



1 September 2014

Robert Jennings
Chief Executive Officer
Shire of Nannup
PO Box 11
NANNUP WA 6275

Sent via email: robert.jennings@nannup.wa.gov.au

Dear Robert

RE: ECONOMIC ANALYSIS DATA FOR THE SHIRE OF NANNUP – AEC PROPOSAL

AEC Group Pty Ltd (AEC) is pleased to provide a quote to prepare an economic profile of the Shire of Nannup.

UNDERSTANDING OF NEEDS

The Shire of Nannup (Shire) requires an economic profile for the Shire economy to further develop existing business cases and to provide a contextual basis for future developments in the Shire, notably:

This economic profile will include:

- Size and structure of the Nannup economy (contribution to Gross Regional Product (GRP))
- Population size and growth
- Labour market and employment
- Key Industries and businesses
- Property market characteristics
- Economic opportunities.

The information contained in the economic profile is to be used to inform a variety of business cases and projects, as well as to underpin the Shire's capacity to effectively manage growth.

The Shire is seeking to appoint a suitably qualified and experienced consultant to prepare the economic profile and undertake further work on existing business plans.



Economics, Planning & Development

Business Strategy & Finance

Community Research & Strategy

Design, Marketing & Advertising

Information & Knowledge Management

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METHODOLOGY

The following table sets out the methodology we propose to follow in preparing the business plan. We welcome the opportunity to further tailor the methodology to ensure it meets the needs of the Shire.

Project Stage	Tasks	Deliverables
1. Project Start-up		
1A. Project Inception Meeting	<ul style="list-style-type: none"> • Teleconference with the Shire of Nannup following award of contract to: <ul style="list-style-type: none"> ◦ Review the project background and objectives ◦ Confirm the scope of works and proposed methodology ◦ Confirm the project delivery time and key milestones ◦ Clarify the project administration arrangements ◦ Review the socio-economic profile 	Inception Report
2. Economic Profiling and Background Research		
2A. Literature Review and Data Collation	<ul style="list-style-type: none"> • Collect and review all relevant strategic and economic development reports relating to the Shire • Review regional, State and national trends and influencing factors of relevance to and affecting the Shire (e.g. commodity prices, tourism, timber industry, environmental trends, social trends (ageing population) etc.) • Identify and collate relevant data for developing the economic profile, including: <ul style="list-style-type: none"> ◦ Western Australian State Accounts ◦ ABS Labour Force Survey Data ◦ ABS Census data ◦ ABS Non-residential building approvals ◦ ABS agricultural statistics ◦ ABS tourism data ◦ Property market data • Review any existing economic development plans for the Shire • Review of regulatory frameworks and any associated regulatory constraints 	<p>Preliminary identification of the strengths, weaknesses, opportunities and threats facing the Shire</p> <p>Collation of relevant data for developing the economic profile</p> <p>Review of existing economic development plans and other relevant reports for the Shire</p>
2B. Desktop Profiling	<ul style="list-style-type: none"> • Develop an economic profile for the Shire based on a desktop analysis of data collated during the literature review, including but not limited to: <ul style="list-style-type: none"> ◦ The size and structure of the Nannup economy (using estimates of Gross Regional Product (GRP)) ◦ Population size and growth (historic and projected) <ul style="list-style-type: none"> ▪ Labour market and employment characteristics, including: <ul style="list-style-type: none"> ▪ Labour force participation ▪ Employment: employment structure (place of work/ place of residence), unemployment and average income ▪ Skills: employment by occupation, employment conditions, skills shortages ▪ Employment mapping: assessment of worker flows from/ to the Shire ◦ Analysis of the number, size and types of businesses ◦ Profile and description of key industries in the region, including contribution to GRP and employment and those sectors which have a regional competitive advantage ◦ Property market characteristics: residential and non-residential building approvals, house, unit/ townhouse and land sales and values, and Industrial/ commercial land availability, sales and values 	Economic profile of the Shire based on desktop literature review and analysis
2C. Consultation	<ul style="list-style-type: none"> • Undertake consultation with key Shire personnel, and industry and business stakeholders to refine and validate the economic profile. This consultation will take the form of face-to-face interviews and a workshop with key stakeholders in Nannup 	Economic profile for the Shire
2D. Reporting	<ul style="list-style-type: none"> • Preparation of a draft economic profile for review and comment by the Shire • Preparation of a final economic profile taking into account comments on the draft economic profile 	<p>Draft Economic Profile</p> <p>Final Economic Profile</p>

3. Existing Business Plan		
3A. WAEMI Desktop Review	<ul style="list-style-type: none"> A desktop review of the existing business plan to confirm content and identify gaps. Factors to be considered include: <ul style="list-style-type: none"> Existing emergency management training Level and nature of demand for emergency management training services Current and future supply in WA/ Australia (competitive facilities) Price points for training and facilities use Examples of best practice at similar facilities Potential partners, including universities, training organisations etc. This assessment will inform the consultation in the next stage of the project 	Identification of gaps in the existing business plan
3B. Scope and Nature of WAEMI	<ul style="list-style-type: none"> Develop a detailed framework for the business plan to provide a context for the consultation and workshop. Issues to be identified include: <ul style="list-style-type: none"> Vision and mission Potential partners Governance and management Staffing (permanent and contract) Annual course program and other events Timing of courses and events Likely demand and target markets Likely capital and operating costs Fees and charges for courses and events Funding strategies 	Context for consultation and workshop
3C. Consultation	<ul style="list-style-type: none"> The aim of the consultation is to: <ul style="list-style-type: none"> Obtain a clear understanding of stakeholder views and requirements for the proposed WAEMI Identify opportunities, threats, strengths and weaknesses Confirm key concepts underpinning the proposed WAEMI Explore opportunities for partnerships with universities, other tertiary institutions, private training organisations and others Identify and collate key inputs into the business plan In consultation with the Shire of Nannup, identify key stakeholders to be consulted. These may include (but not be limited to): <ul style="list-style-type: none"> Shire of Nannup Universities (WA and other states) Other tertiary institutions (e.g. Institutes of Technology) Private training providers (WA and other states) DFES/ SES WALGA DPeW South West Development Commission (SWDC) Develop a consultation guide, including a list of questions and points of discussion to be covered during consultation Arrange face-to-face or telephone meetings with stakeholders Undertake consultation with stakeholders 	Consultation Summary of the findings of the consultation

3D. Workshop	<ul style="list-style-type: none"> Facilitate a workshop to be held in Nannup with the Shire of Nannup and key stakeholders to discuss and agree the scope and nature of the WAEMI, including: <ul style="list-style-type: none"> Vision and mission Potential partners Governance and management Staffing (permanent and contract) Annual course program and other events Timing of courses and events Likely demand and target markets Likely capital and operating costs Fees and charges for courses and events Funding strategies A workshop agenda with background materials will be circulated to workshop participants prior to the workshop <i>This workshop will be held in conjunction with the economic profile workshop discussed above</i> 	
3E. Demand Profile	<ul style="list-style-type: none"> Use the workshop outcomes to develop an annual program of courses and events Circulate the program to the Shire of Nannup and key stakeholders for comments and finalise an agreed program 	Agreed annual course and events program
3F. Capital and Operating Cost Estimates	<ul style="list-style-type: none"> Estimate the capital (and life cycle) costs of the WAEMI Estimate the fixed costs of the WAEMI based on established benchmarks and other known costs, including: <ul style="list-style-type: none"> Rates Utilities Staff costs Marketing Estimate course costs, including: <ul style="list-style-type: none"> One-off advertising and marketing Insurance Transport Materials Cost estimates (capital, operating and life cycle). AEC will use existing cost estimates where available. Otherwise, we will develop cost estimates from first principles 	Robust cost estimate for the WAEMI
3G. Pricing Strategy and Revenue Estimates	<ul style="list-style-type: none"> Identify course pricing options (short and long courses) Compare to pricing structures at similar facilities (where available) Review and discuss the impact of pricing on the likely demand for courses Identify the preferred pricing approach for each type of course Outline an anticipated demand profile, and revenues, with a high and low estimate 	Easy to implement pricing strategy aligned to market expectations and revenue requirements
3H. Financial Model	<ul style="list-style-type: none"> Develop a 10 year cash flow model of the WAEMI and populate with: <ul style="list-style-type: none"> Capital cost estimates (including life cycle costs) Agreed demand profiles for course and events Operating costs Revenues Develop cash flow projections Evaluate the feasibility of the proposed WAEMI based on likely net present value and internal rate of return Undertake sensitivity analysis to assess the impact of changes in key variables on the overall financial outcome 	Robust and transparent assessment of the likely financial outcomes for the WAEMI

31. Business Plan	<ul style="list-style-type: none"> • Develop a Five-year Business Plan, including: <ul style="list-style-type: none"> ◦ Executive summary ◦ Vision and mission statements ◦ SWOT analysis ◦ Economic impact analysis ◦ Courses and events – short and long-term ◦ Governance, staffing and management ◦ Implementation/ Action plan: a realistic and achievable five year implementation plan, including objectives, timeframe and performance indicators ◦ Financial plan: based on the implementation/ action plan, including all costs (including life cycle costs) and revenues (and pricing structure) as well as a risk assessment (risks and risk mitigation strategies) ◦ Performance monitoring and reporting • Submit draft business plan to Shire of Nannup for review • Incorporate feedback and develop final business plan • Submit final business plan to Shire of Nannup 	<p>Draft Business Plan</p> <p>Final Business Plan</p>
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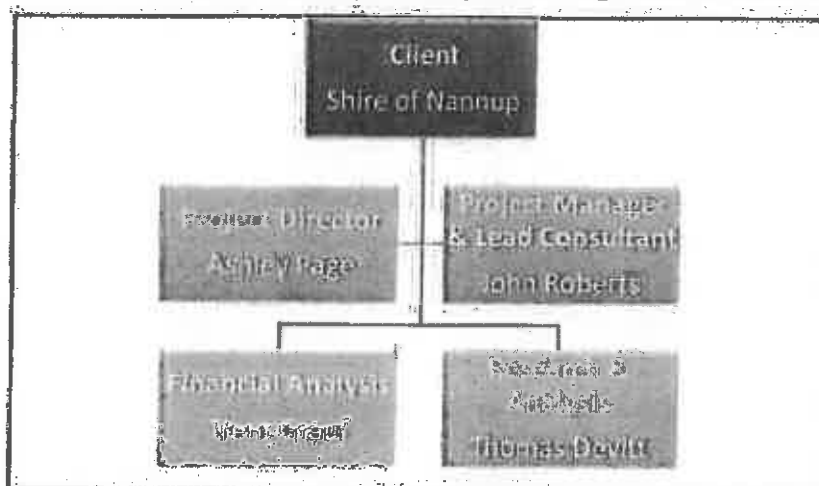
PROJECT TEAM

The AEC project team selected to undertake the preparation of the business plan will consist of the following consultants:

- Ashley Page: Project Director
- John Roberts: Project Manager and Lead Consultant
- Trent Grauf: Financial Analyst
- Thomas Devitt: Economist.

CV's of the above team members can be found in **Appendix A**. All team members are currently available for this project.

The following diagram illustrates the proposed management structure for the project.



PROJECT EXPERIENCE

AEC has considerable experience in preparing business plans and business cases (Please see **Appendix B** for our relevant project experience). In addition, other areas of relevant expertise include:

- Stakeholder engagement and consultation
- Economic development
- Economic impact assessment.

Examples of recent projects we have undertaken that demonstrate our expertise and experience can be found in **Appendix B**.

PROJECT COSTS

The proposed fixed price to complete the preparation of the business plan is **\$33,125 (excl. GST)**. The following table provides a breakdown of the proposed fee across the project stages. AEC welcomes the opportunity to discuss this fee with the Shire of Nannup, if required.

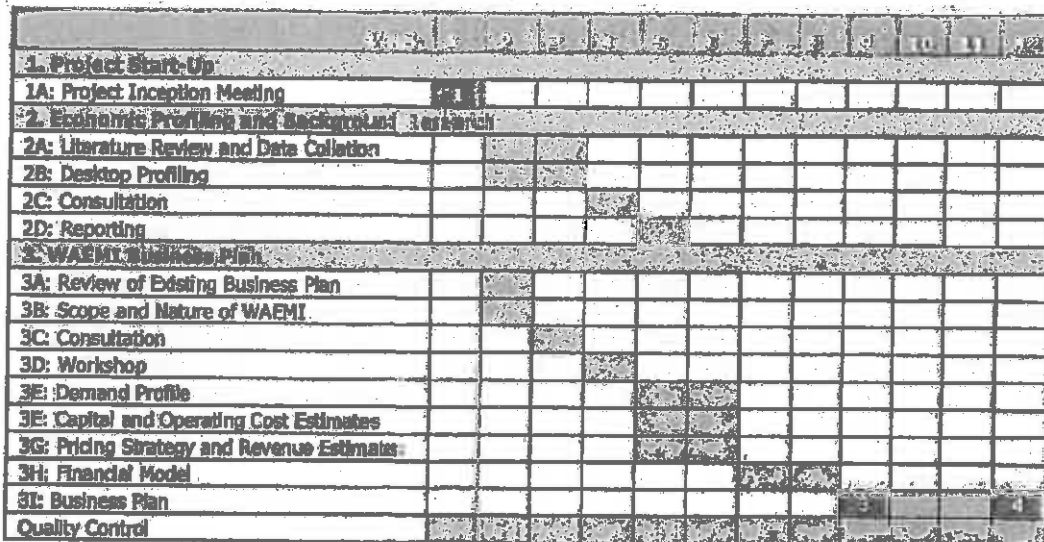
Project Stage	Days	Costing				
		Fees	Expenses	Total (excl. GST)	GST	Total (incl. GST)
1. Project Set-up						
1A: Project Inception Meeting	0.38	\$725		\$725	\$73	\$798
2. Economic Profiling and Background Research						
2A: Literature Review and Data Collation	1.25	\$2,020		\$2,020	\$202	\$2,222
2B: Desktop Profiling	1.25	\$2,020		\$2,020	\$202	\$2,222
2C: Consultation	2	\$3,640	\$720	\$4,360	\$436	\$4,796
2D: Reporting	2.5	\$4,720		\$4,720	\$472	\$5,192
3. WAEMI Business Plan						
3A: Review of Existing Business Plan	0.5	\$910		\$910	\$91	\$1,001
3B: Scope and Nature of WAEMI	0.75	\$1,280		\$1,280	\$128	\$1,408
3C: Consultation	1.5	\$2,900		\$2,900	\$290	\$3,190
3D: Workshop	0.5	\$910		\$910	\$91	\$1,001
3E: Demand Profile	1.5	\$2,680		\$2,680	\$268	\$2,948
3F: Capital and Operating Cost Estimates	0.5	\$800		\$800	\$80	\$880
3G: Pricing Strategy and Revenue Estimates	1.5	\$2,680		\$2,680	\$268	\$2,948
3H: Financial Model	1	\$1,600		\$1,600	\$160	\$1,760
3I: Business Plan	3	\$5,520		\$5,520	\$552	\$6,072
Total	18.13	\$32,405	\$720	\$33,125	\$3,313	\$36,438

AEC proposes the following invoicing schedule for review by the Shire of Nannup.

Project Stage	Days	Total (excl. GST)	Total (incl. GST)
Project Inception	20	\$6,625	\$7,287.50
Economic Profile	30	\$9,937.50	\$10,931.25
Draft Business Plan	30	\$9,937.50	\$10,931.25
Final Business Plan	20	\$6,625	\$7,287.50
Total	100	\$33,125	\$36,438

PROPOSED TIMEFRAME

The timing of each project stage and activity are detailed in the following GANNT Chart. The overall project timing is based on completion within three months of award of contract.



Milestone	Deliverable	Time
1	Inception Report	Week 2
2	Economic Profile	Week 5
3	Draft Business Plan	Week 9
4	Final Business Plan	Week 12

Please do not hesitate to contact me with any questions or suggestions we can make to our proposal to better match your requirements.

Yours sincerely

John Roberts

John Roberts

Senior Consultant and Team Leader WA

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Appendix A: Curriculum Vitae

ASHLEY PAGE

Role: Project Director

Qualifications: BAgEcon (Hons)

Experience:

Ashley is one of AEC Group's leading senior economists, and has significant experience in socio-economic impact assessment, cost benefit analysis, financial modelling, strategy development, industry and infrastructure analysis, environmental economics, and triple bottom line assessment. Ashley's recent work has focused on the assessment of industry and infrastructure developments and the impact they may have on local and regional communities, with a particular focus on CSG and resource developments from the Surat Basin and the impact this has on the Gladstone region. Ashley also has a strong background in natural resource and industry economics, having worked across a broad range of industry sectors, including agriculture, horticulture, aquaculture, mining, manufacturing, education, commercial & residential property, transport and community services.

JOHN ROBERTS

Role: Project Manager and Lead Consultant

Qualifications: BSc (Agriculture), BEcon (Hons), MEcon

Experience:

John is a Senior Economist with AEC. John has extensive experience providing consultancy services in the areas of resource and industry development, regional development, R&D, water, agribusiness, tourism, infrastructure and economic policy. John has extensive experience undertaking economic analyses requiring the application of a range of techniques, including cost benefit analysis, non-market valuation, economic impacts analysis, multi-criteria analysis, real options analysis, demand analysis and econometrics.

Some of John's relevant project experience includes:

- A five-year business plan for Business Armadale
- A business plan for the commercial harvesting of carp in the Lachlan River
- A business case for the establishment of a Wellness and Lifestyle Centre in the Shire of Manjimup
- Economic analysis of options for the proposed Bunbury to Albany Gas Pipeline for the WA Department of Regional Development and Lands
- An analysis of the regional impacts of the Square Kilometre Array (SKA) radio telescope
- An analysis of the economic value of the Koolanooka tourist site to the Shire of Morowa
- A feasibility study of the development of an iconic tourist attraction in the Manjimup area
- A feasibility study of the establishment of a wine centre in the Great Southern Region
- A feasibility study of the establishment of a lifestyle village and community farm in the Shire of Chapman Valley.

All of these projects involved extensive and detailed consultation with key stakeholders from a range of industries and organisations.

