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capital allowance & tax depreciation report

Unit 2 / 237-239 Riverside Boulevard,

DOUGLAS, QLD 4814

1300 922 220

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30-June-2015

Bellrus Borrowing Pty Ltd ATF Bare Trust Superannuation
30 Eumina Street
CAMERON PARK, NSW 2285

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Dear Steve ,

Re: Unit 2 / 237-239 Riverside Boulevard, DOUGLAS, QLD 4814

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 1300 922 220.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'Mark Wilkins', is written over a light blue horizontal line.

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.

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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:	Bellrus Borrowing Pty Ltd ATF Bare Trust Superannuation
Property Address:	Unit 2 / 237-239 Riverside Boulevard, DOUGLAS, QLD 4814
Settlement Date:	01-June-2015
Purchase Price:	\$309,000
Days in First Year:	28
Property Type:	Residential
Schedule Start Date:	02-June-2015
Construction Cost @ Schedule Preparation Date:	\$162,682

Schedule of Information

Written and Verbal Information Provided by:	Bellrus Borrowing Pty Ltd ATF Bare Trust Superannuation
Written Information Provided by:	Department of Lands
Strata Plans provided by:	Espreon
Verbal Information Provided by:	Townsville City Council

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;

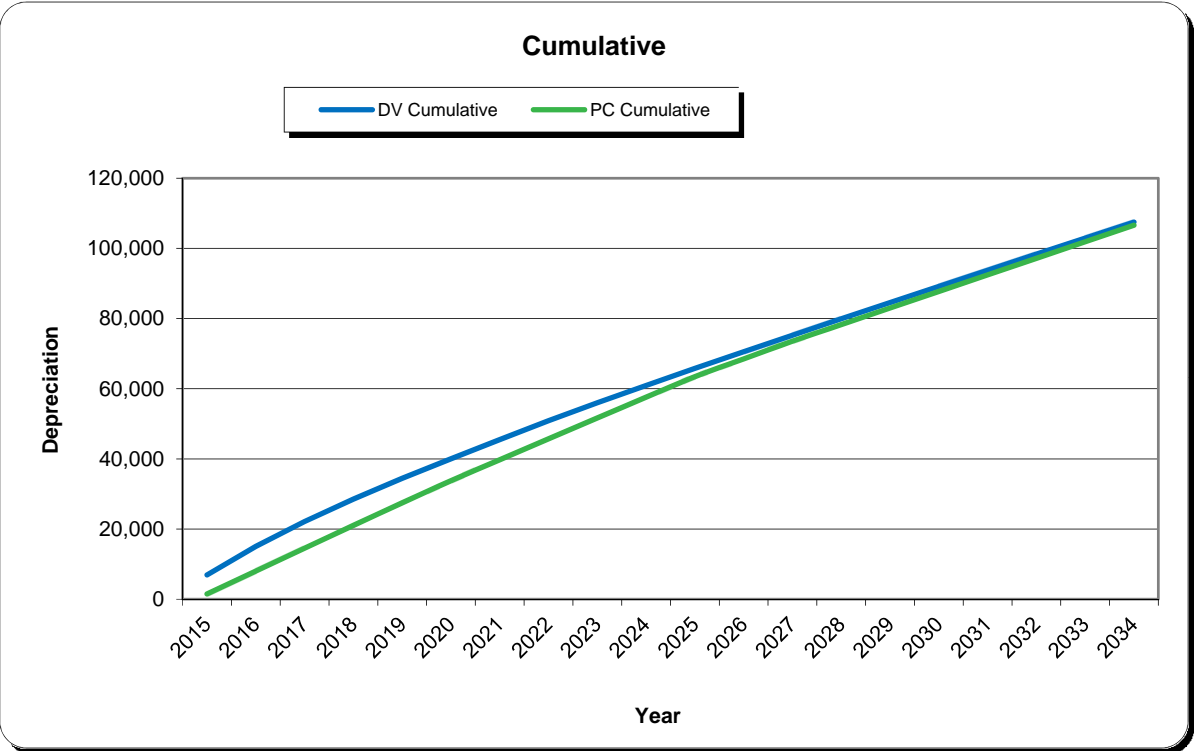
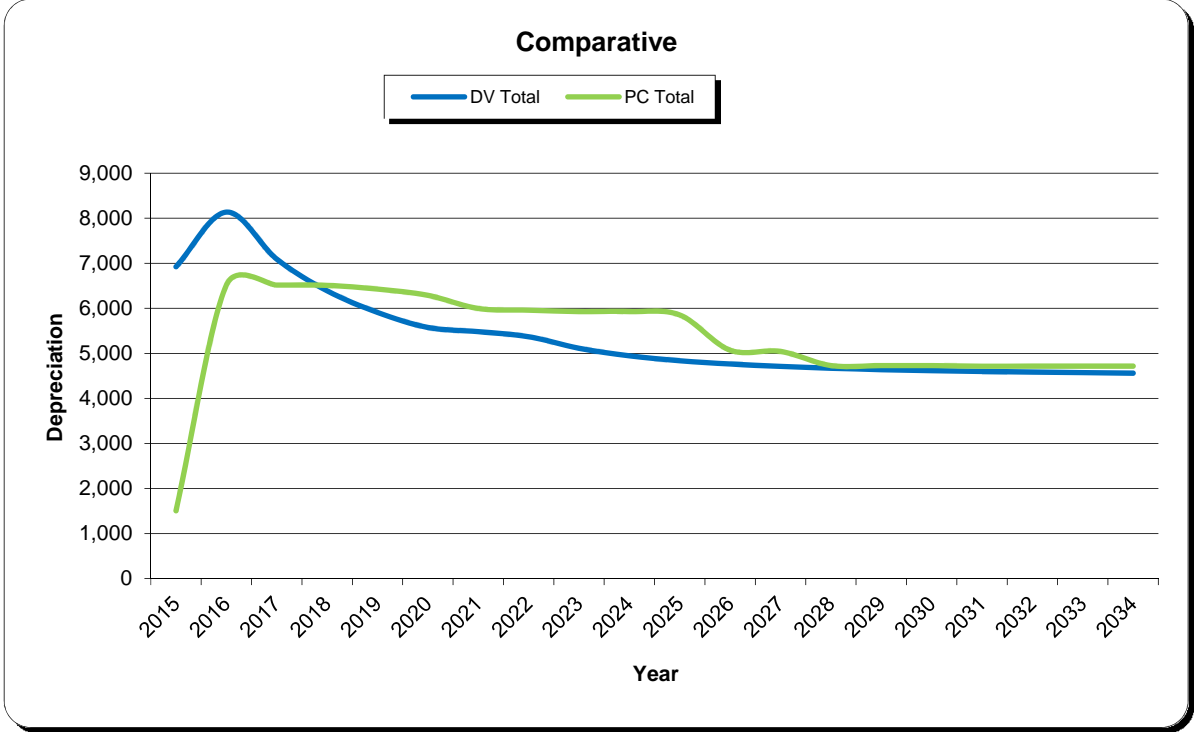
For a further detailed understanding of the legislation applied within this report please refer to the section titled "Additional Information" on page 11 of this report. Here you will find the references, interpretations, assumptions and rulings applied in preparing this report. If you have any further 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-Jun-15	30-Jun-15	5,295	1,291	339	6,925	1,168	339	1,507
2	01-Jul-15	30-Jun-16	1,626	2,095	4,415	8,136	2,101	4,415	6,516
3	01-Jul-16	30-Jun-17	1,368	1,310	4,415	7,093	2,101	4,415	6,516
4	01-Jul-17	30-Jun-18	1,156	819	4,415	6,390	2,095	4,415	6,510
5	01-Jul-18	30-Jun-19	984	511	4,415	5,910	2,013	4,415	6,427
6	01-Jul-19	30-Jun-20	842	319	4,415	5,576	1,874	4,415	6,288
7	01-Jul-20	30-Jun-21	558	510	4,415	5,483	1,582	4,415	5,997
8	01-Jul-21	30-Jun-22	332	624	4,415	5,371	1,545	4,415	5,960
9	01-Jul-22	30-Jun-23	309	390	4,415	5,114	1,514	4,415	5,929
10	01-Jul-23	30-Jun-24	289	243	4,415	4,947	1,514	4,415	5,929
11	01-Jul-24	30-Jun-25	270	152	4,415	4,837	1,438	4,415	5,853
12	01-Jul-25	30-Jun-26	252	97	4,415	4,764	656	4,415	5,071
13	01-Jul-26	30-Jun-27	235	61	4,415	4,711	629	4,415	5,044
14	01-Jul-27	30-Jun-28	219	37	4,415	4,671	315	4,415	4,730
15	01-Jul-28	30-Jun-29	204	20	4,415	4,639	315	4,415	4,730
