

RC Group

Capital Allowance Schedule - Property Details & Notes

File No: TD6309-43
43 / 4-8 Bouvardia St, Asquith

22-Jul-17
Q&J Wealth Pty Ltd

PROPERTY DETAILS

PURCHASING PARTY	Q&J Wealth Pty Ltd
INVESTMENT PROPERTY ADDRESS	43 / 4-8 Bouvardia St, Asquith
CONTRACT EXCHANGE DATE	24-Jan-17
CONTRACT SETTLEMENT DATE	07-Jun-17
CONTRACT PURCHASE PRICE	660,000
BUILDING ALLOWANCE RATE	2.50%

NOTES & COMMENTS

- The attached decline in value allowance schedule is based on an estimate of construction costs together with a site inspection and information provided by the owner.
- The diminishing value and prime cost methods of depreciation have been provided. Consultation with your accountant is recommended to select the method of depreciation which best suits your specific tax circumstances. Annual alternation between methods is not permitted
- The attached report is solely for depreciation calculations and it is not to be used for any other purpose. All calculations used in this report are estimates only.
- All calculations presented in this report are for the current property owner and are not valid for previous or any future owners of the property.
- The first year claim is not a full year claim with values being adjusted to meet the settlement date.
- This report is in accordance with the Income Tax and Assessment Act 1997 with specific reference to the following:

General Capital Allowances - *Income Tax Assessment Act (ITAA) 1997* Division 40
Capital Works - *Income Tax Assessment Act (ITAA) 1997* Division 43

- The costs of the included assets is based on the purchase price to the taxpayer which includes delivery costs, installation costs and the cost of bringing the asset into full operation.
- This firm does not accept liability for a third party acting on or using the information contained within this report.

Should you require further information please contact this office.

RC Group

RC Group PO Box 219 Brighton le Sands NSW 2216 Ph 02 9356 3011 Fax 02 8569 0355

CAPITAL EXPENDITURE ANALYSIS

ITEM	AMOUNT (\$)
Qualifying Capital Expenditure <i>Including On-Costs</i>	360,633
Depreciable Assets <i>Including On-Costs</i>	32,726
Non-eligible Depreciation Items	7,748
Structural Improvements <i>Including On-Costs</i>	1,587
Construction Cost Total	402,694

NOTES ON CAPITAL EXPENDITURE ANALYSIS

● **Qualifying Capital Expenditure** covers for item which are not classed as depreciating assets and generally applies to structural elements and components. This cost is the actual cost at the time of construction and including delivery and installation costs where the property has been newly constructed. Rates of depreciation for qualifying capital expenditure may be either 2.5% or 4.0% based on the year the building was initially constructed.

● **Depreciable Assets** are items which are generally in accordance with the Commissioner of Taxation's effective life table and taxation rulings. The cost of the assets are based on the purchase price to the taxpayer at the date of acquisition and includes for delivery and installation costs where the property has been newly constructed. The rates of depreciation of assets are based on effective life or accelerated rates. This is based on when the purchaser first entered into a contract to purchase the property. In certain circumstances effective life may be re-estimated subject to the state and condition of the particular asset.

● **Non-eligible Items** are items which do not qualify for depreciation and generally include items such as soft landscaping, demolition and builder's margin on certain building works.

● **Structural Improvements** is a class which covers for items that enhance the value of the property and includes for items such as roadworks, external retaining works, site fencing, and certain hard landscaping works. The rate of depreciation of structural improvements is 2.5%

● **Construction Total Cost** is the addition of all the above items including delivery and installation costs on newly constructed property. The total construction cost is exclusive of land and any land related costs.

Annual Allowances

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22-Jul-17
Q&J Wealth Pty Ltd

Financial Year	Depreciation on Assets	Depreciation on Building	Structural Improvements	Total Annual Depreciation Allowance
2016/2017	2,293	593	3	2,888
2017/2018	6,733	9,016	40	15,789
2018/2019	4,879 ✓	9,016 ✓	40 ✓	13,934
2019/2020	3,608	9,016	40	12,663
2020/2021	2,722	9,016	40	11,777
2021/2022	2,092	9,016	40	11,148
2022/2023	1,637	9,016	40	10,693
2023/2024	1,302	9,016	40	10,357
2024/2025	1,050	9,016	40	10,106
2025/2026	858	9,016	40	9,913
2026/2027	709	9,016	40	9,764
2027/2028	591	9,016	40	9,647
2028/2029	498	9,016	40	9,553
2029/2030	423	9,016	40	9,478
2030/2031	361	9,016	40	9,417
2031/2032	311	9,016	40	9,366
2032/2033	269	9,016	40	9,325
2033/2034	234	9,016	40	9,290
2034/2035	205	9,016	40	9,261
2035/2036	181	9,016	40	9,236
2036/2037	160	9,016	40	9,215
2037/2038	142	9,016	40	9,197
2038/2039	126	9,016	40	9,182
2039/2040	113	9,016	40	9,169
2040/2041	102	9,016	40	9,157
2041/2042	92	9,016	40	9,147
2042/2043	83	9,016	40	9,138
2043/2044	75	9,016	40	9,130
2044/2045	68	9,016	40	9,124
2045/2046	62	9,016	40	9,118
2046/2047	57	9,016	40	9,112
2047/2048	52	9,016	40	9,107
2048/2049	48	9,016	40	9,103
2049/2050	44	9,016	40	9,099
2050/2051	40	9,016	40	9,096
2051/2052	37	9,016	40	9,092
2052/2053	34	9,016	40	9,089
2053/2054	31	9,016	40	9,087
2054/2055	29	9,016	40	9,084
2055/2056	27	9,016	40	9,082
2056/2057	24	8,423	37	8,484

Diminishing Value Method