TRENT GRAUF

Role: Financial Analysis

Qualification: Bachelor of Business (Accountancy); ASCPA Associate

Experience:

Trent has a total of eight years' experience in government roles, both in Australia and the UK, within Local Government Authorities, Water Supply and Rail Network Utilities. In addition, Trent's experience includes considerable time in positions within the commercial sector, providing analysis and advice on business and marketing strategies for large international corporations. Trent has experience in providing a wide range of financial and analytical advice. In particular, this has included extensive work on long-term financial plans and sustainability models.

Trent's government consultancy experience has also involved undertaking projects in the following areas:

- Pricing strategies for utility charges, prices, fees and charges under regulatory provisions, as well as goods and services in competitive markets;
- Cost-benefit analysis and risk assessments on major infrastructure works and new business initiatives;
- Asset management including asset management plans, asset valuations as well as data consolidation across finance, maintenance and mapping systems; and
- Cash flow forecasting and debt management models.

Trent's recent work has focused on reviews of Local Government developer contributions schemes, performance benchmarking performance of water and sewerage utilities as well as the development of full cost pricing models for developer contributions and Council fees and charges. Trent has also recently been involved with a number of feasibility studies and cost-benefit analyses of new business initiatives and major infrastructure projects for South-East Queensland Councils and Local Government Associations.

THOMAS DEVITT

Role: Research and Analysis

Qualifications: BEcon (Hons), BComm

Experience:

Thomas Devitt is a Research Economist with AEC (Perth). He has previously worked with the Department of Treasury and Finance, as well as gaining extensive experience in the agriculture/horticulture sector having grown up in Margaret River on his family's vineyard.

Tom utilised and further developed his extensive research, analysis and presentation skills as an Economics Research Assistant for the UWA Business School, contributing to projects relating to the WA mining sector, international trade and international migration.

Tom has recently focused on research, information and data analysis, and presentation of many projects to assist with policy formulation. Tom has become familiar with vast amounts of information and data processing having worked across many projects and sectors including tourism and accommodation, agriculture, retirement, retail and general economic development. This has involved proficiency in economic and demographic modelling and data formatting, trend identification, demand and supply analysis and forecasting, and social economics, as well as consultation with local industry, government, business and community stakeholders. Utilising these skills and his above expertise in international economics and government policy, Tom has contributed to the research, information and data analysis, and presentation of many projects (some are listed below):

- Assessment of Accommodation Need in Tom Price, Onslow and Paraburdoo, Pilbara Development Commission
- Esperance Regional Development Strategy, Shire of Esperance
- Exmouth Caravan Park Demand and Pre-Feasibility Study, Tourism WA

- **Economic and Social Impact Assessment of the Business Events Sector, Perth Convention Bureau**
- **Incentives for Regional Western Australia Hotel Development, Tourism WA**
- **Branded Museum Development in Perth (Current), Tourism WA**
- **Industry Community Support – Impact of Drive-In Drive-out, Shire of Collie**
- **City of Stirling Economic and Tourism Development Strategy, City of Stirling**
- **Demand Needs Analysis for Short Stay Accommodation in the Pilbara, Pilbara Regional Council and Pilbara Development Commission**
- **Economic Development Plans for three SuperTowns in the South West of Western Australia, South West Development Commission**
- **South Hedland City Centre Economic Development Assessment, Landcorp**
- **Scarborough Beach Tourism Precinct Redevelopment, Tourism WA and the City of Stirling.**

Appendix B: Project Experience

BUSINESS PLANS

BUSINESS ARMADALE BUSINESS PLAN 2014-2019, CITY OF ARMADALE

AEC was engaged to work with stakeholders to prepare a five year business plan for Business Armadale supported by the City of Armadale. The process involved analysing and benchmarking the current organisation, consultation with members and prospective members, options analysis and preparation of a five year business plan.

GAME COUNCIL NSW STRATEGIC AND BUSINESS PLANS 2008-12

This project explored the options for developing revenue streams and allocating funds to facilitate the Game Council NSW achieve the objectives of the NSW Game and Feral Animal Control Act 2002. AEC developed a Business Plan that conformed to NSW Treasury Guidelines and contained:

- A 30 year Strategic Plan containing a vision, mission, goals, targets and actions
- A four year Business Plan covering:
 - Market Assessment – including an online survey of licence holders
 - Marketing Plan
 - Operating Plan
 - Management and Personnel Plan
 - Legal Issues
 - Finance Plan (projected P&L, balance sheet and cashflow)
 - Risk Management Plan
 - Action Plan.
- Secured recurrent NSW budget funding of \$4 million per annum for the next 4 years.

BUSINESS PLAN FOR THE COLLIE ART GALLERY AND CULTURAL CENTRE

For several years a group of local residents have been trying to establish a dedicated local art gallery exhibition and workshop space in Collie. An early feasibility study identified local demand but a business plan was needed to move the project forward to implementation.

AEC conducted an open public workshop at which participants were asked to nominate their strategic objectives for the facility and the types of activities which could be accommodated at such a facility that would deliver these goals. This process established a Vision and Mission for the facility and framed the development for a detailed three year operating program including exhibitions, festivals, adult and children's classes, school visits and private hires. While Council was supportive of the project they also needed to understand the scale of their likely financial commitment and so a detailed financial model was developed to inform this process. The project was completed ahead of schedule and Council has approved funding for the next financial year.

MANJIMUP WORLD OF ENERGY BUSINESS PLAN REVIEW

AEC provided a comprehensive review of a business case for the development of the World of Energy Museum in Manjimup. The review included a detailed overview of the existing business case, its key assumptions including demand, pricing and costs as well as a review of the proposed business model. AEC provided detailed research in regards to current pricing structures of similar museums, an overview of visitor numbers and spending as well as an alternative business model (inclusive of alternative financial assessments).

FEASIBILITY STUDY & BUSINESS PLAN FOR EDWARD MILLEN SITE

The six hectare Edward Millen Site, including three derelict heritage listed buildings, is located five kilometres from Perth CBD. The Town of Victoria Park engaged AEC to identify a series of potential uses for the buildings and grounds, to develop concept sketches, capital cost estimates and ultimately to assess the long-term financial feasibility of each development option. Ultimately the study was to identify a preferred option which would engage the local community, provide an activated and useful space and a financially sustainable use for the site.

A detailed consultation exercise was undertaken including face to face discussions with a broad range of community groups, an online survey and interviews with the residents of surrounding properties. Consultations were also undertaken with relevant state government agencies to determine any restrictions on changes to the buildings and their uses.

Priority objectives were developed for the site and used to assess a long list of potential uses. Out of this process a short list of four development options were identified. Each option was assessed by considering the competitive environment for each use, likely demand profiles, alignment to stated objectives for the redevelopment and financial feasibility. A preferred option was identified and is currently with Council for consideration.

FINANCIAL BUSINESS PLAN FOR EDENDALE FARM

The Edendale Community Farm is based at a former homestead on the outskirts of Melbourne. The Council-owned facility provides a critical piece of community infrastructure, including indoor and outdoor education facilities, a native plant nursery, café and petting farm as well as a venue for active and passive recreation.

Following an extensive master planning exercise, a series of capital developments were identified as having the potential to assist in the delivery of Council's objectives for Edendale Farm. AEC developed a Financial Business Plan to support the most effective implementation of the Edendale Farm Concept Master Plan. The business plan assessed the feasibility of the proposed capital developments in the context of reducing ongoing net operating costs and potentially achieving a cost neutral operating position post implementation.

BUSINESS PLAN FOR RICHMOND TWEED REGIONAL LIBRARY SERVICE

This project required an assessment of suitable business models for the Regional Library Service to move forward and consisted of consultation with all four Councils' General Managers, Mayors, Councillors, and Finance Managers and the Richmond Tweed Regional Library Committee to determine the best option for the future. Financial modelling of all options considered was also part of this review. An optimum model was presented with the General Managers and Mayors agreeing to present this to their respective Councils.

BUSINESS PLAN FOR CLARENCE VALLEY COUNCIL COMMUNITY SUPPORT SERVICES

AEC developed a business plan for Clarence Valley Council Community Support Services, a Council department responsible for delivering annual community support programs valued at over \$20 million per annum. The business plan included an agreed vision and mission statement and 10 year strategic planning objectives as well as developing annual operating budgets, work plan and performance reporting system which aligned to wider Council objectives.

The business plan also made a series of recommendations on the internal structure of the unit and how this could be improved. The study was informed through a detailed stakeholder consultation process including case studies of several service providers in surrounding local governments.

ECONOMIC DEVELOPMENT STRATEGIES

AEC provides economic analysis and practical advice to all levels of government, business and industry. Economic strategy development is a core component of AEC's consulting work. We regularly identify the core economic trends, strengths and weaknesses of economies and design effective strategies to leverage opportunities and growth as well as mitigate key future threats.

Our output is based on rigorous analysis of economic and industry structures and trends relative to capabilities and deficits and government policy settings. Ultimately, economic development is about generating employment and business investment opportunities and increasing the quality of life of residents. We regularly provide development plans and strategies to inform new planning.

We understand Regional WA...

We have been operating in Perth and Western Australia for many years, with some project personnel boasting many years of local experience. During this time, AEC has assembled a wide range of economic, population and demographic data for regional WA. We have also developed numerous internal models and databases that allow us to perform discreet analysis at the community, local government and regional level. Our Internal Economic Growth Model, Gross Regional Product Model and our recently released Social, Economic and Environmental (SEE) Index of Community Wellbeing are just a few of the proprietary tools that will allow us to demonstrate the current and likely future economy for Esperance region in a very efficient manner. Regional WA is unique, given its relative small population base and the often long distances to capital cities and export markets. Understanding the uniqueness of regional WA is important for the development of economic strategies.

ECONOMIC DEVELOPMENT PLANS FOR THREE SUPERTOWNS IN THE SOUTH WEST

AEC was engaged to provide economic development plans for three Supertowns in the South West; Margaret River, Manjimup and Collie. These plans included detailed socio-economic analysis of the existing environment and relevant economic trends as well as the structure and characteristics of the economy. A detailed opportunity and gaps analysis explored avenues to grow the economy using various analytical tools as well as identifying specific impediments to future growth. This information was provided in close coordination with the development of the SuperTown Growth Plans, which provide the overarching planning framework for the achievement of the SuperTown population targets. Detailed implementation plans were also provided, which included the identification of strategic projects that could provide the catalyst for future economic growth. AEC's work provided a robust economic foundation to the Growth Plans.

PORT HEDLAND ECONOMIC DEVELOPMENT STRATEGY

AEC was engaged by the Town of Port Hedland to prepare both economic development and property assessments in support of the Port Hedland City Growth Plan. The Growth Plan, prepared by RPS Group, was a requirement of the State Government's Pilbara Cities Initiative that seeks to increase the population of Port Hedland to 50,000 over the next 20 to 25 years. AEC's role in the Growth Plan was extensive and included:

- Population projections and sensitivity analysis
- Profiling of local socio-demographic, commercial, investment and economic characteristics of the LGA
- Market assessments across all major property sectors (residential, short-stay, FIFO, retail, commercial office, industrial)
- Assessment of future economic opportunities and constraints including supply chain analysis, comparative and competitive assessments, strategic asset identification and infrastructure dependencies
- Plan/strategies for both Economic and Property development including identification of key actions and initiatives
- Precinct-level role and function analysis.

The results of this analysis formed a critical input into the preparation of the Growth Plan and associated Implementation Strategy and Action Plan. The Growth Plan will form the basis of all future strategic planning activity in the LGA by State and Local Government agencies.

PERTH AND PEEL ECONOMIC DEVELOPMENT STRATEGY

This project, delivered in conjunction with TPG, examined the potential future population, labour and economic growth expectations for the Perth Peel region along with local constraints and development opportunities and the relative commercial reality of different commercial and industrial activity centres. This analysis was used to identify where currently zoned and investigation areas were sufficient and where additional land may be required to accommodate future growth. These projections took account of planning major infrastructure developments, macro-economic factors and other interventions that may affect the course of employment and population distribution in the Perth Peel region.

Recommendations were made as to the need for current and proposed expansion areas.

BROOME ECONOMIC PROFILE AND STRATEGY

As part of the development of the current Draft Broome Local Planning Strategy, AEC provided a detailed economic profile and high level strategies to promote sustainable, economic growth. AEC conducted a detailed assessment of the size and structure of the economy, employment, key industry sectors, investment trends as well as range of socio-demographics. The report identified current economic issues as well as mechanisms to address these issues. Opportunities for future growth were also identified so that future planning could incorporate the growth required for a more sustainable and vibrant economy.

SURAT ECONOMIC DEVELOPMENT STRATEGY

The Surat Economic Development strategy formed one of the eleven priority initiatives identified through the Surat Basin Futures Statement by the Queensland Government. The Surat Basin is a traditional agricultural production area which is currently experiencing significant growth pressures resulting from the pace of resource developments in the region. The Surat Basin Economic Development Strategy identified, through a range of processes, including desktop analysis, consultation and detailed stakeholder workshops, a series of priority initiatives and strategies to ensure the future development of the Surat Basin region included a sufficiently diversified base from which to cater for non-resource based growth.

CITY OF STIRLING ECONOMIC AND TOURISM DEVELOPMENT STRATEGY

The City of Stirling Economic and Tourism Development Strategy identifies the current economic and tourism development activities and future opportunities within the City. It provides guidance regarding how each activity centre fits together and the key initiatives for investment and employment growth. It also provides consideration for community aspirations, financial and resource management capacity and asset management with the goal of sustainably increasing the degree of choice, opportunity and prosperity of the City.

G21 GEELONG REGION ECONOMIC DEVELOPMENT STRATEGY

The G21 Region comprises The City of Greater Geelong, Surf Coast Shire, Colac-Otway Shire, Golden Plains Shire and the Borough of Queenscliff. To grow the G21 region into the future, a coordinated and evidence-based set of development plans were developed, with particular attention paid to the use of available land and the development of necessary skills. Providing appropriate avenues for growth in the region will help ensure prosperity and quality of life for residents. Five 'game changing' initiatives were identified within the strategy. These initiatives promote core competitive economic advantages of the region and leverage key infrastructure assets between G21s sub-regions. The strategy is delivered in various stages focusing on innovation, workforce development, investment attraction and infrastructure.

NORTHAM SUPERTOWN GROWTH PLAN: COMMERCIAL INVESTMENT AND EMPLOYMENT STRATEGY

AEC was engaged by the Shire of Northam to prepare a Commercial Investment and Employment Strategy in support of the Northam SuperTown Growth Plan. The development of a Growth Plan for Northam was a requirement of the Department of Regional Development and Lands selection of the town as a "SuperTown" - supporting a doubling in the residential population of Northam over the next 20 years.

The Commercial Investment and Employment Strategy was comprised of four key components:

- Economic and Commercial Profile - examining a range of population, socio-demographic, employment, investment, business and economic characteristics of Northam.
- Opportunities and Gaps Analysis Report - including economic supply chain analysis, location quotients, comparative and competitive assessments, infrastructure dependencies, forward Gross Regional Product projections and opportunities identification.
- Commercial Investment and Employment Strategy Summary - summary of key findings and messages from the Economic and Commercial Profile and Opportunities and Gaps Analysis reports, for use in the overall Growth Plan.
- Business Cases - template development and select targeted content for a range of business cases for State Government funding in support of the SuperTowns Initiative.

The project also required comprehensive engagement with key stakeholders and the community

MORETON BAY REGIONAL ECONOMIC DEVELOPMENT STRATEGY

AEC developed an Economic Development Strategy and Program for the Moreton Bay Regional Council (the third largest LGA in the country). A detailed Background Paper summarised detailed research and analysis into the Moreton Bay regional economy. Analysis included population/demographic, employment by industry, gross regional product, employment mapping as well as location quotients, strategic assets as well as cluster mapping. AEC also used Porter's diamond model to evaluate the competitiveness of the region.

This analysis formed the basis for the Economic Development Strategy. Consultation was held with business and industry as well as local and state government stakeholders as well as local business organisations. The Economic Development Strategy provides long term guidance to Council regarding the future growth of the region. To implement the strategy, AEC also provided a detailed economic development program, which included detailed tasks and activities to carry out the strategy. This program became a twelve month operational plan for Council.

ECONOMIC IMPACT STUDIES

COWARAHUP RESORT ECONOMIC IMPACT ASSESSMENT

AEC undertook an economic impact assessment of a resort style accommodation facility in Margaret River. The project included an overview of the proposed development and estimation of its future impact. The economic impact assessment considered increases in visitation and visitor expenditure and identified the direct and indirect (flow-on) impacts of both the construction and operational phases of the project. Outputs included economic impacts across output, value added, employment and income.

The assessment formed part of the planning and justification for the project.

BOYUP BROOK RDAF FUNDING SUPPORT

AEC was commissioned by the South West Development Commission to provide a socio-economic impact statement to support the Commission's Round 3 RDAF funding application for Stage 1 of the Boyup Brook Town Sewerage Scheme.

AEC undertook Input-Output modelling, a cost benefit analysis and a social impact assessment in order to identify the net socio-economic impacts to the regional community if the project was to go ahead.

The assessment found that the Boyup Brook Town Sewerage Scheme was an economically desirable project, with a number of benefits for the local economy and community that included:

- Facilitating the development of aged accommodation in the region to meet growing demand
- Supporting the long term viability of existing businesses by reducing cost pressures presently being experienced due to maintenance and replacement costs of on-site disposal units
- Encouraging new business development in the region, as well as facilitating the expansion of the Country Music Club (proposed \$7 million expansion) and Boyup Brook Lodge Aged Care facility
- Enabling additional residential development within Boyup Brook and attracting additional households to the region
- Providing additional class 3 water, providing additional water security for local fields, parks and gardens in the town.

RDAF FUNDING SUPPORT FOR MANJIMUP SHIRE COUNCIL

The Shire of Manjimup has successfully attracted significant funding through the Royalties for Regions program for the redevelopment of its central streetscapes and other improvements to the support the town's transition from its traditional timber industry base towards a tourism focused economy. AEC worked with the town to develop a business plan in support of its application for Regional Development Australia funding to redevelop the existing timber park by establish a World of Energy museum and associated education and training facilities and a café.

The business plan identified likely demand and assessed the type of facility which would best meet patrons' needs. It demonstrated that if the funds could be secured to support the establishment of

the facility it could be self-sustaining in its own right. The application is currently being assessed by the RDAF.