16	01-Jul-29	30-Jun-30	191	12	4,415	4,618	314	4,415	4,729
17	01-Jul-30	30-Jun-31	178	7	4,415	4,600	302	4,415	4,716
18	01-Jul-31	30-Jun-32	166	5	4,415	4,586	302	4,415	4,716
19	01-Jul-32	30-Jun-33	155	3	4,415	4,573	302	4,415	4,716
20	01-Jul-33	30-Jun-34	145	1	4,415	4,561	302	4,415	4,716
21	01-Jul-34	30-Jun-35	135	1	4,415	4,551	300	4,415	4,714
22	01-Jul-35	30-Jun-36	126	0	4,415	4,541	280	4,415	4,695
23	01-Jul-36	30-Jun-37	118	0	4,415	4,533	280	4,415	4,695
24	01-Jul-37	30-Jun-38	110	0	4,415	4,525	280	4,415	4,695
25	01-Jul-38	30-Jun-39	103	0	4,415	4,518	280	4,415	4,695
26	01-Jul-39	30-Jun-40	96	0	4,415	4,511	278	4,415	4,693
27	01-Jul-40	30-Jun-41	89	0	4,415	4,504	252	4,415	4,667
28	01-Jul-41	30-Jun-42	83	0	4,415	4,498	252	4,415	4,667
29	01-Jul-42	30-Jun-43	78	0	4,415	4,493	252	4,415	4,667
30	01-Jul-43	30-Jun-44	73	0	4,415	4,488	252	4,415	4,667
31	01-Jul-44	30-Jun-45	68	0	4,415	4,483	232	4,415	4,647
32	01-Jul-45	30-Jun-46	0	356	4,415	4,771	0	4,415	4,415
33	01-Jul-46	30-Jun-47	0	222	169	391	0	169	169
34	01-Jul-47	30-Jun-48	0	139	0	139	0	0	0
35	01-Jul-48	30-Jun-49	0	87	0	87	0	0	0
36	01-Jul-49	30-Jun-50	0	54	0	54	0	0	0
37	01-Jul-50	30-Jun-51	0	34	0	34	0	0	0
38	01-Jul-51	30-Jun-52	0	21	0	21	0	0	0
39	01-Jul-52	30-Jun-53	0	13	0	13	0	0	0
40	01-Jul-53	30-Jun-54	0	9	0	9	0	0	0
41	01-Jul-54	30-Jun-55	0	0	0	0	0	0	0
Total			\$ 15,853	\$ 9,443	\$ 137,362	\$ 162,658	\$ 25,320	\$ 137,362	\$ 162,682



