/2032	30/06/2033	6038	0	6038
		12	1/07/2033	30/06/2034	6038	0	6038
		13	1/07/2034	30/06/2035	6038	0	6038
		14	1/07/2035	30/06/2036	6038	0	6038
		15	1/07/2036	30/06/2037	6038	0	6038
		16	1/07/2037	30/06/2038	6038	0	6038
		17	1/07/2038	30/06/2039	6038	0	6038
		18	1/07/2039	30/06/2040	6038	0	6038
		19	1/07/2040	30/06/2041	6038	0	6038
		20	1/07/2041	30/06/2042	6038	0	6038
		21	1/07/2042	30/06/2043	6038	0	6038
		22	1/07/2043	30/06/2044	6038	0	6038
		23	1/07/2044	30/06/2045	6038	0	6038
		24	1/07/2045	30/06/2046	6038	0	6038
		25	1/07/2046	30/06/2047	6038	0	6038
		26	1/07/2047	30/06/2048	34	0	34
		27	1/07/2048	30/06/2049	0	0	0
		28	1/07/2049	30/06/2050	0	0	0
		29	1/07/2050	30/06/2051	0	0	0
		30	1/07/2051	30/06/2052	0	0	0
		31	1/07/2052	30/06/2053	0	0	0
		32	1/07/2053	30/06/2054	0	0	0
		33	1/07/2054	30/06/2055	0	0	0
		34	1/07/2055	30/06/2056	0	0	0
		35	1/07/2056	30/06/2057	0	0	0
		36	1/07/2057	30/06/2058	0	0	0
		37	1/07/2058	30/06/2059	0	0	0
		38	1/07/2059	30/06/2060	0	0	0
		39	1/07/2060	30/06/2061	0	0	0
		40	1/07/2061	30/06/2062	0	0	0
		41	1/07/2062	30/06/2063	0	0	0
Total					146270	0	146270

ANNEXURE 2

CAPITAL LOSS SCHEDULE DIMINISHING VALUE (Limits to depreciation)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Client-owned items		Acquisition Cost (\$)	Residual Value (\$)								
Air-conditioning - Packaged	4246	4246	4122	3573	3096	2683	2326	2016	1747	1514	1312
Air-conditioning - Split system	754	754	613	383	239	150	93	58	37	23	14
Alarm - Code pad	130	130	0								
Alarm - Motion sensors	192	192	0								
Antenna	118	118	0								
Bathroom accessories - Freestanding	203	203	0								
Blinds	1256	1256	1200	960	600	375	234	147	92	57	36
Cooktop - Type A	485	485	394	246	154	96	60	38	23	15	9
Flooring - Carpet	1190	1190	1125	844	527	330	206	129	80	50	31
Flooring - Timber	1883	1883	1828	1584	1373	1190	1031	894	559	349	218
Hot water system	615	615	500	312	195	122	76	48	30	19	12
Light - Sensor type	76	76	0								
Light fittings	1595	1595	1455	873	546	341	213	133	83	52	33
Oven - Type A	557	557	452	283	177	110	69	43	27	17	11
Rangehood - Type A	455	455	370	231	144	90	56	35	22	14	9
Smoke alarm	176	176	0								
Storage shelves & racks	169	169	0								
Total	14098	14098	12059	9289	7052	5488	4366	3540	2700	2109	1684

ANNEXURE 2

CAPITAL LOSS SCHEDULE DIMINISHING VALUE (Limits to depreciation)	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
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REF:250152

Client-owned items

Air-conditioning - Packaged	1137	986	616	385	241	150	94	59	37	23	14
Air-conditioning - Split system	9	6	3	2	1	0					
Alarm - Code pad											
Alarm - Motion sensors											
Antenna											
Bathroom accessories - Freestanding											
Blinds	22	14	9	5	3	2	1	0			
Cooktop - Type A	6	4	2	1	0						
Flooring - Carpet	20	12	8	5	3	2	0				
Flooring - Timber	136	85	53	33	21	13	8	5	3	2	0
Hot water system	7	5	3	2	0						
Light - Sensor type											
Light fittings	20	13	8	5	3	2	0				
Oven - Type A	7	4	3	2	0						
Rangehood - Type A	5	3	2	1	0						
Smoke alarm											
Storage shelves & racks											
Total	1370	1131	707	442	272	169	103	64	40	25	14

ANNEXURE 3

CAPITAL LOSS SCHEDULE										
PRIME COST (Limits to depreciation)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032

REF:250152

Client-owned items		Acquisition Cost (\$)	Residual Value (\$)								
Air-conditioning - Packaged	4246	4246	4184	3901	3618	3335	3052	2769	2486	2203	1920
Air-conditioning - Split system	754	754	737	662	587	511	436	360	285	210	134
Alarm - Code pad	130	130	124	98	72	46	20	0			
Alarm - Motion sensors	192	192	184	145	107	69	30	0			
Antenna	118	118	113	89	66	42	18	0			
Bathroom accessories - Freestanding	203	203	188	120	53	0					
Blinds	1256	1256	1228	1102	977	851	726	600	475	349	224
Cooktop - Type A	485	485	476	435	395	355	314	274	233	193	153
Flooring - Carpet	1190	1190	1157	1009	860	711	562	414	265	116	0
Flooring - Timber	1883	1883	1856	1730	1605	1479	1354	1228	1102	977	851
Hot water system	615	615	604	552	501	450	399	347	296	245	194
Light - Sensor type	76	76	73	57	42	27	12	0			
Light fittings	1595	1595	1525	1206	887	568	249	0			
Oven - Type A	557	557	546	500	454	407	361	314	268	222	175
Rangehood - Type A	455	455	447	409	371	333	295	257	219	181	143
Smoke alarm	176	176	170	140	111	82	52	23	0		
Storage shelves & racks	169	169	166	153	140	127	114	101	88	75	62
Total	14098	14098	13777	12311	10845	9393	7994	6688	5718	4771	3856

ANNEXURE 3

CAPITAL LOSS SCHEDULE PRIME COST (Limits to depreciation)	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
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REF:250152

Client-owned items

Air-conditioning - Packaged	1637	1353	1070	787	504	221	0				
Air-conditioning - Split system	59	0									
Alarm - Code pad											
Alarm - Motion sensors											
Antenna											
Bathroom accessories - Freestanding											
Blinds	98	0									
Cooktop - Type A	112	72	32	0							
Flooring - Carpet											
Flooring - Timber	726	600	475	349	224	98	0				
Hot water system	142	91	40	0							
Light - Sensor type											
Light fittings											
Oven - Type A	129	83	36	0							
Rangehood - Type A	105	68	30	0							
Smoke alarm											
Storage shelves & racks	49	36	23	10	0						
Total	3057	2303	1705	1147	728	319	0	0	0	0	0