SOUTH WEST SUPERTOWNS ECONOMIC IMPACT ASSESSMENT

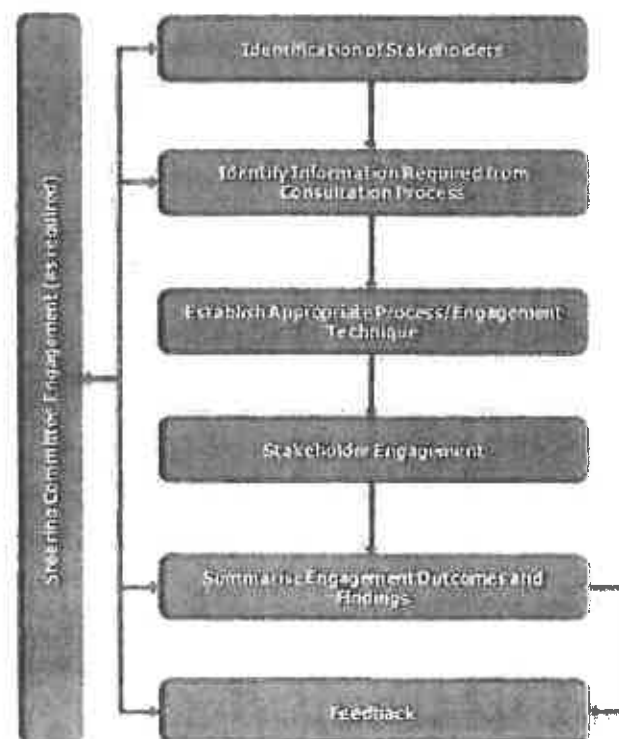
Margaret River, Collie and Manjimup are three of the nine SuperTowns located in the southern half of Western Australia (WA) being transformed as part of the SuperTowns initiative. Each of these three SuperTowns submitted a series of business case proposals to the WA State Government in early 2012 for a number of priority development projects. These submissions were aimed at receiving funding as part of the Royalties for Regions SuperTown program.

The aim of this project was to undertake an economic impact assessment (EIA) of five projects which received Royalties for Regions SuperTown program funding to demonstrate the value of these projects to the respective local, sub-regional and regional economies. The report used Input-Output economic modelling to examine and quantify the anticipated direct and indirect (flow-on) impacts associated with the project expenditures as well as the activity enabled by the SuperTown projects on the local, sub-regional and regional economies. Other benefits not captured in economic modelling were also described qualitatively.

STAKEHOLDER, INDUSTRY AND COMMUNITY CONSULTATION

Stakeholder engagement and consultation are an integral part of many of the consultancies undertaken by the AEC. The project team is experienced in working with a diverse range of stakeholders and groups, including community members, business and civic leaders and a range of industry operators. The team is also experienced in handling a broad range of community and stakeholder interactions from focus groups and workshops to one-on-one interviews.

The following diagram outlines our typical approach to stakeholder engagement and consultation.



Examples of projects where we have adopted this approach are listed below.

NATIONAL TOURISM INVESTMENT STRATEGY, DEPARTMENT OF INDUSTRY, TOURISM AND RESOURCES

This project involved more than 200 face-to-face interviews with key stakeholders across all States and Territories, including workshops with an industry consultative group and government

departments, as inputs to key planning and strategy documents for the development of the Australian tourism industry.

SOCIO-ECONOMIC IMPACT OF THE NATIONAL BROADBAND NETWORK (NBN) IN THE SOUTH WEST, SOUTH WEST DEVELOPMENT COMMISSION

Consultations for the Economic Impact of the National Broadband Network (NBN) were conducted through both individual interviews and group workshops. The consultation phase was conducted to refine and confirm findings from the literature review pertaining to the degree of increased business turnover, employment and productivity expected from the delivery of fibre optic internet provision in the region. Stakeholders were also consulted regarding social impacts of the NBN to the region (such as increased access to education and healthcare services).

FUTURE OPTIONS FOR A SUSTAINABLE TIMBER INDUSTRY IN MANJIMUP, SOUTH WEST DEVELOPMENT COMMISSION

Stage Two of the assessment was informed by an extensive stakeholder consultation exercise. Detailed one to one interviews were held with timber industry participants including multi-national operators, local industry participants, harvesters and transporters in order to establish a whole of industry perspective. Additional interviews, and an ongoing dialogue, were undertaken with Council staff and representatives of the relevant State Government department.

SURAT BASIN ECONOMIC DEVELOPMENT STRATEGY, DEPARTMENT OF EMPLOYMENT, ECONOMIC DEVELOPMENT AND INNOVATION

The Surat Basin Economic Development Strategy involved targeted individual consultation with over 130 stakeholders for business, industry, members of all levels of government, economic development organisations and the education and training sector. A number of workshops were also held to bring together various industry groups in a single forum to discuss key issues and challenges for the region and the opportunities for economic development. AEC also presented to other key stakeholders during the project including the Toowoomba Regional Development Board, the Surat Basin Corporation and the Queensland Resources Council.

KNOX ECONOMIC FUTURES STUDY, KNOX CITY COUNCIL

Consultation for the Knox Economic Futures Study was predominantly conducted through face-to-face interviews with key stakeholders. More than 40 stakeholders were consulted. In addition to meeting individually with members of the Knox business community, two forums were held in Knox with members of the Knox business community. Consultation was centred on key strengths and weaknesses of the region and assisted in shaping possible economic outcomes for the Knox region under each of the economic scenarios.

NEXUS ALBURY INVESTMENT ATTRACTION PROGRAM, ALBURY CITY COUNCIL

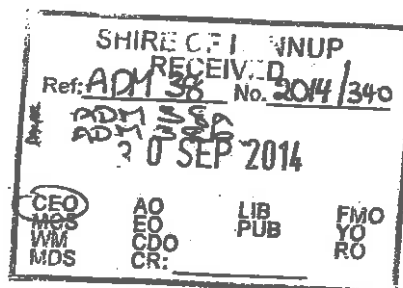
This project involved extensive consultation with the property owners, local Council, State Government and industry figures. Following an investigation of the economic potential of the property, AEC developed an investment attraction program to identify and attract new investments and jobs to the industrial development. This marketing and business development program included research to identify potential investors as well as partner organisations, recommendations for the development of marketing material, as well as a set of practical activities and tasks (including targets and budgets) to attract investors to the region.



SOUTH WEST
DEVELOPMENT COMMISSION



Mr Robert Jennings
Chief Executive Officer
Shire of Nannup
PO Box 11
NANNUP WA 6275



Dear Robert

LETTER OF AGREEMENT – ECONOMIC PROFILE FOR THE SHIRE OF NANNUP

I refer to your proposal dated 1 September 2014 regarding the Letter of Quotation from AEC to provide an economic profile for the Shire's economy to further develop existing business case and to provide a contextual basis for future development.

This economic profile will include: Size and structure of the Nannup economy (Contribution to GRP), population size and growth (including impact of the ageing population, labour market and employment, key industries and businesses, property market characteristics and economic opportunities. It will also look at the impact of ageing residents on the economy in order to develop better infrastructure within the Shire to cater for this demand.

This correspondence notes that you intend to appoint AEC to undertake this work on behalf of the Shire of Nannup in accordance with your procurement guidelines. The South West Development Commission will contribute \$26,438 inclusive of GST from the commencement date for the fee as quoted and under the terms and conditions of the Department of Finance (WA) "Request Conditions and General Conditions of Contract" which shall take precedent over any other terms and conditions.

A copy of the economic profile should be made available to the Commission on completion.

TERMS AND CONDITIONS

Principal:	South West Development Commission.
Supplier:	Shire of Nannup.
Services:	To engage AEC to prepare an economic profile, as stipulated above.
Commencement Date:	Upon receipt of invoice from the Shire.
Completion Date:	18 weeks from commencement.
Fee:	\$26,438 inclusive of GST.

PAYMENT

To accept this Letter of Contract, please sign hereunder and return this document to the Commission at your earliest convenience at which time a purchase order number will be generated and returned to your organisation.

The purchase order number is to be included on your tax invoice and sent to the South West Development Commission for payment of the services. Please send to:

South West Development Commission
PO Box 2000
BUNBURY WA 6231
Or: Fax: (08) 9791 3223
Or: Email: invoices@swdc.wa.gov.au

Yours sincerely



DON PUNCH
CHIEF EXECUTIVE OFFICER

23 September 2014

Contract Accepted.

Signed:

Date:

Heavy Vehicle Road Improvement Contribution

DETAILS

Road Name:	East Nannup Road		
Length of road to be used:	6.00	km	
Total tonnage of campaign:	25,000	tonne	per tonne 0.21
Add moisture			
Time period for campaign:	90	days/year	
No of years	1	years	(i.e. 3 months = 0.25years)

VEHICLE

Type of Vehicle	Number of daily movements (loaded)	Calculation ESA		
		Gross	Payload	Loads/day
Light Truck	(14.0t)			
3-axle Truck	(20.0t)			
5-axle Truck	(34.0t)			
6-axle Truck	(42.5t)			
road train	5.56	87	50	59.28

UNIT COSTS

Actual annual costs from FY 2010/2011	Capital (\$)	Maintenance (\$)
Wearing surface (reseals, routine patching, routine seal edge repair)	\$ 33,333.00	\$ 288,320.00
Localised Pavement Failures (surface correction, potholes, pavement repairs)	\$ -	\$ 246,716.00
Basecourse (renewal and reconstruction)	\$ 20,000.00	\$ -
Bridges (replacement & maintenance)	\$ -	\$ 32,000.00
Safety & Traffic Improvements (improve flow, capacity & risk)	\$ -	\$ -

ROAD NETWORK

Length of all paved roads	607.27	km
Average VPD count	48	vpd
Average % heavy vehicle (>class 5)	10.5	%

RESULTS

ESA/day	59	loaded
ESA/day	6	empty
ESA/day	65	TOTAL

\$ 145,432.25	spent on capital improvements per year related to vehicle use
\$ 75,708.15	spent on capital improvements per year related to heavy vehicles
\$ 137,243.80	spent on maintenance per year related to heavy vehicles
\$ 474,936.75	cost of network ownership (non attributable cost)
\$ 620,369.00	TOTAL spent on road network

\$ 0.013	spent per ESA per km - capital improvements related to heavy vehicles
\$ 0.023	spent per ESA per km - maintenance related to heavy vehicles

\$ 1,840	network capital improvements required for this carting campaign
\$ 3,335	network maintenance required for this carting campaign

\$ 1,840	Annual contribution for capital improvements
\$ 3,335	Annual contribution for maintenance
Total	\$ 5,175

Heavy Vehicle Road Improvement Contribution

DETAILS

Road Name:	Fourarce Road		
Length of road to be used:	6.00	km	
Total tonnage of campaign:	30,000	tonne	per tonne 0.21
Add moisture			
Time period for campaign:	90	days/year	
No of years	1	years	(i.e. 3 months = 0.25years)

VEHICLE

Type of Vehicle	Number of daily movements (loaded)	Calculation ESA		
		Gross	Payload	Loads/day
Light Truck	(14.0t)			
3-axle Truck	(20.0t)			
5-axle Truck	(34.0t)			
6-axle Truck	(42.5t)			
road train	6.67	87	50	71.13

UNIT COSTS

Actual annual costs from FY 2010/2011	Capital (\$)	Maintenance (\$)
Wearing surface (reseals, routine patching, routine seal edge repair)	\$ 33,333.00	\$ 288,320.00
Localised Pavement Failures (surface correction, potholes, pavement repairs)	\$ -	\$ 246,716.00
Basecourse (renewal and reconstruction)	\$ 20,000.00	\$ -
Bridges (replacement & maintenance)	\$ -	\$ 32,000.00
Safety & Traffic Improvements (improve flow, capacity & risk)	\$ -	\$ -

ROAD NETWORK

Length of all paved roads	607.27	km
Average VPD count	48	vpd
Average % heavy vehicle (>class 5)	10.6	%

RESULTS

ESA/day	71	loaded
ESA/day	7	empty
ESA/day	78	TOTAL

\$ 145,432.25	spent on capital improvements per year related to vehicle use
\$ 75,708.15	spent on capital improvements per year related to heavy vehicles
\$ 137,243.80	spent on maintenance per year related to heavy vehicles
\$ 474,936.75	cost of network ownership (non attributable cost)
\$ 620,369.00	TOTAL spent on road network

\$ 0.013	spent per ESA per km - capital improvements related to heavy vehicles
\$ 0.023	spent per ESA per km - maintenance related to heavy vehicles

\$ 2,208	network capital improvements required for this carting campaign
\$ 4,002	network maintenance required for this carting campaign

\$ 2,208	Annual contribution for capital improvements
\$ 4,002	Annual contribution for maintenance
Total	\$ 6,210

17th September 2014

Mr V Smith
Nannup Shire
Adam Street
NANNUP WA 6275

Dear Vic,

Re: Outstanding Invoice 4676

As per our previous discussion, we request council to consider a remission for the 14 tyres delivered to the Nannup waste facility. These 14 tyres were collected at the bottom of my paddocks along Balingup Rd. These have been rolled from the top of the hills, (many of which have been either stolen from the waste facility or residents don't wish to pay for them to go to the facility) which has been a game for the local kids since the invention of the wheel. I periodically collect these and deliver them to the waste facility. Since my last collection there are equally as many if not more at the bottom of the hills. I am sure you can see my reluctance to pay for this disposal.

Regards

Kim Dunnet
OM Dunnet & Co
0427563031



MEMORANDUM OF UNDERSTANDING
BETWEEN
THE NANNUP COMMUNITY RESOURCE CENTRE
AND
THE SHIRE OF NANNUP

Dated: 6 August 2014

Background

This Memorandum of Understanding establishes the guidelines for the delivery of Visitor Information Services from the Nannup Community Resource Centre and to assist in seeking Tourism Council West Australia accreditation.

1. Definitions

- 1.1. MOU refers to this Memorandum of Understanding

2. Party Commitments

- 2.1. The parties agree they will adhere to the commitments provided within this MOU and will actively maintain a cooperative relationship (including the sharing of all relevant information) in order to enhance the efficient and effective operation and administration of this MOU.
- 2.2. The parties agree nothing in this MOU shall give rise to any legal liability of any kind to the parties on the part of either party, its employees or agents (or both).

3. Nannup Community Resource Centre Commitments

- 3.1. A Visitor Information Service will be available 7 days per week and will provide verbal and printed information using maps, events calendars, websites, social media, fliers, brochures and noticeboards. Maps, brochures and fliers will be on display.
- 3.2. The Visitor Information Service will be promoted to the public and business community.
- 3.3. The Visitor Information Service will provide an accommodation booking system. Bookeasy has been offered free of charge from Council and the contract could be transferred for the remainder of the term, until 6th November 2016.
- 3.4. Appropriate visual signage be displayed to identify the visitor service.
- 3.5. The Nannup Visitor Information Service will provide a written report to Council by the 30th January 2015 and a final written report by the 30th June 2015

To assist with the program development and administration we encourage the Community Resource Centre to provide feedback to the Shire of Nannup.

4. The Shire of Nannup Commitments

- 4.1. The Shire of Nannup will contribute \$10,000 for a period of one year to the Nannup Community Resource Centre to support the delivery of a Visitor Information Service and to assist in seeking tourism accreditation through Tourism Council West Australia.
- 4.2. The Shire of Nannup will provide a hyper-link to the Nannup Community Resource Centre on their website.

5. Limits of Responsibility and Indemnity

- 5.1. Neither party will be liable for any loss nor damage suffered by the other (including consequential loss or damage), however caused, which may arise from services provided under this MOU or otherwise from performance of this MOU

6. Security, Privacy and Confidentiality

- 6.1. The Nannup Resource Centre and Shire of Nannup agrees to comply with the Information Privacy Principles set out in section 14 of the Privacy Act 1988 (Cth) in respect of personal information received, created or held by each organisation in connection with this MOU.
- 6.2. Clause 6.1 shall survive the termination or expiry of this MOU.

7. Dispute Resolution

- 7.1. In the event of a dispute under this MOU, the Contact Officers will each use their best endeavours to resolve the dispute between them at an operational level.
- 7.2. If a dispute is not resolved under clause 7.1 within five business days of an issue being formally raised by the parties, the dispute will be referred to the Nannup Shire CEO
- 7.3. If the matter is not resolved through further negotiations under clause 7.2, the dispute will be referred to an independent arbitrator.

8. Term of this MOU

- 8.1. This MOU will commence on the date of execution and will terminate on the 30th June 2015.
- 8.2. This MOU can be varied by the parties provided the variations are made in writing and signed by all parties.

9. Compliance and Audit

- 9.1. The parties will work co-operatively to ensure that effective compliance regimes are maintained and, where reasonably possible, will provide the other with relevant information to support compliance activity.
- 9.2. Each of the parties will advise the other of any audit or review function undertaken internally or externally related to the Nannup Visitor Information Service. The parties, where reasonably possible, will provide assistance to the other in relation to any audit or review.

10. Contact Officers

- 10.1. The Nannup Community Resource Centre and the Shire of Nannup agree to appoint a Contact Officer and authorised delegate. The Contact Officer and authorised delegate for each party is authorised to act for that party in relation to this MOU. The Contact Officer is the first point of contact for the other party in relation to any disputes arising under this MOU.
- 10.2. The details for each party's Contact Officer and authorised delegate are set out in Schedule 1.
- 10.3. If a party wishes to change their Contact Officer or authorised delegate that, party will notify the other party in writing of the new contact details.

EXECUTED as a Memorandum of Understanding (MOU) -

SIGNED for and on behalf of the Nannup Community Resource Centre by:

.....
(name) (position)

.....
(signature) (date)

in the presence of witness:

.....
(name) (position)

.....
(signature) (date)

SIGNED for and on behalf of the Shire of Nannup by:

.....
(name) (position)

.....
(signature) (date)

in the presence of witness:

.....
(name) (position)

.....
(signature) (date)

SCHEDULE 1 – CONTACT OFFICERS

Nannup Community Resource Centre

Name: Cheryle Brown
Job Title: Manager, Community Resource Centre
Phone: 9756 3022
Email: nannuprc@comswest.net.au
Postal Address: 10 Warren Rd Nannup WA 6275

Delegate/s authorised

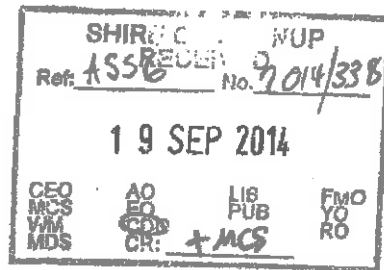
Name: Kevin Bird
Contact phone: 9756 2035
Contact email: clockworks@bigpond.com.