Graphical Representation





Diminishing Value Method

Unit 2 / 237-239 Riverside Boulevard, DOUGLAS, QLD 4814

Financial Years 1 -10			Financial Year	1	2	3	4	5	6	7	8	9	10	Adjustable Value @ 30-Jun-24
			Start Date	02-Jun-15	01-Jul-15	01-Jul-16	01-Jul-17	01-Jul-18	01-Jul-19	01-Jul-20	01-Jul-21	01-Jul-22	01-Jul-23	
			End Date	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24	
1. Unit Specific - Depreciating Assets (Division 40)	Adjustable Value	Effective Life (yrs)	Decline in Value Rate											
Air Conditioner - Split Systems	\$ 2,566	10	20.0%	41	505	404	323	259	207	0	0	0	0	126
Bathroom Accessories - Freestanding	\$ 222	5	100.0%	222	0	0	0	0	0	0	0	0	0	0
Carpet	\$ 3,147	10	20.0%	50	619	496	396	317	254	203	0	0	0	199
Chattels	\$ 1,000	1	100.0%	1,000	0	0	0	0	0	0	0	0	0	0
Door Closers	\$ 252	10	100.0%	252	0	0	0	0	0	0	0	0	0	0
Exhaust Fans	\$ 267	10	100.0%	267	0	0	0	0	0	0	0	0	0	0
Light Shades	\$ 756	5	37.5%	0	0	0	0	0	0	0	0	0	0	9
Smoke Alarms	\$ 227	6	100.0%	227	0	0	0	0	0	0	0	0	0	0
Sub Total	\$ 8,437			\$ 2,059	\$ 1,124	\$ 900	\$ 719	\$ 576	\$ 461	\$ 203	\$ -	\$ -	\$ -	\$ 334
2. Common Property - Depreciating Assets (Division 40)														
Automatic Gate - Motor	\$ 227	10	100.0%	227	0	0	0	0	0	0	0	0	0	0
Carpet	\$ 270	10	100.0%	270	0	0	0	0	0	0	0	0	0	0
Closed Circuit Television - Cameras & Monitors	\$ 258	4	100.0%	258	0	0	0	0	0	0	0	0	0	0
Closed Circuit Television - Digital Recorders	\$ 246	4	100.0%	246	0	0	0	0	0	0	0	0	0	0
Closed Circuit Television - Switching Units	\$ 252	5	100.0%	252	0	0	0	0	0	0	0	0	0	0
Door Closers	\$ 101	10	100.0%	101	0	0	0	0	0	0	0	0	0	0
Emergency Warning & Intercommunication Systems	\$ 917	12	37.5%	0	0	0	0	0	0	0	0	0	0	11
Fire Alarm Bells	\$ 630	12	37.5%	0	0	0	0	0	0	0	0	0	0	7
Fire Booster Pumps	\$ 693	25	37.5%	0	0	0	0	0	0	0	0	0	0	8
Fire Detection Alarms	\$ 229	20	100.0%	229	0	0	0	0	0	0	0	0	0	0
Fire Extinguishers	\$ 202	15	100.0%	202	0	0	0	0	0	0	0	0	0	0
Fire Hoses & Nozzles	\$ 241	10	100.0%	241	0	0	0	0	0	0	0	0	0	0
Fire Indicator Panels	\$ 930	12	37.5%	0	0	0	0	0	0	0	0	0	0	11
Garbage Bins	\$ 161	10	100.0%	161	0	0	0	0	0	0	0	0	0	0
Hot Water Systems	\$ 1,614	12	37.5%	0	0	0	0	0	0	0	0	0	0	19
Intercom System Assets	\$ 835	10	37.5%	0	0	0	0	0	0	0	0	0	0	10
Lifts	\$ 7,564	30	6.7%	40	502	468	437	408	381	355	332	309	289	4,043
Light Shades	\$ 224	5	100.0%	224	0	0	0	0	0	0	0	0	0	0
MATV System	\$ 504	10	37.5%	0	0	0	0	0	0	0	0	0	0	6
Pumps	\$ 101	5	100.0%	101	0	0	0	0	0	0	0	0	0	0
Security Monitoring Proximity Readers	\$ 240	7	100.0%	240	0	0	0	0	0	0	0	0	0	0
Security Monitoring Swipe Card	\$ 236	3	100.0%	236	0	0	0	0	0	0	0	0	0	0
Ventilation Fans	\$ 208	20	100.0%	208	0	0	0	0	0	0	0	0	0	0
Sub Total	\$ 16,883			\$ 3,236	\$ 502	\$ 468	\$ 437	\$ 408	\$ 381	\$ 355	\$ 332	\$ 309	\$ 289	\$ 4,115
3. Low Cost & Low Value Pool														
Sub Total			37.5%	\$ 1,291	\$ 2,095	\$ 1,310	\$ 819	\$ 511	\$ 319	\$ 510	\$ 624	\$ 390	\$ 243	
4. Division 40														
Sub Total	\$ 25,320			\$ 6,586	\$ 3,721	\$ 2,678	\$ 1,975	\$ 1,495	\$ 1,161	\$ 1,068	\$ 956	\$ 699	\$ 532	\$ 334
5. Division 43														
Sub Total	\$ 137,362			\$ 339	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 97,292
Annual Decline in Value - Total	\$ 162,682			\$ 6,925	\$ 8,136	\$ 7,093	\$ 6,390	\$ 5,910	\$ 5,576	\$ 5,483	\$ 5,371	\$ 5,114	\$ 4,947	\$ 101,741