The Shire of Nannup

Name: Louise Stokes
Job Title: Community Development Officer
Phone: 9756 1018
Email: louise.stokes@nannup.wa.gov.au

Delegate/s authorised

Name: Vic Smith
Job Title: Manager Corporate Services
Phone: 9756 1018
Email: vic.smith@nannup.wa.gov.au



Chief Executive Officer
Shire of Nannup
PO Box 11
NANNUP WA 6275

Dear Robert,

RE: Visitor Information Services

At a recent committee meeting of the Nannup Community Resource Centre, the management committee resolved to decline the provision of a full Visitor Information Services in Nannup as outlined in the *Memorandum of Understanding to deliver Visitor Information Services 2014-15*.

The committee recognised support by Council in its allocation of \$10,000 in the 2014-15 budget to assist the Nannup CRC to seek Visitor Centre Accreditation. However, it was felt that providing a 7 day a week comprehensive Visitor Information Service (as detailed in the MOU) while also achieving accreditation, is an unreasonable expectation.

Please do not hesitate to contact me if you require any further information.

Yours faithfully


Kevin Bird
Chairperson
Nannup Community Resource Centre

18 September 2014

Proudly supported by



Department of
Regional Development and Lands



ROYALTIES
FOR REGIONS

SHIRE OF NANNUP

STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2014 TO 31 AUGUST 2014

	2014/15 Y-T-D Actual \$	2014/15 Y-T-D Budget \$	2014/15 Budget \$	Variances Y-T-D Budget to Actual %
Operating				
Revenues/Sources				
Governance	105	167	1,000	37%
General Purpose Funding	14,473	246,163	1,476,980	94%
Law, Order, Public Safety	27,614	43,587	261,522	37%
Health	605	433	2,600	(40%)
Education and Welfare	2,232	2,305	13,830	3%
Housing	2,984	2,799	16,796	(7%)
Community Amenities	125,122	27,543	165,258	(354%)
Recreation and Culture	15,129	7,533	45,200	(101%)
Transport	245	367,180	2,203,081	100%
Economic Services	14,681	27,142	162,850	46%
Other Property and Services	0	4,167	25,000	100%
	203,191	729,020	4,374,117	(72%)
(Expenses)/(Applications)				
Governance	(172,804)	(47,813)	(286,876)	261%
General Purpose Funding	(23,787)	(23,830)	(142,982)	(0%)
Law, Order, Public Safety	(78,736)	(77,453)	(464,719)	2%
Health	(10,477)	(11,144)	(66,865)	(6%)
Education and Welfare	(34,399)	(26,387)	(158,323)	30%
Housing	(5,226)	(7,032)	(42,194)	(26%)
Community Amenities	(53,838)	(84,511)	(507,068)	(36%)
Recreation & Culture	(60,092)	(91,311)	(547,868)	(34%)
Transport	(404,641)	(421,089)	(2,526,531)	(4%)
Economic Services	(48,832)	(51,574)	(309,444)	(5%)
Other Property and Services	(97,479)	(3,138)	(18,827)	3007%
	(990,312)	(845,283)	(5,071,697)	17%
Adjustments for Non-Cash (Revenue) and Expenditure				
(Profit)/Loss on Asset Disposals	0	(833)	(5,000)	(100%)
Depreciation on Assets	343,007	341,642	2,049,850	0%
Capital Revenue and (Expenditure)				
Purchase Land and Buildings	(12,159)	(6,667)	(40,000)	82%
Purchase Infrastructure Assets	(55,759)	(425,180)	(2,551,081)	(87%)
Purchase Plant and Equipment	(98,450)	(79,883)	(479,300)	23%
Purchase Furniture and Equipment	0	0	0	0%
Proceeds from Disposal of Assets	28,509	24,167	145,000	18%
Repayment of Debentures	(1,112)	(12,121)	(72,723)	(91%)
Proceeds from New Debentures	0	0	0	0%
Leave Provisions	0	34,264	205,583	(100%)
Accruals	(8,299)	1,408	8,449	(689%)
Self Supporting Loan Principal Income	1,112	2,286	13,713	(51%)
Transfers (to)/from Reserves	0	9,687	58,120	(100%)
ADD Net Current Assets July 1 B/Fwd	829,308	0	0	
LESS Net Current Assets Year to Date	1,604,005	1,472,741	0	
Amount Raised from Rates	<u>(1,364,969)</u>	<u>(1,700,236)</u>	<u>(1,364,969)</u>	

SHIRE OF NANNUP

STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2014 TO 31 AUGUST 2014

	2014/15 Actual \$	Brought Forward 01-July-2014 \$
NET CURRENT ASSETS		
Composition of Estimated Net Current Asset Position		
CURRENT ASSETS		
Cash - Unrestricted	510,897	842,285
Cash - Restricted	3,329	46,685
Cash - Reserves	2,076,207	2,075,095
Receivables	1,613,967	555,162
Inventories	0	0
	<u>4,204,401</u>	<u>3,519,226</u>
LESS: CURRENT LIABILITIES		
Payables and Provisions	<u>(520,859)</u>	<u>(568,138)</u>
	3,683,542	2,951,088
Less: Cash - Reserves - Restricted	(2,079,537)	(2,121,780)
NET CURRENT ASSET POSITION	<u>1,604,005</u>	<u>829,308</u>

SHIRE OF NANNUP

STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2014 TO 30 SEPTEMBER 2014

<u>Operating</u>	2014/15 Y-T-D Actual \$	2014/15 Y-T-D Budget \$	2014/15 Budget \$	Variances Y-T-D Budget to Actual %
Revenues/Sources				
Governance	206	250	1,000	17%
General Purpose Funding	23,118	369,245	1,476,980	94%
Law, Order, Public Safety	33,229	65,381	261,522	49%
Health	959	650	2,600	(47%)
Education and Welfare	2,618	3,458	13,830	24%
Housing	5,222	4,199	16,796	(24%)
Community Amenities	129,354	41,315	165,258	(213%)
Recreation and Culture	18,120	11,300	45,200	(60%)
Transport	609,867	550,770	2,203,081	(11%)
Economic Services	30,980	40,713	162,850	24%
Other Property and Services	777	6,250	25,000	88%
	<u>854,451</u>	<u>1,093,529</u>	<u>4,374,117</u>	<u>(22%)</u>
(Expenses)/(Applications)				
Governance	(209,536)	(47,813)	(286,876)	338%
General Purpose Funding	(35,554)	(23,830)	(142,982)	49%
Law, Order, Public Safety	(113,525)	(77,453)	(464,719)	47%
Health	(16,178)	(11,144)	(66,865)	45%
Education and Welfare	(52,639)	(26,387)	(158,323)	99%
Housing	(7,941)	(7,032)	(42,194)	13%
Community Amenities	(97,005)	(84,511)	(507,068)	15%
Recreation & Culture	(87,804)	(91,311)	(547,868)	(4%)
Transport	(514,743)	(421,089)	(2,526,531)	22%
Economic Services	(78,373)	(51,574)	(309,444)	52%
Other Property and Services	(352,103)	(3,138)	(18,827)	11121%
	<u>(1,565,400)</u>	<u>(845,283)</u>	<u>(5,071,697)</u>	<u>85%</u>
Adjustments for Non-Cash (Revenue) and Expenditure				
(Profit)/Loss on Asset Disposals	0	(833)	(5,000)	(100%)
Depreciation on Assets	343,007	341,642	2,049,850	0%
Capital Revenue and (Expenditure)				
Purchase Land and Buildings	(26,480)	(6,667)	(40,000)	297%
Purchase Infrastructure Assets	(93,101)	(425,180)	(2,551,081)	(78%)
Purchase Plant and Equipment	(98,450)	(79,883)	(479,300)	23%
Purchase Furniture and Equipment	(15,077)	0	0	0%
Proceeds from Disposal of Assets	28,509	24,167	145,000	18%
Repayment of Debentures	(1,112)	(12,121)	(72,723)	(91%)
Proceeds from New Debentures	0	0	0	0%
Leave Provisions	0	34,264	205,583	(100%)
Accruals	(8,299)	1,408	8,449	(689%)
Self Supporting Loan Principal Income	1,112	2,286	13,713	(51%)
Transfers (to)/from Reserves	0	9,687	58,120	(100%)
ADD Net Current Assets July 1 B/Fwd	829,308	0	0	
LESS Net Current Assets Year to Date	1,613,436	1,472,741	0	
Amount Raised from Rates	<u>(1,364,969)</u>	<u>(1,335,726)</u>	<u>(1,364,969)</u>	

SHIRE OF NANNUP

STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2014 TO 30 SEPTEMBER 2014

	2014/15 Actual \$	Brought Forward 01-July-2014 \$
NET CURRENT ASSETS		
Composition of Estimated Net Current Asset Position		
CURRENT ASSETS		
Cash - Unrestricted	487,804	842,285
Cash - Restricted	94,490	46,685
Cash - Reserves	2,076,207	2,075,095
Receivables	1,631,657	555,162
Inventories	0	0
	<u>4,290,159</u>	<u>3,519,226</u>
LESS: CURRENT LIABILITIES		
Payables and Provisions	<u>(506,025)</u>	<u>(568,138)</u>
	3,784,133	2,951,088
Less: Cash - Reserves - Restricted	(2,170,698)	(2,121,780)
NET CURRENT ASSET POSITION	<u><u>1,613,436</u></u>	<u><u>829,308</u></u>

OPERATING EXPENSES TO 30 SEPTEMBER 2014				Attachment 3	
Governance Expenditure				(Under Expended)/Over Expended	
Budget \$	Actual \$	Explanation	Current \$	Year End \$	
0	110	Election Expenses	110	110	110
4,000	0	Revaluations	(4,000)	4,000	0
12,100	2,145	Refreshments	(9,955)	12,100	0
31,950	92,915	Donations/contributions	965	51,850	19,900
20,600	10,594	Councillor allowances	(10,006)	20,600	0
17,945	11,632	Subscriptions	(5,713)	17,945	0
8,600	2,401	Conference Expenses	(6,199)	8,600	0
17,350	109,567	Insurance	92,237	17,350	0
2,000	0	CEO performance review	(2,000)	2,000	0
5,450	398	Bank Charges	(6,052)	6,450	0
11,390	510	Audit Fees	(10,820)	11,390	0
1,000	203	Legal Expenses	(797)	1,000	0
1,000	0	Gratuities	(1,000)	1,000	0
1,500	0	Blackwood Valley Trails	(1,500)	1,500	0
843	143	Depreciation Council furniture	(700)	843	0
135,048	170,618		34,570	156,058	20,010
General Administration					
Budget \$	Actual \$	Explanation	Current \$	Year End \$	
34,056	0	Annual Leave expense	(34,056)	34,056	0
386,508	113,711	Admin Salaries	(272,797)	386,508	0
40,443	10,407	Superannuation	(30,036)	40,443	0
19,700	0	Insurance	(19,700)	19,700	0
2,000	520	Minor furniture & equip	(1,480)	2,000	0
57,872	8,080	Building & Gardens maintenance	(49,792)	57,872	0
41,160	27,535	Computer maintenance	(13,625)	41,160	0
15,000	6,471	Printing & Stationery	(8,529)	15,000	0
14,125	1,722	Telephone Expenses	(12,403)	14,125	0
3,000	0	Office Equipment Maintenance	(3,000)	3,000	0
4,400	1,076	Postage	(3,324)	4,400	0
6,000	1,818	Accommodation & Travel	(4,182)	6,000	0
4,625	2,123	Advertising	(2,502)	6,000	1,375
12,200	8,898	Staff training expenses	(3,364)	12,200	0
300	0	Sundry expenses	(300)	300	0
11,841	0	Long Service Leave	(11,841)	11,841	0
19,750	0	Fringe Benefits Tax	(19,750)	19,750	0
0	0	Recruitment Expenses	0	0	0
143	143	Depreciation - Furniture	143	0	0
29,529	5,773	Depreciation - Plant & Equipment	(23,756)	29,529	0
702,509	188,215		(514,294)	703,884	1,375

Budget	Actual	Explanation	Current	Year End
		Health		
\$	\$		\$	\$
100	0	Insurance	100	100
1,599	0	Health - annual leave	(1,599)	1,599
48,791	12,071	Health inspections	(36,720)	48,791
555	0	Long Service Leave	(555)	555
1,898	592	Superannuation	(1,306)	1,898
2,050	451	Admin Expenses	(1,599)	2,050
54,993	13,114		(41,879)	54,993
		Education & Welfare		
\$	\$		\$	\$
8,937	205	Pre School maintenance	(8,732)	8,937
1,100	0	Family Fun day	(1,100)	1,100
1,000	0	Community Events support	(1,000)	1,000
9,650	1,146	School holiday program	(8,504)	9,650
0	65	Cultural Plan	65	0
2,100	0	Seniors activities	(2,100)	2,100
79,212	20,442	Community Development	(58,770)	79,212
7,274	2,087	COO - Superannuation	(5,187)	7,274
8,179	0	Promotions	(8,179)	8,179
2,126	0	COO - Long Service Leave	(2,126)	2,126
1,500	(3)	Training	(1,503)	1,500
15,587	2,648	Depreciation	(12,939)	15,587
136,615	26,590		(110,025)	136,615
		Housing		
\$	\$		\$	\$
13,243	2,014	Building Maintenance	(11,229)	13,243
17,500	2,973	Depreciation	(14,527)	17,500
30,743	4,986		(25,757)	30,743
		Community Amenities		
\$	\$		\$	\$
34	(430)	SSL Accrued Interest	(464)	34
13,713	1,112	SSL Principal	(12,601)	13,713
35,620	6,329	Collection - domestic waste	(29,291)	35,620
41,300	5,986	Collection - recycling	(35,314)	41,300
114,080	18,830	Waste Management Facility	(95,250)	114,080
12,000	1,409	Street Bin Pick up	(10,591)	12,000
120,760	30,398	Town Planning Services	(90,362)	120,760
9,650	1,275	Admin Expenses	(8,375)	9,650
1,447	0	Planning - Long Service Leave	(1,447)	1,447
4,951	834	Planning - Superannuation	(4,117)	4,951
7,500	5,633	Town Planning Scheme review	(1,867)	7,500
4,172	0	Planning - Annual Leave	(4,172)	4,172
1,500	0	LPS Amend Exp	(1,500)	1,500
13,990	2,846	Cemetery Exp	(10,544)	13,990
38,860	5,188	Public Conveniences	(33,672)	38,860
6,363	561	SSL Interest	(5,802)	6,363
4,475	760	Depreciation - waste facility	(3,715)	4,475
8,993	1,527	Depreciation - toilets	(7,466)	8,993
438,808	82,257		(356,551)	438,808

Budget	Actual	Explanation	Current	Year End
Recreation & Culture				
\$	\$		\$	\$
12,027	1,888	Town Hall	(10,144)	12,027
21,576	2,768	Rac Centre	(18,813)	21,576
3,008	0	Comm Centre	(3,008)	3,008
1,281	389	Supper Room	(892)	1,281
1,387	0	Old Roads Building	(1,387)	1,387
2,508	0	Bowling Club	(2,508)	2,508
519	0	Cundinup Hall	(519)	519
428	348	Carliota Hall	(80)	428
1,242	227	Community House	(1,015)	1,242
245,230	36,078	Public Parks	(209,152)	245,230
7,500	0	Art Maintenance	(7,500)	7,500
15,154	4,288	Library Salaries & Insurance	(10,866)	15,154
3,850	449	Office Expenses - Library	(3,401)	3,850
200	0	Write-Offs - Library	(200)	200
33,243	51	Foreshore Park	(33,192)	33,243
1,875	318	Depreciation Community House	(1,557)	1,875
3,125	531	Depreciation Community Sheds	(2,594)	3,125
1,850	514	Depreciation Carliota Hall	(1,336)	1,850
42,941	7,192	Depreciation Recreation Centre	(35,749)	42,941
26,150	4,442	Depreciation Town Hall	(21,708)	26,150
55,758	6,074	Depreciation Parks	(49,684)	55,758
1,625	276	Depreciation Old Roads Board	(1,349)	1,625
425	72	Depreciation Cundinup Hall	(353)	425
462,302	65,697		(396,605)	462,302
Transport				
\$	\$		\$	\$
39,542	3,684	Depot Maintenance	(35,858)	39,542
5,000	0	Traffic Signs	(5,000)	5,000
32,000	1,814	Bridge Maintenance	(30,186)	32,000
5,000	1,032	Crossovers	(3,968)	5,000
622	(1,063)	Loan - accrued interest	(1,685)	622
680,000	191,085	Local Road Maintenance	(488,915)	680,000
85,000	22,777	Road verge Maintenance	(62,223)	85,000
29,850	9,629	Street Lighting	(20,221)	29,850
9,000	0	Street Sweeping	(9,000)	9,000
5,000	0	Traffic Counter Maintenance	(5,000)	5,000
6,000	0	Safety Works	(6,000)	6,000
6,000	0	Equipment replacement	(6,000)	6,000
6,165	0	Loan - Interest	(6,165)	6,165
59,010	0	Loan - Principal	(59,010)	59,010
30,000	0	Gravel Pit	(30,000)	30,000
5,000	5,342	ROMANS	342	5,342
1,384,401	235,158	New subscription slightly higher than estimated Depreciation - Roads	(1,149,243)	1,384,401
2,391,590	463,408		(1,928,182)	2,391,592