Low Cost and Low Value Pooling

Unit 2 / 237-239 Riverside Boulevard, DOUGLAS, QLD 4814

Financial Years 1 -10		Financial Year	1	2	3	4	5	6	7	8	9	10	Adjustable Value	
		Start Date	02-Jun-15	01-Jul-15	01-Jul-16	01-Jul-17	01-Jul-18	01-Jul-19	01-Jul-20	01-Jul-21	01-Jul-22	01-Jul-23		@
		End Date	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24		30-Jun-24
1. Unit Specific - Depreciating Assets (Division 40)		Adjustable Value	Decline in Value Rate											
Air Conditioner - Split Systems	\$ 827	37.5%	0	0	0	0	0	0	310	194	121	76	126	
Bathroom Accessories - Freestanding	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Carpet	\$ 812	37.5%	0	0	0	0	0	0	0	304	190	119	199	
Chattels	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Door Closers	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Exhaust Fans	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Light Shades	\$ 756	37.5%	142	230	144	90	56	35	22	14	9	5	9	
Smoke Alarms	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Sub Total		\$ 2,395	\$ 142	\$ 230	\$ 144	\$ 90	\$ 56	\$ 35	\$ 332	\$ 512	\$ 320	\$ 200	\$ 334	
2. Common Property - Depreciating Assets (Division 40)														
Automatic Gate - Motor	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Carpet	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Closed Circuit Television - Cameras & Monitors	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Closed Circuit Television - Digital Recorders	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Closed Circuit Television - Switching Units	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Door Closers	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Emergency Warning & Intercommunication Systems	\$ 917	37.5%	172	279	175	109	68	43	27	17	10	6	11	
Fire Alarm Bells	\$ 630	37.5%	118	192	120	75	47	29	18	12	7	5	7	
Fire Booster Pumps	\$ 693	37.5%	130	211	132	83	51	32	20	13	8	5	8	
Fire Detection Alarms	\$ -	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	
Fire Hoses & Nozzles	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Fire Indicator Panels	\$ 930	37.5%	174	284	177	111	69	43	27	17	11	6	11	
Garbage Bins	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Hot Water Systems	\$ 1,614	37.5%	303	492	307	192	120	75	47	29	18	12	19	
Intercom System Assets	\$ 835	37.5%	157	254	159	99	62	39	24	15	10	6	10	
Lifts	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Light Shades	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
MATV System	\$ 504	37.5%	95	153	96	60	38	23	15	9	6	3	6	
Pumps	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Security Monitoring Proximity Readers	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Security Monitoring Swipe Card	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Ventilation Fans	\$ -	0.0%	0	0	0	0	0	0	0	0	0	0	0	
Sub Total		\$ 6,123	\$ 1,149	\$ 1,865	\$ 1,166	\$ 729	\$ 455	\$ 284	\$ 178	\$ 112	\$ 70	\$ 43	\$ 72	
Annual Decline in Value - Total			\$ 1,291	\$ 2,095	\$ 1,310	\$ 819	\$ 511	\$ 319	\$ 510	\$ 624	\$ 390	\$ 243		