Budget	Actual	Explanation	Current	Year End
Economic Services				
\$	\$		\$	\$
800	0	Australia Day	(800)	800
12,825	677	Functions & Events	(12,148)	12,825
80,518	18,993	Caravan Park	(61,625)	80,518
4,100	1,653	Caravan Park admin expenses	(2,447)	4,100
24,950	3,802	Caravan park utilities	(21,148)	24,950
2,000	1,298	Caravan Park promotion	(702)	2,000
20,113	3,921	Caravan Park & Camping	(16,192)	20,113
44,298	11,997	Caravan park wages	(32,301)	44,298
10,000	27	Visitor Centre services	(9,973)	10,000
7,500	4,166	Regional Promotion	(3,334)	7,500
10,000	1,291	Tourism Promotion	(8,709)	10,000
1,199	0	Building Control - Long Service Leave	(1,199)	1,199
99,007	16,740	Building Control - Salary	(22,267)	99,007
4,104	1,865	Building Control - Superannuation	(2,239)	4,104
3,438	0	Building Control - Annual Leave	(3,438)	3,438
3,339	329	Building Control - Expenses	(3,010)	3,339
17,910	3,042	Depreciation - Caravan Park	(14,868)	17,910
286,121	69,701		(216,420)	286,121
Other Property & Services				
\$	\$		\$	\$
23,154	3,262	Private Works	(19,892)	23,154
10,000	14,516	Training	4,516	13,000
3,562	(4,501)	Accrued salaries & wages	(8,063)	5,562
28,921	0	Long Service Leave	(28,921)	28,921
89,960	9,259	Salaries	(80,701)	89,960
80,096	0	Annual Leave	(80,096)	80,096
112,442	28,089	Superannuation	(84,353)	112,442
0	15	Office expenses	15	0
30,646	9,915	Sick pay	(20,731)	30,646
69,294	0	Insurance	(69,294)	44,294
10,000	6,392	Protective Clothing	(3,608)	10,000
4,500	0	Safety Meetings	(4,500)	4,500
56,382	6,272	Wages - plant	(50,110)	56,382
30,000	0	Tyres & Batteries	(30,000)	30,000
19,045	0	Insurance & Licenses	(19,045)	19,045
0	0	Admin Expenses	0	0
0	0	Workers Comp	0	0
225,000	61,904	Fuel & Oil	(163,096)	250,000
4,000	0	Sundry Tools	(4,000)	4,000
37,884	3,211	Holiday Pay	(34,673)	37,884
60,000	20,409	Parts & External Work	(39,591)	60,000
2,000	240	Recruitment Exp	(1,760)	2,000
324,510	49,252	Depreciation - Vehicles	(275,258)	324,510
16,295	2,768	Depreciation - Depot	(13,527)	16,295
1,237,691	211,002		(1,026,689)	1,240,691
6,324,914	#####	TOTAL	(4,965,481)	6,349,641
		Less Expenditure tied to additional grants		0
		Less Non Cash Depreciation Increases		0
				0

Budget	Actual		Explanation	Current	Year End	
			Total Expenditure Savings Anticipated for Year		24,727	24,727

OPERATING INCOME TO 30 September 2014				Attachment 3	
Budget	Actual	Explanation	(Over)/Under received	Current	Anticipated Year End
General Purpose Revenue					
\$	\$		\$	\$	\$
(1,364,969)	(1,341,339)	Rate Revenue	23,630	(1,370,072)	5,103
(5,000)	(4,359)	Legal Fees	661	(5,000)	0
(12,000)	(345)	Int on Overdue rates	11,655	(12,000)	0
(800,000)	0	Equalisation Grant	800,000	(833,963)	33,963
(4,500)	(4,323)	Interest on Instalments	177	(4,500)	0
(500,000)	0	Local Road Grant	500,000	(463,293)	(36,707)
(3,900)	(3,360)	Admin Charges	540	(3,900)	0
(22,000)	0	DOT Commission	22,000	(22,000)	0
(25,700)	(1,098)	Sundry Income	24,602	(25,700)	0
(60,000)	(89)	Interest on Investment - General	59,911	(60,000)	0
(12,000)	(127)	Interest on Investment - RTR	11,873	(12,000)	0
(2,810,969)	(1,355,021)		1,455,048	(2,812,428)	2,359
General Administration					
\$	\$		\$	\$	\$
(1,000)	(205)	Shirley Humble room hire	794	(1,000)	0
(1,000)	(206)		794	(1,000)	0
Law & Order					
\$	\$		\$	\$	\$
(2,500)	0	Costs Recovered - Cockatoo Valley	2,500	(2,500)	0
(114,910)	(26,116)	DFES Grant - Brigades	88,794	(114,910)	0
(78,812)	0	DFES Grant - CSEO	78,812	(78,812)	0
(500)	0	Firebreak Fines	500	(500)	0
(3,000)	(421)	Dog Registrations	2,579	(3,000)	0
(1,000)	(57)	Cat Registrations	943	(1,000)	0
(100)	0	Fines - Animal Control	100	(100)	0
(20,700)	(942)	DFES Grant - SES	19,758	(20,700)	0
(221,522)	(27,536)		193,986	(221,522)	0
Health					
\$	\$		\$	\$	\$
(1,300)	(354)	Septic Tank Inspections	946	(1,300)	0
(1,300)	(688)	Gen License Fees	612	(1,300)	0
(2,600)	(1,042)		1,558	(2,600)	0

Budget	Actual	Explanation	(Over)/Under received
Education & Welfare			
\$	\$		\$
(6,930)	(1,733)	FROGS lease income	5,198
(4,050)	(341)	School holiday contributions	3,709
(750)	0	CDO grants	750
(2,100)	0	Seniors activities contributions	2,100
(13,830)	(2,073)		11,757
			19,900
Housing			
\$	\$		\$
(16,796)	(5,222)	Rental income	11,574
(16,796)	(5,222)		11,574
			(16,796)
			0
Community Amenities			
\$	\$		\$
(13,713)	(1,112)	Self Supporting Loan - Principal	12,601
(6,363)	(561)	Self Supporting Loan - Interest	5,802
(56,520)	(57,600)	Mobile Bin Charges	(1,080)
(34,625)	(34,750)	Recycling Fees	(125)
(10,000)	(323)	Tip Fees	9,677
(28,750)	(31,080)	Disposal charge	(2,330)
	0	LPS Amend Contributions	0
(6,000)	(4,440)	Town planning fees	1,560
(3,000)	(600)	Cemetery Fees	2,400
(20,000)	0	Grants - Cleanup	20,000
(178,971)	(130,466)		48,505
			(183,228)
			4,257
Recreation & Culture			
\$	\$		\$
(3,000)	(2,503)	Hire Fees - Rec Centre	497
(6,500)	(2,250)	Hire Fees - Town Hall	4,250
(11,030)	(10,772)	Supper Room lease	258
(2,470)	(2,470)	Community Centre lease	0
(200)	(23)	Lost Book charges	177
(22,000)	0	Railway Bridge Grant	22,000
(45,200)	(18,018)		27,182
			(44,312)
			(888)
Transport			
\$	\$		\$
(86,000)	(93,300)	Main Roads - Direct Grant	(7,300)
(1,000)	0	Crossover fees	1,000
(20,000)	0	Mowen Road Supervision Fee	20,000
(1,000)	(286)	Sale of materials	714
(145,000)	(28,500)	Plant Sales	116,500
(253,000)	(122,086)		130,914
			(253,000)
			0

Budget	Actual	Explanation	(Over)/Under received	
Economic Services				
\$	\$		\$	
(1,000)	(354)	Septic tank inspections	646	(1,000)
(151,850)	(26,493)	Caravan Park Income	125,357	(151,850)
(10,000)	(3,525)	Building Control fees	6,475	(10,000)
(162,850)	(30,372)		132,478	(162,850)
Other Property & Services				
\$	\$		\$	
(25,000)	(777)	Private Works	24,223	(25,000)
(25,000)	(777)		24,223	(25,000)
(3,509,316)	(1,665,284)	TOTAL INCOME	1,844,032	(3,534,944)
		TOTAL		25,628
		Less: Income tied to additional expenditure		0
		Less: Private work income excess to plant reserve as per Council policy		0
		Anticipated (Over)/Under Budget:	1,844,032	(25,628)
				25,628

SHIRE OF NANNUP ACCOUNTS FOR PAYMENT - AUGUST & SEPTEMBER 2014			
EFT/ Cheque	Name	Invoice Description	Amount
EFT6356	STEWART & HEATON CLOTHING CO. PTY LTD	PROTECTIVE CLOTHING	476.56
EFT6357	EVELYN PATMAN	REIMBURSEMENT OF EXPENSES	56.80
EFT6358	AUSTRALIA INSTITUTE OF MANAGEMENT	CEO TRAINING	3960.00
EFT6359	NANNUP BRIDGE CAFE	CATERING - COUNCIL MEETINGS JUNE & JULY	939.50
EFT6360	NANNUP PHARMACY	STAFF IMMUNISATION	192.93
EFT6361	ARBOR GUY	VARIOUS TREE WORKS	8800.00
EFT6362	EDGE PLANNING & PROPERTY	PLANNING SERVICES	1818.30
EFT6363	BUSSELTON MULTI SERVICE	KEYS CUT	32.50
EFT6364	DEAN GUJA	EH WORK & TRAVEL 32 HOURS	2560.00
EFT6365	BRANDINO PTY LTD	NANNUP HERITAGE TRAIL STAGE 1	7425.00
EFT6366	BOLLIG DESIGN GROUP	SHIRE OF NANNUP - RECREATION PRECINCT UPGRADE	17110.50
EFT6367	STORYBOX CONSULTING PTY LTD	CONSULTATION - NANNUP RECREATION PRECINCT	1265.00
EFT6368	JOANNA KEPA	ASSISTANT TO WORKSHOP @ YOUTHSPEACE	150.00
EFT6369	TREDWELL MANAGEMENT SERVICES	BRIDLE TRAIL - COMPLETION OF DRAFT PLAN	6567.00
EFT6370	ALLGLOVE INDUSTRIES	FIREFIGHTING GLOVES	691.75
EFT6371	JOHN CARTER	REIMBURSEMENT OF EXPENSES	286.50
EFT6372	BEYOND IQ PTY LTD	WORKSHOP FACILITATION	4114.00
EFT6373	MARGARET RIVER TILT TRAY	RECOVERY OF VEHICLE	528.00
EFT6374	CMT TRANSPORT TRAINERS	TRAINING HC COURSE	3750.00
EFT6375	NAMES PLUS EMBROIDERY	CYCLE SHIRTS FOR NANNUP CYCHOS	600.00
EFT6376	NANNUP ARTS COUNCIL	COMMUNITY GRANT	3000.00
EFT6377	AUSTRALIA POST	POSTAGE FOR '19 THINGS TO DO IN NANNUP'	58.28
EFT6378	AMD CHARTERED ACCOUNTANTS	ACQUITTAL AUDIT 2014	605.00
EFT6379	HOLCIM AUSTRALIA PTY LTD	10MM SEALING AGG	6396.06
EFT6380	GEOGRAPHE SAWS & MOWERS	EQUIPMENT	1249.00
EFT6381	TOLL IPEC ROAD EXPRESS PTY LTD	FREIGHT EXPENSES	168.20
EFT6382	NANNUP COMMUNITY RESOURCE CENTRE	BOOEASY PAYMENT	401.60
EFT6383	SW PRECISION PRINT	INFORMATION BOOKLETS X 1,400	2695.00
EFT6384	SYNERGY	POWER USAGE	6557.75
EFT6385	SOUTHWEST TYRE SERVICE	VEHICLE MAINTENANCE	2928.00
EFT6386	LOUISE STOKES	REIMBURSEMENT OF EXPENSES	114.68
EFT6387	TRADE HIRE	PLANT HIRE	665.50
EFT6388	WALGA	ROMAN II SUBSCRIPTION 1ST JULY 14 - 30TH JUNE 2015	11376.07
EFT6389	WORK CLOBBER	PROTECTIVE CLOTHING	425.00
EFT6390	ROBERT BOOTSMA	REIMBURSEMENT OF EXPENSES	357.64
EFT6391	LOCAL HEALTH AUTHORITIES ANALYTICAL COMMITTEE	ANALYTICAL SERVICES MA2014089	495.95
EFT6395	LGIS INSURANCE BROKING	RENEWAL 634008343VET	275.00
EFT6396	NANNUP SKIP BINS	SKIP BIN SERVICE	110.00
EFT6397	DATA #3 LIMITED	MICROSOFT WINDOWS SERVER STANDARD LICENCE	1176.03
EFT6398	GUMNUTS GALORE	ASSORTED PLANTS	286.90
EFT6399	BP NANNUP	JULY FUEL ACCOUNT	179.53
EFT6400	SCANIA AUSTRALIA - BUNBURY OFFICE	SUNDRY SPARE PARTS	338.01
EFT6401	TRAUMA ONE FIRST AID TRAINING	TRAINING	2202.00
EFT6402	QUICK CORPORATE AUSTRALIA	STATIONERY	264.85
EFT6403	EDGE PLANNING & PROPERTY	TOWN PLANNING CONSULTANCY FEES	3229.05
EFT6404	DEAN GUJA	EH WORK & TRAVEL 32 HOURS	2656.00
EFT6405	ALS LIBRARY SERVICES P/L	LIBRARY BOOKS	269.42
EFT6406	JOHNSON'S FOODSERVICE	CARAVAN PARK GOODS	649.69
EFT6407	AIMEE HERRIOT	CATERING SERVICES	196.00
EFT6408	JANE BUCKLAND	PLANNING TRAINING	1275.00
EFT6409	CITY & REGIONAL FUELS	BULK FUEL SUPPLY	28764.65
EFT6410	JPR TRAINING AND BOOKKEEPING	FORKLIFT TRAINING	2250.00
EFT6411	AUSTRALIAN TAXATION OFFICE	BAS	12584.00
EFT6412	AMD CHARTERED ACCOUNTANTS	ACQUITTAL AUDIT FEES CLGF ROUND 4 2011/12 GRANT	561.00
EFT6413	BLACKWOODS	CLEANING EQUIPMENT	859.97
EFT6414	COURIER AUSTRALIA	FREIGHT CHARGES	216.34
EFT6415	HOLCIM AUSTRALIA PTY LTD	SEALING MATERIALS	11214.28
EFT6416	LANDGATE	INTERIM RATE VALUATIONS	36.55
EFT6417	GREENWAY ENTERPRISES	FERTILISER TABLETS & SOIL WETTER	259.60
EFT6418	HOWSON MANAGEMENT PTY LTD	ACTING MANAGER INFRASTRUCTURE	7386.50
EFT6419	INSIGHT CCS PTY LTD	OVERCALL FEES - JULY	106.94
EFT6420	K & C HARPER	SITE WORKS	10465.95
EFT6421	LOCAL GOVERNMENT MANAGERS AUSTRALIA	2014-2015 MEMBERSHIP - VIC SMITH	960.00
EFT6422	NANNUP HARDWARE & AGENCIES	PROTECTIVE CLOTHING	5727.90
EFT6423	NANNUP NEWSAGENCY	POSTAGE AND STATIONERY	551.35
EFT6424	NANNUP EZIWAY SELF SERVICE STORE	GAS BOTTLES AND SUPPLIES	1192.56

SHIRE OF NANNUP ACCOUNTS FOR PAYMENT - AUGUST & SEPTEMBER 2014			
EFT/ Cheque	Name	Invoice Description	Amount
EFT6425	PRESTIGE PRODUCTS	CLEANING PRODUCTS	792.99
EFT6426	THE PAPER COMPANY OF AUSTRALIA PTY LTD	PAPER SUPPLIES	311.30
EFT6427	RICOH BUSINESS CENTRE	PHOTOCOPYING COSTS	279.83
EFT6428	SUGAR MOUNTAIN ELECTRICAL SERVICES	ELECTRICAL REPAIR WORKS	308.00
EFT6429	SOUTH WEST STEEL PRODUCTS	SUNDRY STEEL SUPPLIES	112.20
EFT6430	SHIRE OF MANJIMUP	I.T CONSULTANCY	862.50
EFT6431	WARREN BLACKWOOD WASTE	RUBBISH COLLECTION	7159.76
EFT6432	GREENLINE AGRICULTURE	PURCHASE OF PLANT - TRACTOR	76945.00
EFT6433	WA LOCAL GOVERNMENT SUPERANNUATION PLAN	SUPERANNUATION CONTRIBUTIONS	26454.69
EFT6434	JACKSONS DRAWING SUPPLIES PTY LTD	YAC SUPPLIES	616.67
EFT6435	NANNUP MUSIC FESTIVAL	CONTRIBUTION TOWARDS NANNUP MUSIC FESTIVAL	20000.00
EFT6436	GUMNUTS GALORE	GARDENING SUPPLIES	11.60
EFT6437	NANNUP PHARMACY	VACINATIONS	195.50
EFT6438	P.N. ATKINSON	BIRD HOUSE SETS - YAC	370.00
EFT6439	KERRIE YABSLEY	REIMBURSEMENT OF EXPENSES	150.00
EFT6440	BOLLIG DESIGN GROUP	RECREATION PRICINT UPGRADE - CONTACT DOCUMENTS	878.51
EFT6441	BUNBURY TRUCKS	H/D TRUCK 80K SERVICE	1600.50
EFT6442	CAPE TO CAPE EXPLORER TOURS	1 DAY BUS AND DRIVER FOR THE YAC 30 SEP	425.00
EFT6443	PICKLE & O	REFRESHMENTS	340.00
EFT6444	JOANNA KEPA	YAC ASSISTANT WORK	725.00
EFT6445	JOHN CARTER	REIMBURSEMENT OF EXPENSES	376.84
EFT6446	CITY & REGIONAL FUELS	BULK DIESEL FUELS	10173.71
EFT6447	CMT TRANSPORT TRAINERS	1 DAY HC COURSE, MONDAY 8TH SEPTEMBER	890.00
EFT6448	THE HUMBLE HORSE	12 RIDERS - YAC SCHOOL HOLIDAY PROGRAM	432.00
EFT6449	KOOMAL DREAMING CULTURAL EXPERIENCES	NANNUP HERITAGE TRAIL PROJECT	1500.00
EFT6450	WASTE & RECYCLE 2014 CONFERENCE	STAFF TRAINING	300.00
EFT6451	PROMACO GEODRAFT	NANNUP TOWNSITE MAP	765.00
EFT6452	AEC GROUP PTY LTD	SHIRE OF NANNUP QUANNUP PASTORAL LEASE	2750.00
EFT6453	SUSAN ELTON	GRANT ACQUITTAL SUPPORT	1230.00
EFT6454	AUSTRALIAN TAXATION OFFICE	BAS - AUGUST 2014	808.00
EFT6455	AMD CHARTERED ACCOUNTANTS	NANNUP REC PRECINT UPGRADE	704.00
EFT6456	BRIDGETOWN MEDICAL GROUP	STAFF MEDICAL EXPENSES	70.10
EFT6457	BLACKWOODS	CLEANING SUPPLIES	29.80
EFT6458	CEMETERIES & CREMATORIA ASSOC OF WA	ORDINARY MEMBERSHIP RENEWAL	100.00
EFT6459	HOLCIM AUSTRALIA PTY LTD	10MM SEALING AGG X 4	14405.05
EFT6460	D & J MILLER (DO YOUR BLOCK CONTRACTING)	CARAVAN PARK WORKS	1100.00
EFT6461	HOWSON MANAGEMENT PTY LTD	NANNUP SHIRE - ACTING MANAGER OF INFRASTRUCTURE	5236.00
EFT6462	HOLBERRY HOUSE	ACCOMODATION FOR PLANNER	115.00
EFT6463	TOLL IPEC ROAD EXPRESS PTY LTD	FREIGHT EXPENSES	79.07
EFT6464	ROBIN MELLEMA	MEETING ATTENDANCE	2484.00
EFT6465	NANNUP EZIWAY SELF SERVICE STORE	REFRESHMENTS	204.60
EFT6466	NANNUP LIQUOR STORE	REFRESHMENTS	81.98
EFT6467	PRESTIGE PRODUCTS	CLEANING PRODUCTS	991.93
EFT6468	SOUTH WEST FIRE SERVICES	P/O 14753 INSPECTION RIVERSBEND CARAVAN PARK	375.00
EFT6469	SYNERGY	25 JUL 2014 TO 24 AUG 14	2056.50
EFT6470	TRACIE BISHOP	ACCOMODATION AND PARKING - SAT 19/08/2014	388.00
EFT6471	WALGA	ADVERTISING	328.30
EFT6472	WORK CLOBBER	SAFETYWEAR	117.00
EFT6473	MPM DEVELOPMENT CONSULTANTS	NANNUP- DESIGN AND DOCUMENTATION MAIN STREET	1600.70
EFT6474	PICKLE & O	REFRESHMENTS	430.00
EFT6475	ZANPHIRE PTY LTD	SEA CONTAINER HIRE	352.00
EFT6476	SCOPE BUSINESS IMAGING	PHOTOCOPYIER - INITIAL COSTS	999.39
EFT6477	BOC LIMITED	OXYGEN INDUST G SIZE	559.55
EFT6478	CUTTS ENGINEERING PTY LTD	MODIFICATIONS ON PLANT TRAILER	1425.46
EFT6479	NANNUP HARDWARE & AGENCIES	HARDWARE SUPPLIES	2557.75
EFT6480	PRESTIGE PRODUCTS	CLEANING PRODUCTS	239.58
EFT6481	GT BRAKE & CLUTCH REPAIRS	VEHICLE REPAIRS	3541.98
EFT6482	SUGAR MOUNTAIN ELECTRICAL SERVICES	NANNUP CARAVAN PARK ELECTRIAL WORKS	112.01
EFT6483	WORTHY CONTRACTING	NWF - AUGUST 2014	9863.33
EFT6484	COATES HIRE	PLANT HIRE	108.20
EFT6485	GEOGRAPHE FORD PTY LTD	SUNDRY SUPPLIES	75.30
EFT6486	DEPARTMENT OF PREMIER AND CABINET	GOVERNMENT GAZETTE ADVERTISING	83.40
EFT6487	P & F MARTIN	CESO VEHICLE SERVICE	3092.88
EFT6488	NGS BUILDING MAINTENANCE RESOURCES	TOWN HALL MAINTENANCE	108.00
EFT6489	QUICK CORPORATE AUSTRALIA	STATIONARY	307.67

SHIRE OF NANNUP ACCOUNTS FOR PAYMENT - AUGUST & SEPTEMBER 2014			
EFT/ Cheque	Name	Invoice Description	Amount
EFT6490	PUBLIC LIBRARIES WA INC	MEMBERSHIP 2014/15	1574.59
EFT6491	NORMAN STEER	TRAVEL REIMBURSEMENT	1411.96
EFT6492	EDGE PLANNING & PROPERTY	DRAFT LOCAL PLANNING STRATEGY	10823.64
EFT6493	VIC SMITH	ACCOMODATION WASTE WORKSHOP	199.00
EFT6494	ARTIFEX	LOCAL PLANNING STRATEGY	1375.00
EFT6495	DEAN GUJA	EH WORK & TRAVEL	2153.00
EFT6496	PICKLE & O	LUNCH DELIVERED FOR 20 PEOPLE	199.00
EFT6497	NANNUP DISTRICT HIGH SCHOOL P & C	8 BAGS OF RAGS	43.00
EFT6498	ROBERT BOOTSMAN	REIMBURSEMENT OF EXPENSES	55.00
EFT6499	CITY & REGIONAL FUELS	BULK DIESEL FUELS	5599.06
EFT6500	BLACKWOOD AIR-CONDITIONING	AIR CONDITIONER MAINTENANCE	1391.50
EFT6501	CJD EQUIPMENT PTY. LTD.	NEW LOADER AS PER QUOTE	29040.00
EFT6502	DELL AUSTRALIA PTY LTD	DELL POWEREDGE SERVER	16354.13
EFT6503	HOWSON MANAGEMENT PTY LTD	NANNUP SHIRE- MOWEN ROAD PROJECT	4207.50
EFT6504	HOLBERRY HOUSE	ACCOMODATION DFES ON ROAD TRAINING COURSE	671.00
EFT6505	TOLL IPEC ROAD EXPRESS PTY LTD	FREIGHT EXPENSES	255.11
EFT6506	INSIGHT CCS PTY LTD	AUG 14	51.18
EFT6507	WAYNE G H JOLLEY	HOME AND TRAVEL EXPENSES	219.00
EFT6508	NANNUP NEWSAGENCY	POSTAGE & STATIONERY	120.12
EFT6509	NANNUP EZIWAY SELF SERVICE STORE	CARAVAN PARK SUPPLIES	25.00
EFT6510	NANNUP COMMUNITY RESOURCE CENTRE	TELEGRAPH ADVERT 14	413.00
EFT6511	THE PAPER COMPANY OF AUSTRALIA PTY LTD	STATIONERY SUPPLIES	15.00
EFT6512	SYNERGY	ELECTRICITY EXPENSES	205.15
EFT6513	SUGAR MOUNTAIN ELECTRICAL SERVICES	KEARNEY STREET DEPOT ELECTRICAL WORKS	2507.16
EFT6514	LOUISE STOKES	REIMBURSEMENT OF EXPENSES	15.18
EFT6515	WALGA	CARAVAN PARK TENDER ADVERTISEMENT	535.15
EFT6516	WARREN BLACKWOOD WASTE	WASTE & RECYCLING COSTS	635.15
		Total of EFT Payments August & September 2014	\$755,454.86
19578	INSTANT RACKING	2 DOOR CABINET	481.00
19579	BUSSELTON AGRICULTURAL SERVICES	ENDORES 20LT SPRAY OIL	12.00
19580	BUSSELTON MOTORS	VEHICLE SERVICE	314.11
19581	NUMERO PTY LTD	HIRE - HYUNDAI I20 - BUSHFIRE COORDINATOR	1245.16
19582	NANNUP SPORT & RECREATION ASSOCIATION	KIDSPOITS PAYMENTS	621.00
19583	TONY DEAN	SHIRE PRESIDENT ALLOWANCE & MEETING FEES	864.00
19584	ANNE SLATER	MEETINGS APRIL, MAY, JUNE, JULY 2014 + TRAVEL	69.16
19585	BLACKWOOD VALLEY WINE INDUSTRY ASSOCIATION	COMMUNITY GRANT 2015	400.00
19586	NANNUP COMMUNITY FOOD GARDEN	COMMUNITY GRANT 2015	1000.00
19587	RACHEL SINCLAIR	REFUND BOOEASY	75.15
19588	BUNNINGS WAREHOUSE - BUNBURY	2 X GAS BOTTLES FOR BBQ'S	45.15
19589	NANNUP GARDEN VILLAGE COMMITTEE	COMMUNITY GRANT	3000.00
19590	KINGS PARK MOTEL	ACCOMMODATION EXPENSES	170.00
19591	NANNUP DISTRICT HIGH SCHOOL	COMMUNITY GRANT - GRADUATION PENS	100.00
19592	NANNUP HISTORICAL SOCIETY	DOCUMENTATION COST - NANNUP HERITAGE TRAIL	1000.00
19593	SHIRE OF NANNUP	CIT THEORY TESTS	115.00
19594	WATER CORPORATION	INDUSTRIAL WASTE PERMIT	23.00
19595	SRG LEISURE RETAIL PTY LTD T/A BCF	CAMPING GEAR	195.48
19596	IAN ENGLERT	PIANO TUNING	150.00
19597	ANTHONY DEAN	REIMBURSEMENT OF EXPENSES	141.00
19598	WARREN BLACKWOOD STRATEGIC ALLIANCE	2014-15 MEMBER CONTRIBUTION	1184.12
19599	SENSIS PTY LTD	CARAVAN PARK PROMOTION	57.17
19600	WALDORF APARTMENT HOTELS AUST	ACCOMMODATION	535.00
19601	BUNNINGS- BUSSELTON	GAS BOTTLE EXCHANGE	45.15
19602	NANNUP GARDEN VILLAGE COMMITTEE	BARREL OF FLOWERS	175.00
19603	NANNUP BOWLING CLUB	HIRE OF BOWLING CLUB	100.00
19604	SHIRE OF NANNUP	ESL PAYABLE 14/15 SHIRE OWNED PROPERTIES	402.02
19605	ST JOHN AMBULANCE	ST JOHN'S AMBULANCE FUND JULY 2014	404.00
19606	WATER CORPORATION	WATER USAGE	1834.05
19607	AMP LIFE LTD	SUPERANNUATION CONTRIBUTIONS	405.67
19608	AUSTRALIAN SUPER	SUPERANNUATION CONTRIBUTIONS	1704.43
19609	IIML ACF IPS APPLICATION TRUST	SUPERANNUATION CONTRIBUTIONS	72.03
19610	ONEPATH MASTERFUND	SUPERANNUATION CONTRIBUTIONS	413.18
19613	NUMERO PTY LTD	HIRE OF CAR - BUSHFIRE COORDINATOR	1245.16
19614	BOOEASY PTY LTD	BOOEASY BOOK RETURNS FEES - JULY 2014	22.00
19615	APRA AMCOS	LICENSING SERVICES	148.21

SHIRE OF NANNUP ACCOUNTS FOR PAYMENT - AUGUST & SEPTEMBER 2014			
EFT/ Cheque	Name	Invoice Description	Amount
19616	BUNNINGS- BUSSELTON	GIFT CARDS	300.00
19617	NANNUP BAKERY	SELECTION OF CAKES	36.00
19618	TELSTRA	NANNUP BROOK FIRE BRIGADE - TELEPHONE EXPENSES	35.91
19619	BOOEASY PTY LTD	AUG 2014	220.00
19620	ISABEL GREEN	50 % TO CROSSOVER CONTRIBUTIONS	375.00
19621	JOHN COOK	RATES REFUND FOR OVER PAYMENT ON RATES	251.47
19622	CHALLENGER	SUPERANNUATION CONTRIBUTIONS	232.74
19623	SENSIS PTY LTD	TOURIST ATTRACTIONS	57.97
19624	BUNNINGS- BUSSELTON	MISCELLANEOUS TOOLS	1196.38
19625	SHIRE OF NANNUP	PETTY CASH REIMBURSEMENT	145.65
		Total of Municipal Cheque Payments August & September 2014	\$ 44,946.91
22780	SHIRE OF NANNUP	TRUST CHEQUES REISSUED - PAST DUE DATE	230.50
22784	JOSEPHINA COCKMAN	RETURN OF BOND	200.00
22785	NANNUP MUSIC CLUB INC	BOND RETURN	140.00
22786	SHIRE OF NANNUP	CLEANING FEE	60.00
		Total Trust Cheque Payments August & September 2014	\$ 630.50
EFT6392	CATHERINE STEVENSON	REFUND BOND - CANDIDATE NOMINATION	80.00
EFT6393	TEAGAN BRACKNELL	REFUND BOND - TOWN HALL (WEDDING)	200.00
EFT6394	DF & DJ BOULTER	REFUND BOND - COUNCILLOR NOMINATION	80.00
		Total Trust EFT Payments August & September 2014	\$ 360.00
		TOTAL MUNICIPAL PAYMENTS FOR PERIOD	\$ 800,401.78
		TOTAL TRUST PAYMENTS FOR PERIOD	\$ 990.50
		TOTAL PAYMENTS FOR PERIOD:	\$ 801,392.28

Dated

2013

SHIRE OF NANNUP

and

**BUNBURY HOUSING ASSOCIATION (INC) TRADING AS
ALLIANCE HOUSING (WA)**

LEASE

NANNUP LOT 306 RESERVE NUMBER 39740

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SCHEDULE 220

EXECUTED by the parties.....21

DRAFT

LEASE

This Lease dated

201

PARTIES SHIRE OF NANNUP of 15, Adam Street, Nannup, Western Australia ("the Lessor")

and

The person or persons described in Item 1.1 of Schedule 1 ("the Lessee")

RECITALS

- A. The Lessor has the Lessor's Interest in the Land.
- B. The Lessor has agreed to lease the Premises to the Lessee on and subject to the terms and conditions of this Lease.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

In this Lease, unless the context requires otherwise:

"Building" means the building or buildings and all other fixed improvements forming part of the Premises and includes any additions or alterations;

"Commencement Date" means the commencement date of the Term specified in Item 1.3 of Schedule 1;

"CPI" means the Consumer Price Index All Groups Index Numbers for Perth provided by the Australian Bureau of Statistics or if the basis upon which it is determined is substantially altered then such basis as the Lessor may reasonably determine to be as near to the Consumer Price Index previously referred to as is reasonably possible;

"CPI Rent Review Date" means each of the dates specified as such in Item 1.6 of Schedule 1;

"GST" means a tax, impost or other duty raised on the supply of goods and services and imposed by the Commonwealth of Australia or a state or territory of the Commonwealth of Australia;

"Guarantor" means the person or persons described in Item 1.8 of Schedule 1;

"Land" means the land described in Item 1.2 of Schedule 1;

"Lessee" if only one Lessee is a party means the Lessee and the executors, administrators and permitted assignees of the Lessee and if there are two or more Lessees parties means the Lessees and each of them and their and each of their executors, administrators and permitted assigns and if the Lessee or any of the Lessees shall be a corporation includes the successors and permitted assigns of the Lessee;

"Lessor" if only one Lessor is a party means the Lessor and the executors, administrators and assigns of the Lessor and if there are two or more Lessors parties hereto means the Lessors and each of them and their and each of their executors, administrators and assigns and if the Lessor or any of the Lessors shall be a corporation includes the corporation and its successors and assigns;

"Lessor's Interest" means the Lessor's interest in the Land which interest is described in Item 1.2 of Schedule 1;

"Market Rent Review Date" means each of the dates referred to as such in Item 1.6 of Schedule 1;

"Premises" means the premises described in Item 1.2 of Schedule 1 including all the Lessor's fixtures and appurtenances;

"Rate of Interest" means the general maximum rate of interest charged from time to time by the Lessor on overdue or unpaid rates;

"Rent" means the Rent payable by the Lessee pursuant to this Lease;

"Term" means the term of this Lease as specified in Item 1.3 of Schedule 1 commencing on the Commencement Date and any shorter period in the event of the early determination of the Term.

1.2 Interpretation

In this Lease, unless the context indicates a contrary intention:

- (a) words suggesting the singular include the plural and vice versa;
- (b) words suggesting any gender include any other gender;
- (c) a reference to a day means any day, which is not a Saturday, Sunday or a public holiday;
- (d) reference to a person includes a company, corporation, and unincorporated or incorporated association or statutory authority;
- (e) references to clauses, paragraphs, subparagraphs and Schedules are to clauses, paragraphs, and subparagraphs of, and schedules to this Lease as amended from time to time in accordance with the terms of this Lease;
- (f) a document will be incorporated into and form part of this Lease if the parties sign the document and it is referred to in this Lease and a reference to such a document is to that document as amended from time to time in accordance with the terms of this Lease;
- (g) headings used for clauses, paragraphs, subparagraphs, Schedules and the table of contents are for ease of reference only and will not affect the interpretation of this Lease;
- (h) references to any Lease or instrument are to that Lease or instrument as amended, novated, supplemented, varied or replaced from time to time;
- (i) references to laws include any modification or re-enactment of those laws, or any legislative provisions substituted for such laws, and all orders, local laws,

planning schemes, by-laws, regulations and other statutory instruments issued under those laws;

- (j) use of the words “includes” or “including” means without limitation, unless the contrary intention appears;
- (k) a reference to any body is:
 - (i) if that body is replaced by another organisation, deemed to refer to that organisation; and
 - (ii) if that body ceases to exist, deemed to refer to the organisation which most nearly or substantially serves the same purposes or objects as that body; and
- (l) all dollar amounts specified in this Lease are in Australian dollars.

2. LEASE

2.1 Lease

- (1) The Lessor grants a lease to the Lessee and the Lessee takes a lease of the Premises on and subject to the terms of this Lease.
- (2) Where the Land is Crown land and the approval of the Minister of Lands is required under the provisions of any relevant vesting or management order then the grant of a lease under subclause (1) is subject to that approval.

2.2 Term

The Premises will be held by the Lessee as tenant for the Term commencing on the Commencement Date and expiring on the expiry date specified in Item 1.3 of Schedule 1 the Lessee paying therefore the Rent payable in the manner provided in this Lease.

2.3 Rent

- (1) The Lessee shall pay to the Lessor:
 - (a) for the first year of the Term, the annual rent specified in Item 1.4 of Schedule 1;
 - (b) for the second and each subsequent year of the Term the annual rent varied pursuant to clauses 2.4 and 2.5.
- (2) The Rent shall be payable in the manner set out in Item 1.5 of Schedule 1.