Prime Cost Method

Unit 2 / 237-239 Riverside Boulevard, DOUGLAS, QLD 4814

Financial Years 1 -10				Financial Year	1	2	3	4	5	6	7	8	9	10	Adjustable Value @ 30-Jun-24
				Start Date	02-Jun-15	01-Jul-15	01-Jul-16	01-Jul-17	01-Jul-18	01-Jul-19	01-Jul-20	01-Jul-21	01-Jul-22	01-Jul-23	
				End Date	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24	
1. Unit Specific - Depreciating Assets (Division 40)	Adjustable Value	Effective Life (yrs)	Decline in Value Rate												
Air Conditioner - Split Systems	\$ 2,566	10	10.0%	20	257	257	257	257	257	257	257	257	257	257	233
Bathroom Accessories - Freestanding	\$ 222	5	20.0%	4	44	44	44	44	44	42	0	0	0	0	0
Carpet	\$ 3,147	10	10.0%	25	315	315	315	315	315	315	315	315	315	315	287
Chattels	\$ 1,000	1	100.0%	1,000	0	0	0	0	0	0	0	0	0	0	0
Door Closers	\$ 252	10	10.0%	2	25	25	25	25	25	25	25	25	25	25	25
Exhaust Fans	\$ 267	10	10.0%	2	27	27	27	27	27	27	27	27	27	27	22
Light Shades	\$ 756	5	20.0%	12	151	151	151	151	151	140	0	0	0	0	0
Smoke Alarms	\$ 227	6	16.7%	3	38	38	38	38	38	38	34	0	0	0	0
Sub Total	\$ 8,437			\$ 1,068	\$ 857	\$ 857	\$ 857	\$ 857	\$ 857	\$ 844	\$ 658	\$ 624	\$ 624	\$ 624	\$ 567
2. Common Property - Depreciating Assets (Division 40)															
Automatic Gate - Motor	\$ 227	10	10.0%	2	23	23	23	23	23	23	23	23	23	23	21
Carpet	\$ 270	10	10.0%	2	27	27	27	27	27	27	27	27	27	27	25
Closed Circuit Television - Cameras & Monitors	\$ 258	4	25.0%	5	65	65	65	65	60	0	0	0	0	0	0
Closed Circuit Television - Digital Recorders	\$ 246	4	25.0%	5	62	62	62	62	57	0	0	0	0	0	0
Closed Circuit Television - Switching Units	\$ 252	5	20.0%	4	50	50	50	50	50	46	0	0	0	0	0
Door Closers	\$ 101	10	10.0%	1	10	10	10	10	10	10	10	10	10	10	9
Emergency Warning & Intercommunication Systems	\$ 917	12	8.3%	6	76	76	76	76	76	76	76	76	76	76	223
Fire Alarm Bells	\$ 630	12	8.3%	4	53	53	53	53	53	53	53	53	53	53	154
Fire Booster Pumps	\$ 693	25	4.0%	2	28	28	28	28	28	28	28	28	28	28	442
Fire Detection Alarms	\$ 229	20	5.0%	1	11	11	11	11	11	11	11	11	11	11	125
Fire Extinguishers	\$ 202	15	6.7%	1	13	13	13	13	13	13	13	13	13	13	80
Fire Hoses & Nozzles	\$ 241	10	10.0%	2	24	24	24	24	24	24	24	24	24	24	22
Fire Indicator Panels	\$ 930	12	8.3%	6	78	78	78	78	78	78	78	78	78	78	227
Garbage Bins	\$ 161	10	10.0%	1	16	16	16	16	16	16	16	16	16	16	15
Hot Water Systems	\$ 1,614	12	8.3%	11	135	135	135	135	135	135	135	135	135	135	393
Intercom System Assets	\$ 835	10	10.0%	7	84	84	84	84	84	84	84	84	84	84	77
Lifts	\$ 7,564	30	3.3%	20	252	252	252	252	252	252	252	252	252	252	5,275
Light Shades	\$ 224	5	20.0%	4	45	45	45	45	45	41	0	0	0	0	0
MATV System	\$ 504	10	10.0%	4	50	50	50	50	50	50	50	50	50	50	46
Pumps	\$ 101	5	20.0%	2	20	20	20	20	20	18	0	0	0	0	0
Security Monitoring Proximity Readers	\$ 240	7	14.3%	3	34	34	34	34	34	34	31	0	0	0	0
Security Monitoring Swipe Card	\$ 236	3	33.3%	6	79	79	73	0	0	0	0	0	0	0	0
Ventilation Fans	\$ 208	20	5.0%	1	10	10	10	10	10	10	10	10	10	10	113
Sub Total	\$ 16,883			\$ 100	\$ 1,244	\$ 1,244	\$ 1,238	\$ 1,156	\$ 1,030	\$ 924	\$ 921	\$ 890	\$ 890	\$ 890	\$ 7,245
3. Division 40															
Sub Total	\$ 25,320			\$ 1,168	\$ 2,101	\$ 2,101	\$ 2,095	\$ 2,013	\$ 1,874	\$ 1,582	\$ 1,545	\$ 1,514	\$ 1,514	\$ 1,514	\$ 7,812
4. Division 43															
Sub Total	\$ 137,362			\$ 339	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 4,415	\$ 97,292
Annual Decline in Value - Total	\$ 162,682			\$ 1,507	\$ 6,516	\$ 6,516	\$ 6,510	\$ 6,427	\$ 6,288	\$ 5,997	\$ 5,960	\$ 5,929	\$ 5,929	\$ 5,929	\$ 105,104

Division 43

Works Description	Date	Rate	Original Cost	Annual Claims
Original Works	15-July-2006	2.5%	\$ 176,586	\$ 4,415
		Total	\$ 176,586	

Additional Information

Capital Claims has been engaged on behalf of Bellrus Borrowing Pty Ltd ATF Bare Trust Superannuation to prepare a Capital Allowance and Tax Depreciation Report on Unit 2 / 237-239 Riverside Boulevard, DOUGLAS, QLD 4814.

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.