3. LESSEE'S OBLIGATIONS

3.1 Rates and Taxes

- (1) The Lessee shall punctually pay all rates, assessments, levies or taxes levied or assessed or to be levied or assessed by the Commonwealth, the State, the local government, any water supply authority, any sewerage authority or by any other authority whether statutory, governmental, or otherwise which:

- (a) are at any time during the Term or any holding over to any extent charged on the Premises or on the Lessor in respect of the Premises or both; or
 - (b) arise out of or by reason of the method or kind of business carried on by the Lessee.
- (2) If any rates, assessments, levies or taxes referred to in subclause (1) are not levied or assessed in respect of the Premises, then the Lessee shall pay to the Lessor on demand a proportion of them, being the proportion that the area of the Premises bears to the area of the property the subject of the assessment or levy, as specified by the Lessor.

3.2 Services

The Lessee shall punctually pay for all water, gas, electricity, telephone and other utility services which are either provided to or used on the Premises.

3.3 Maintenance

- (1) The Lessee shall keep and maintain every part of the Premises and all lighting and electrical installations and all drainage, sewerage and septic systems and all other fixtures and fittings in good and substantial repair, order and condition.
- (2) To keep the said homes and all other buildings erections fences and gates upon the Premises in good repair and condition.
- (3) To keep all grounds surrounding the said homes and forming part of the Premises in good order and condition and of attractive appearance and in particular free from dangerously flammable material.

3.4 Cleaning

The Lessee shall keep and maintain the Premises well cleansed and drained in good sanitary condition and properly disinfected, free from rubbish, refuse and disused material of any kind and the Lessee shall observe, perform, discharge, execute and take such sanitary measures and precautions and subject to clause 3.21, construct such works and make such amendments, alterations and additions to the Premises at any time as shall during the term be required by or under any written law.

3.5 Make good damage

At the Lessee's own expense from time to time the Lessee shall make good any breakage, defect or damage to the Premises or any adjoining premises or facilities or any other property caused by want of care misuse or abuse on the part of the Lessee or the Lessee's employees agents contractors invitees licensees sub-tenants or other persons claiming through or under the Lessee or otherwise occasioned by any breach or default of the Lessee under this Lease.

3.6 Entry by Lessor to view and to repair

- (1) The Lessee shall permit the Lessor, the Lessor's architects, agents and contractors at all reasonable times to enter into and upon the Premises in order to view and examine the state of repair, order and condition and to leave upon the Premises notice of any lack of repair, order, condition, neglect or defect for which the Lessee is liable and requiring the Lessee to make good the same within the time specified in the notice and the Lessee shall make good the same in accordance

with the notice to the satisfaction of the Lessor.

- (2) The Lessee shall permit the Lessor, the Lessor's agents and contractors at all reasonable times and, in the case of emergency, at any time to enter into and remain upon the Premises with all necessary plant, equipment and materials to carry out any works or make any repairs or alterations or additions to the Premises.

3.7 Abatement of nuisances

- (1) The Lessee shall not do or omit to do any act matter or thing which may be or be deemed to be a nuisance within the meaning of the Health Act or any other Act or under any planning scheme, local law or regulation applicable to the Premises or the use or occupation of the Premises by the Lessee and the Lessee will immediately abate any such nuisance or alleged nuisance.
- (2) The Lessee shall ensure that the Premises are not used in any manner which may be or become a nuisance, disturbance or annoyance to the quiet and comfort of any occupier of any premises in the vicinity of the Premises and on being required to do so by the Lessor or any employee or agent of the Lessor the Lessee shall immediately abate the nuisance, disturbance or annoyance.

3.8 Pests

The Lessee shall keep the Premises free of ants, termites, rodents, pests and vermin.

3.9 Rubbish

The Lessee shall not permit any rubbish or garbage to accumulate on the Premises unless confined in suitable containers which are located so as not to be visible to members of the public.

3.10 Disorderly behaviour

The Lessee shall prevent disorderly behaviour and indecent language at the Premises.

3.11 Compliance with written laws

The Lessee shall comply with, carry out and perform the requirements of the Local Government Act, the Health Act and any other Act, ordinance, town planning scheme, local law, regulation or written law or of any notice, requisition or order under a written law applicable to the Premises or the use or occupation of the Premises.

3.12 Permitted purpose and operation of lessee's affairs

- (1) The Lessee shall use the Premises only for the purpose specified in Item 1.7 of Schedule 1 or for any other purpose first approved in writing by the Lessor.
- (2) The Lessee shall at all times conduct its affairs for the purpose specified in Item 1.7 of Schedule 1 in a first class businesslike and reputable manner and with due diligence and efficiency.

3.13 Insurances

The Lessee shall, at the Lessee's expense, effect and keep current, with an insurance company approved by the Lessor the following insurances in relation to the Premises:

Public risk

- (a) A policy covering public risk which will:
- (i) be in the name of the Lessee, the Lessor, the Lessor's agent, managers, employees, representatives and contractors and provide for a minimum cover of ten million dollars (\$10,000,000.00) for each accident, claim or event or such higher amount as the Lessor specifies; and
 - (ii) extend to cover any liability for the death of, illness of, or injury to, any person or loss, destruction or damage to any person's property sustained when such person is using or entering or near any entrance, passage, stairway, display or display window to into or of the Premises, or sustains the injury or damage as a result of an act or omission of the Lessee, its agent, licensee, employee or representative operating a business on or from the Premises, or sustains the injury or damage as a result of consuming food or drink supplied on or from the Premises or as a result of goods sold on or from the Premises; and
 - (iii) require the insurance company and the Lessee to give the Lessor at least 30 days written notice before either cancellation of the policy or a reduction in its level or extent of cover; and
 - (iv) contain a clause which provides that any claims made by any of the insured parties against any other will be treated as though the claimant were not an insured party and in such instances provided that the insurance company waives its right of subrogation; and
 - (v) provide cover which is primary and not contributory with any policies effected by the Lessor or the Lessor's managers, agents, employees, representatives or contractors;

Buildings

- (b) A policy covering the Lessee's buildings and other improvements forming part of the Premises to the full insurable value against loss or damage resulting from fire and extraneous risks including but not limited to water, storm and rainwater damage.

Fittings and chattels

- (c) A policy covering the Lessee's fittings, fixtures and chattels contained in or about the Premises for its full insurable value against loss or damage resulting from fire and extraneous risks including but not limited to water, storm and rainwater damage.

3.14 Evidence of insurance cover

- (1) Before taking possession of the Premises, the Lessee shall deliver the insurance policies required under this Lease to the Lessor.
- (2) The Lessee shall give satisfactory evidence to the Lessor that the policies have been renewed within 7 days after the expiration of each policy term.

3.15 Not to void insurances

The Lessee shall not at any time do or allow anything which may either render the insurances on the Premises or any part of it void or voidable.

3.16 Compliance with insurance regulations

- (1) The Lessee shall comply with insurance, sprinkler and fire alarm regulations as they relate to the use of the Premises.
- (2) The Lessee shall pay to the Lessor the cost of any alterations to any sprinkler or fire alarm installation which may become necessary by reason of the non-compliance by the Lessee with the regulations of the Insurance Council of Australia or the requirements of the Lessor's insurer or both of them.
- (3) The Lessee shall pay to the Lessor on demand the Lessor's costs of carrying out:
 - (a) any testing and servicing of fire equipment and systems and of electrical equipment which may be required by law or recommended by any relevant authority; and
 - (b) any alteration to any fire equipment and systems which may become necessary by reason of non-compliance by the Lessee with the requirements of any insurer, relevant authority or local government.

3.17 Indemnity

The Lessee shall indemnify the Lessor and keep the Lessor indemnified from and against all claims, demands, writs, summonses, actions, suits, proceedings, judgments, orders, decrees, damages, costs, losses and expenses of any nature whatsoever which the Lessor may suffer or incur in connection with loss of life, personal injury or damage to property arising from or out of any occurrence in upon or at the Premises or the use by the Lessee of the Premises or to any person or the property of any person using or entering or near any entrance to the Premises or occasioned (wheresoever it may occur) wholly or in part by any act, neglect, default or omission by the Lessee its agents, contractors, servants, workmen, customers, members or any other person or persons using or upon the Premises with its consent or approval expressed or implied.

3.18 Alterations and improvements

The Lessee shall not, without the prior written consent of the Lessor, make or permit to be made any alteration in or additions to the Premises or remove from the Premises any improvement and the Lessee shall not cut maim or injure or suffer to be cut maimed or injured any of the walls, floors, ceilings, plumbing, gas or electrical fixture or fittings or timbers.

3.19 Notice of defects

The Lessee shall give to the Lessor immediate notice in writing of any damage to or defect in the Premises or the water or sewerage pipes, gas pipes, electrical light fixtures or any plant fittings or equipment in the Premises.

3.20 Sale of alcohol

The Lessee shall not sell or permit the sale of any alcohol or alcoholic beverage on the Premises except with the prior consent of the Lessor and in accordance with a licence under the Liquor Licensing Act 1988.

3.21 Assignment or subletting

- (1) The Lessee shall not assign, sublet or part with the possession of the Premises and the Lease without the prior written consent of the Lessor.
- (2) Sections 80 and 82 of the Property Law Act 1969 are hereby expressly excluded.
- (3) Where the Land is Crown land, the prior written consent of the Minister for Lands is required under subclause (1) in addition to the consent of the Lessor.
- (4) The Lessee shall not mortgage, encumber or charge the Premises or the Lease
- (5) The Lessee shall not to allow any person to enter into possession of any of the units constructed upon the Premises unless and until such persons shall have entered into a tenancy agreement.

3.22 Signs

The Lessee shall not, without the prior written consent of the Lessor, affix or exhibit or permit to be affixed to or exhibited upon any part of the exterior of the Premises or in any place visible from outside the Premises any placard, sign, notice, poster, hoarding or advertisement.

3.23 Legal costs

- (1) The Lessee shall pay to the Lessor on demand the costs (of a full indemnity basis) of and incidental to the negotiations and instructions for and the preparation, completion and stamping of this Lease (including stamp duty) and all copies of this Lease.
- (2) The Lessee shall pay to the Lessor on demand all costs, charges and expenses (including solicitors' costs and surveyors' fees) incurred by the Lessor for the purpose of or incidental to the preparation and service of any notice under section 81 or any other section of the Property Law Act 1969 requiring the Lessee to remedy a breach of a provision of this Lease.

3.24 Lessee to make good

- (1) At the expiration or sooner determination of this Lease:
 - (a) the Lessee shall yield up the Premises to the Lessor in the condition required by this Lease; and
 - (b) the Lessee shall remove from the Premises all fixtures, fittings and chattels brought onto the Premises by or for the use of the Lessee except for any structural improvements and any fixtures, fittings and chattels provided for the use of the Lessee and which the Lessor determines should remain in the Premises. The Lessee shall not do or allow any damage to the Premises in such removal. If however any damage occurs the Lessee will immediately make it good; and
 - (c) the Lessee shall remove any lettering, signs, names, advertisements and notices erected, painted, displayed or affixed onto or within the Premises and make good any damage caused by reason of such erection, painting, displaying, affixing or removal. If the Lessee defaults under this clause the Lessor may remove and make good at the Lessee's expense.

- (2) If the Lessee fails to remove its fixtures, fittings and chattels the Lessor may at its option do either or both of the following:
 - (a) remove and store any of them in such a manner as the Lessor determines at the cost of the Lessee; and
 - (b) treat them as if the Lessee had abandoned its interest in them and they had become the property of the Lessor may then deal with them in such manner as the Lessor determines. If the Lessor sells them it need not account to the Lessee for the proceeds of sale but may apply the proceeds of sale as it see fit.

3.25 No registration or caveat

- (1) Neither the Lessee nor any agent or other person on behalf of the Lessee shall without the prior consent in writing of the Lessor register this Lease nor lodge any absolute caveat in respect of the Premises to protect the interests of the Lessee under this Lease.
- (2) In the event of this Lease or any such caveat being registered or lodged the Lessee, in consideration of the Lessor having granted this Lease to the Lessee, hereby irrevocably appoints the Lessor and each and every one of the officers or agents of the Lessor jointly and severally for the Term and for a period of 6 months after the Term the agent and attorney of the Lessee to surrender or withdraw any such lease or caveat the cost of which shall be borne and paid by the Lessee.

3.26 Interest on arrears

The Lessee shall pay to the Lessor on demand interest at the Rate of Interest plus 2% on all moneys owing by the Lessee but unpaid in breach of the provisions of this Lease for more than 14 days from and including the due date for payment such interest to be calculated on a daily basis on the total of the moneys owing from time to time and computed from and including the due date for payment until the date of actual payment.

3.27 GST

Each payment made by the Lessee under this Lease must be made with an additional payment in respect of any GST or similar tax applying to that payment.

3.28 Lessee's office holders

Where the Lessee is an incorporated association or a body corporate, the Lessee shall deliver to the Lessor, as often as is required, a current list of the names and addresses of the office holders of the Lessee.

3.29 Vandalism

The Lessee shall immediately report to the Lessor any acts of vandalism or any incident which occurs on or adjacent to the Premises which is, or is likely to involve, a breach of the peace or become the subject of a report to the police.

3.30 Storage of dangerous materials

The Lessee shall not store or keep on the Premises any inflammable liquids, acetylene gas, dangerous chemicals or volatile or explosive oils, compounds or substances.

3.31 Special conditions

The Lessee shall observe and perform the special conditions set out in Schedule 2.

4. QUIET POSSESSION

If the Lessee pays the rent and performs its covenants contained in this Lease it will peaceably possess and enjoy the Premises for the Term without any interruption from the Lessor or any person lawfully claiming through, from or under it, subject always to the rights, powers, remedies and reservations of the Lessor contained in this Lease.

5. MUTUAL AGREEMENTS

5.1 Default

If:

- (a) the Rent or any part of it is in arrears for 14 days even if it has not been formally demanded;
- (b) the Lessee breaches or does not comply with any provision whether expressed or implied in this Lease;
- (c) repairs required by any notice given by the Lessor under this Lease are not completed within the time specified in the notice;
- (d) the Lessee defaults in the payment of any moneys owing to the Lessor other than rent whether under this Lease or any other account after 14 days written demand for payment has been made by the Lessor on the Lessee;
- (e) the Lessee is a corporation and an order is made or a resolution is passed for the winding up of the Lessee except for the purpose of reconstruction or amalgamation with the written consent of the Lessor which consent will not unreasonably be withheld;
- (f) the Lessee is a corporation and ceases or threatens to cease to carry on business or goes into liquidation whether voluntary or otherwise or is wound up or if a liquidator or receiver (in both cases whether provisional or otherwise) is appointed;
- (g) the Lessee is a corporation and is placed under official management or an administrator is appointed under or pursuant to the provisions of the relevant Corporations Law or enters into a composition or scheme of arrangement;
- (h) the interest of the Lessee under this Lease is taken in execution;
- (i) the Lessee or any person claiming through the Lessee conducts any business from the Premises after the Lessee has committed an act of bankruptcy;
- (j) the Lessee abandons or vacates the Premises; or
- (k) the Lessee being an incorporated association:
 - (i) is wound up or resolves to be dissolved or wound up voluntarily;

- (ii) without the prior written consent of the Lessor, changes its name, objects or constitution;
- (iii) is convicted of an offence under the Associations Incorporations Act 1987,

then the Lessor may in addition to its other powers either:

- (i) re enter on the Premises or any part of them with force if necessary and eject the Lessee and all other persons from and repossess the Premises;
or
- (ii) by notice in writing to the Lessee determine this Lease,

or both.

5.2 Lessor's powers

If the Lessor exercises its powers under clause 5.1, this Lease will terminate but the Lessee will not be released from liability for any breach of or non-compliance with any provision of this Lease and the remedies available to the Lessor for recovery of arrears of rent or for prior breach or non-compliance will not be affected. On such determination if the Lessee fails to remove its fixtures, fittings and chattels the Lessor may at its option do either or both of the following:

- (a) remove and store any of them in such a manner as the Lessor determines at the cost of the Lessee; and
- (b) if the Lessee does not remove or recover them within a month after termination of the Lease, treat them as if the Lessee had abandoned its interest in them and they had become the property of the Lessor and the Lessor may then deal with them in such a manner as the Lessor determines. If the Lessor sells them, it need not account to the Lessee for the proceeds of sale, but may apply the proceeds of sale as it sees fit.

5.3 Destruction of the Premises

- (1) Where the Premises or any buildings forming part of the Premises are at any time damaged or destroyed by fire, flood, lightning, storm or tempest so as to make them unfit for the occupation and use of the Lessee, then the Rent or a proportionate part of the Rent, according to the nature and extent of the damage sustained will abate and all remedies for recovery of the Rent, or such proportionate part of the Rent will be suspended until the Premises are rebuilt or made fit for the occupation and use of the Lessee.
- (2) If the Lessor does not rebuild the Premises or any buildings forming part of the Premises or make them fit for the use and occupation of the Lessee within a reasonable time then either party may terminate this Lease by one month's notice in writing to the other without right or claim for damage by reason of such termination of the Lease but without prejudice to the rights of either party for any prior breach of or failure to comply with a provision of this Lease.
- (3) Nothing in this Lease will impose on the Lessor any obligation to rebuild the Premises or any buildings forming part of the Premises or to make the Premises or any buildings forming part of the Premises fit for the use and occupation of the Lessee.

5.4 Entry by Lessor

If the Lessee fails to duly and punctually observe or perform any provision of this Lease the Lessor shall be entitled to carry out the observance or performance of the provision and for that purpose the Lessor or the Lessor's architects, servants agent or workmen may if necessary enter the Premises and the cost and expense incurred in the observance or performance together with interest thereon at a rate of 2% per annum greater than the Rate of Interest shall be a debt due by the Lessee to the Lessor and shall be payable on demand and may be recovered by the Lessor in the same manner as if such debt were for rent due under this Lease in arrears by action in law and such cost expense and interest shall be a charge on the term.

5.5 Works by Lessor

- (1) The Lessor may by itself or its agents at all reasonable times enter the Premises or any part of the Premises for any one or more of the following purposes:
 - (a) complying with the terms of any legislation affecting the Premises and any notices served on the Lessor or Lessee by any statutory, licensing, municipal or other competent authority;
 - (b) carrying out any repairs, alterations or works of a structural nature;
 - (c) installing any services such as gas pipes, water pipes, drainage pipes, cables or electrical wiring;
 - (d) making any repairs which the Lessor may think necessary to the Premises;
 - (e) making any improvements or alterations to the adjoining Premises which the Lessor may consider necessary;
 - (f) exercising the powers and authorities of the Lessor under this Lease.
- (2) In carrying out the works referred to in this clause the Lessor will not cause unnecessary interference with the use of the Premises by the Lessee.

5.6 Holding over

If the Lessee shall hold over the Premises upon the expiry of the Term then a tenancy from year to year shall not be presumed but the tenancy shall in that event be and continue to be a tenancy from week to week at the rental then payable but otherwise upon the terms and conditions contained in this Lease insofar as they are applicable and shall be determinable at the expiration of one week's notice by either party to the other at any time.

5.7 No waiver

- (1) No waiver (whether express or implied) by the Lessor of any breach of any covenant, obligation or provision contained or implied in this Lease will operate as a waiver of any other breach of the same or any other covenant, obligation or provision contained or implied in this Lease nor shall it operate as a waiver of the essentiality of any obligation which by virtue of this Lease is an essential term of this Lease.

- (2) In particular, any demand by the Lessor for, or any acceptance by the Lessor of, rent or other moneys payable under this Lease will not constitute a waiver by the Lessor of any breach of any provision in this Lease and will not create any new tenancy between the parties.
- (3) No custom or practice which has grown up between the parties in the course of administering this Lease will be construed so as to waive or lessen the right of the Lessor to insist on the performance by the Lessee of all or any of the Lessee's obligations under this Lease.

5.8 No warranty

- (1) This document embodies the whole transaction of leasing made by this Lease and all warranties, conditions and representations collateral or otherwise concerning the leasing whether written, oral, express or implied and whether consistent with this document or not are cancelled.
- (2) This Lease may be amended only by instruments in writing executed by the Lessor and the Lessee.
- (3) The Lessee acknowledges that it has entered into this Lease without relying on any representation or warranty by the Lessor except as stated in this clause and after satisfying itself as to the suitability of the Premises for the purpose of which the Premises are leased.

5.9 Lessor's right to install services

The Lessor reserves to itself and to its employees agents and contractors the right to enter upon the Premises at all reasonable times with all necessary materials and appliances to erect make excavate lay or install in on over or under the Premises any posts drains pipes conduits cables wires or other things requisite for any existing or future service to the Premises together with the like right to enter upon the Premises for the purpose of inspecting removing maintaining altering or adding to any such things relating to an existing service to the Premises and, in each such case the Lessor shall cause as little inconvenience and damage to the Lessee as is practicable in the circumstances.

5.10 Execution of works by Lessor

If the Lessor desires or is required to:

- (a) execute any works which by law the Lessor is bound and has been required to execute on the Premises or the Building; or
- (b) build any further storeys upon the Building; or
- (c) alter repair add to or re-build any part of the Premises or the Building; or
- (d) construct erect lay down alter repair cleanse or maintain any drain ventilator shaft water pipe electric wires or gas pipes in connection with or for the accommodation of the Building or any adjoining property; or
- (e) underpin; or
- (f) reinstate or re-build in case of fire,

then and in any such case the Lessor may with or without employees agents workmen and contractors and appliances enter upon the Premises and carry out such works doing as little damage to the Premises as is reasonably possible and restoring them without unreasonable delay but without making compensation for any damage or inconvenience

to the Lessee provided that in each case the Lessor shall cause as little inconvenience and damage to the Lessee as is practicable in the circumstances.

5.11 Notices

- (1) Any notice or demand from the Lessor to the Lessee is to be taken to be duly served if left for the Lessee on the Premises, if mailed by prepaid letter addressed to the Lessee at the address set in this Lease or if sent by facsimile machine to the Lessee's facsimile machine.
- (2) Any notice or demand from the Lessee to the Lessor is to be taken to be duly served if mailed by prepaid letter addressed to the Lessor at its office.
- (3) A notice or demand posted mailed is to be taken to be duly served at the expiration of 48 hours after the time of posting mailing and any notice given by one party to the other may be signed on behalf of the party giving it by a director, secretary, chief executive officer or solicitor.

5.12 Approvals and consents

Except as expressly stated to the contrary in this Lease, the Lessor may, whenever its approval or consent is required under this Lease, give it conditionally or unconditionally or withhold it.

6. ESSENTIAL TERMS

The Lessee and the Lessor agree that each of clauses 2.3, 3.1, 3.2, 3.3, 3.12, 3.13 and 3.21 are essential terms of this Lease, and any breach or failure by the Lessee to comply with any of those clauses will entitle the Lessor to all rights and remedies available to it in respect of breach of or failure to comply with an essential term.

7. GUARANTEE

- (1) This Lease is granted to the Lessee at the request of the Guarantor and for such consideration the Guarantor hereby covenants and agrees with the Lessor as follows:
 - (a) the Guarantor hereby guarantees to the Lessor the due observance and performance by the Lessee of each and all of the covenants contained in this Lease,
 - (b) the Guarantor hereby indemnifies the Lessor and covenants and agrees at all times hereafter to keep the Lessor indemnified from and against all damages and all costs, losses and expenses which the Lessor may suffer or incur as a result either directly or indirectly of any breach or non-observance by the Lessee of any covenant or provision in this Lease expressed or implied and on the part of the Lessee to be observed and performed and the Guarantor agrees that this indemnity shall continue and the Guarantor shall remain liable to the Lessor under this indemnity notwithstanding that as a consequence of such breach or non-observance the Lessor has exercised any of its rights hereunder and notwithstanding that the Lessee (being a corporation) may be wound up or (being a natural person) may be declared bankrupt and notwithstanding that the guarantee hereby given may for any reason whatsoever be unenforceable either in whole or in part.
- (2) The Guarantor shall be responsible for the payment to the Lessor on demand of all costs, charges and expenses which the Lessor may be entitled to recover by reason of any default of the Lessee.

- (3) The liability of the Guarantor shall not be released, prejudiced or abrogated by the granting of time or other indulgence or concession to the Lessee or by any variation of the provisions of this Lease or by any release, abandonment, waiver or modification of any rights or obligations as between the Lessor and the Lessee or by any act or omission of the Lessor whereby but for this provision the Guarantor would or may have been so released it being intended that the obligation and liability of the Guarantor shall be a continuing liability absolute and unconditional in all circumstances.
- (4) If for any reason and whether by statute or otherwise any payment made by the Guarantor to the Lessor under the provisions of this Lease is avoided then irrespective of whether such avoidance operates from the date of such payment or from any later date the liability of the Guarantor shall remain as if no such payment had been made.
- (5) The guarantee and indemnity hereby given are to continue and are to remain in full force and effect until the due performance, observance and fulfillment by the Lessee of all the covenants and provisions in the Lease expressed or implied and on the part of the Lessee to be observed and performed.
- (6) Where 2 or more parties are named as Guarantor those parties are bound jointly and severally.

8. GST

- (1) If GST is imposed or levied in respect of any supply by a party under or in accordance with this Lease (including the supply of the Premises or the supply of any goods, services, rights, benefits or other things) then the party making the supply may recover the GST Amount from the party receiving the supply in addition to the Consideration. The party making the supply shall provide such invoices to the party receiving the supply as are required pursuant to the GST Legislation.

- (2) In sub-clause (1):

“Consideration” means any amount or consideration payable or to be provided pursuant to any provision of this Lease other than this clause;

“GST” means any form of goods and services tax or similar value added tax;

“GST Amount” means the Consideration (after deducting the GST Exempt Component) multiplied by the Rate;

“GST Exempt Component” means any part of the Consideration which solely relates to a supply that is free or exempt from the imposition of GST;

“GST Legislation” means A New Tax System (Goods and Services Tax) Act 1999 and any other legislation or regulation which imposes, levies, implements or varies a GST or any applicable rulings issued by the Commissioner of Taxation;

“Rate” means the rate at which GST Legislation from time to time imposes or levies GST on the relevant supply under this Lease;

“supply” includes supply as defined under GST Legislation.

SCHEDULE 1

Item 1.1	Lessee's Name and Address:	Bunbury Housing Association (Inc) trading as Alliance Housing (WA) 30 Forest Avenue Bunbury WA 6230
Item 1.2	Land: Reserve Number: Lot Number:	Nannup Lot 306 39740 306
	Premises:	Nannup Lot 306
	Lessor's Interest:	Reserve vested in Trust for the purpose of "Aged Persons Homes"
Item 1.3	Term:	25 years
	Commencement Date:	
	Expiry Date:	
Item 1.4	Annual rent payable on the Commencement Date:	One Peppercorn
Item 1.5	Manner of payment of rent:	Annually in advance if demanded
Item 1.6	CPI Rent Review Dates: Market Rent Review Dates:	
Item 1.7	Permitted Purpose:	The provision and maintenance of homes for frail aged persons and where circumstances permit disabled or aged persons.
Item 1.8	Guarantor's Names and Addresses:	

SCHEDULE 2
SPECIAL CONDITIONS

2.1 Permitted Use

- (1) The Lessee shall not use the Premises for any purpose whatsoever other than that of maintaining thereon homes for frail aged persons or where circumstances permit disabled or aged persons or such other facilities for the aforesaid persons as approved by the Lessor in writing the management of which homes and other facilities shall remain vested in the Lessee.
- (2) The Lessee shall keep open homes for the use of frail or aged persons or where circumstances permit disabled persons on such terms as the Lessee may from time to time determine it not being the intention of these presents that the actual management or control of such homes will in any way vest in the Lessor provided always however that such homes for the frail or aged persons or where the circumstances permit disabled persons shall not be operated for the purpose of making a profit other than as may be necessary for the effective and efficient running of such homes.
- (3) The Lessee shall at all times during the term hereby created comply at all times with all of the terms and conditions and obligations imposed upon the Lessee in the Joint Venture Agreement made the xxxxx day of xxxxxx 2013 between xxxxxx and the Lessee a copy whereof is Appendixed hereto ad forms Schedule 3.

EXECUTED by the parties

THE COMMON SEAL of SHIRE OF NANNUP was)
hereunto affixed pursuant to a resolution of the Council)
in the presence of:)

Shire President

Robert Jennings - Chief Executive Officer

THE COMMON SEAL of xxxxx was hereunto)
affixed by authority of the President/Chairperson in the)
presence of:)
)

Signature of authorised person

Signature of authorised person

Office held

Office held

Name of authorised person
(block letters)

Name of authorised person
(block letters)

SIGNED by)
in the presence of:)
)

Witness:

Address:

Occupation:



Government of Western Australia
Department of Housing

OPENING DOORS
To Affordable Housing



Mr Robert Jennings
Chief Executive Officer
Shire of Nannup
PO Box 11, 15 Adam Street
NANNUP WA 6275

My ref: 2013/06088

SHIR	14 August 2014	NUP
Ref: RES 39740	2014/284	
19 AUG 2014		
CEO	AO	LIB
EO	EO	PUB
CD	CD	FMO
CR	CR	YO
		RO

Dear Mr Jennings

I write in regard to the joint venture arrangements the Housing Authority has with Danjangerup Cottages Incorporated (DCI) for the seniors accommodation units in Cross Street Nannup.

The properties are located on Crown Reserve LR 3132/27 (also known as Reserve 39740) under the management of the Shire of Nannup. I recognise the leasehold arrangements the Shire has with DCI and acknowledge the email exchanges and guidance of your Manager Corporate Services Mr Vic Smith.

As you know, DCI has indicated its desire to be released from the joint ventures and has contracted Alliance Housing for day to day operations of the properties pending resolution of future ownership and management. DCI has agreed in principle to transfer its equitable interests under the joint ventures to the Housing Authority for on-leasing of the premises to Alliance Housing which is registered with us as a Community Housing Organisation, signed to the Community Housing Agreement and committed to growth in the sector.

We believe that under this arrangement, it would be more efficient for the Housing Authority to have direct management of Land Reserve 3132/27 and accordingly we propose to Council that it surrender its management order in favour of the Housing Authority.

If you agree, we request you advise us and formally address the Department of Lands to surrender the vesting. We will similarly write to the Department of Lands seeking transfer of the management order to the Housing Authority for an uninterrupted continuation of the reservation for seniors' accommodation.

Mr Mike Bateman of Alliance Housing has been apprised of the essence of this proposal and is in agreement.

We look forward to the deliberations of Council and welcome your enquiry on any aspect.

Yours sincerely

Ken J See
Principal Project Officer | Housing Programs

Department of Housing
169 Hay Street East Perth WA 6004
T: (08) 9440 2362 F: (08) 9222 4598
ken.see@housing.wa.gov.au www.housing.wa.gov.au

Assessment of Price Proposal

Year	Assumed Turnover	Income		
		Eddy 1% \$	Fawcett 5% \$	Van Hattem 5% \$
1	142,000	1,420	7,100	7,100
2	149,100	1,491	7,455	7,455
3	156,555	1,566	7,828	7,828
4	164,383	1,644	8,219	8,219
5	172,602	1,726	8,630	8,630
6	181,232	1,812	9,062	9,062
7	190,294	1,903	9,515	9,515
8	199,809	1,998	9,990	9,990
9	209,799	2,098	10,490	10,490
10	220,289	2,203	11,014	11,014
	<u>1,786,063</u>	<u>17,861</u>	<u>89,303</u>	<u>89,303</u>

ORIGINAL

Application for Tender

From:

Daniel Eddy and Jane Eddy

Request for Tender :

**MANAGEMENT, DEVELOPMENT AND LEASE
OF THE NANNUP CARAVAN PARK**

Deadline: 4:00pm, 5th September 2014-09-04

To:

THE TENDER BOX

Shire of Nannup

Shire Offices Adam St

NANNUP WA 6275

RFT NUMBER: 03/14

3.4 Development/ Business Plan

3.4 Business Plan for Nannup Caravan Park.

This tendered business plan is for Daniel and Jane Eddy and will be broken down into the following:

- 3.4.1 Proposed Length of lease and stages of Management.
- 3.4.2 Proposed developments including costings and timeline.
- 3.4.3 Cash flow forecast
- 3.4.4 Marketing strategies.

3.4.1 Proposed Length of lease and stages of Management

The proposed length of tender is 30 years initial term with two 10 year renewals taking the total possible length of lease to 50 years. There are several reasons for the length of term being so great. The number one reason is an extended length of term will allow financing of the development through a financial institution or investment. Shorter terms limit the borrowing capacity of the lessee and also limit development potential.

It also makes the business a viable proposition to allow reasonable return on investment. If growth of the business is greater than budgeted, this will then translate into better development potential and better income for the Shire of Nannup. The proposed term of lease is 30 years with extensions of either two 10 year terms or one 20 year term.

Lease fee percentages have been set at a level that is sustainable for both the lessee and lessor and allow return on investment for both parties.

At the end of the 30 year proposed term all current planned development will be fully paid and acquitted leaving the shire with an increased asset list for the business. This does not include any future amendments to the development of the park or changes to relevant Acts and Regulations.

The Stages of Management will change throughout the starting 30 year term in two distinct ways. For the first five to seven years, Daniel and Jane will be onsite through the year to build the business and ensure the growth of reputation. Caretakers and Cleaners will only be required and employed during peak times to assist in the smooth operation of the business.

At the five to seven year mark, dependant on performance and profitability, Caretaker/Managers will be employed in a full time basis to operate the park as dictated by the Daniel and Jane. Daniel and Jane will assist in the peak periods such as Christmas through to Easter (Four to five months) when experience and knowledge are essential to ensure the success of major events such as the Nannup Music Festival. Daniel and Jane will also supply relief management when required as well as

monitoring the business performance against key performance indicators and budgeted occupancy, turnover and marketing.

The third stage of management will be where managers and caretakers are employed with cleaning staff and Daniel and Jane are purely monitoring KPI's, budgeting and marketing as well as providing trouble shooting and guidance in the operation of the business. The final style of management is dependent on profitability and successful development of the park. It will not have a set time or year where it may be activated as it is subject to the most variable budgets.

The changes in management style are to allow continued responsibility to Daniel and Jane without burning them out. It ensures consistent performance and maintains the reputation of the park. It also allows for the additional two renewal terms to be used as new staff/partners can be brought in to ensure continuity of management.

3.4.2 Proposed developments including costings and timeline.

The following items are part of the proposed development for the park. They are in keeping with the current rustic/old-fashioned style of the existing park as well as rectifying some of the compliance and licensing issues. This also will make best use of the existing infrastructure and maximise profitability. It is expected to be fully paid for at the 25 year mark and fixed/permanent structures will remain the property of the Shire of Nannup at the end of the 30 year term.

- A. **Managers House:** A three or four bedroom Managers residence is proposed for the park. This provides better accommodation for the leasee/managers and frees up the existing Cabin for short term stays. The new managers' residence will be located on the old house pad known as "Eric's Cottage" and will be a transportable house or similar.
- B. **Bunkhouses:** Two timber bunkhouses are proposed to cater for the budget conscience or back packer market. Both bunkhouses will contain six to eight beds, lounge, some shelving and a table and chairs on a small deck. A 12volt solar battery system will be used to supply lighting and small fans, and outlets for charging small personal phones and laptops will also be installed. This is to promote to the eco-friendly market as well as reducing power usage and expenses. The bunkhouses will be located between the old brown toilet block and Brockman Street, towards the Arboretum. Diagram attached.
- C. **Shed/Games Room:** A large communal building built of zinc alum and timber is proposed to cater for both large groups and other customers. This will be approximately 12metres by 16metres and will be of a similar Fitout to the attached diagram. Features will include an outdoor fire-pit, small kitchen area/bench, fridge, TV area, storage are and games tables. Diagram attached.
- D. **Ablution Block:** A new ablution block is required to meet licensing requirements. This will be located where the new sump tank and power outlets are between Tentland and the riverbank sites. It is proposed to install 6 unisex shower ensuite stalls or a shower block containing 12 shower cubicles, either transportable or permanent built.

- E. Camp Kitchen: A new eco-friendly Camp kitchen using solar lighting and gas water heating and cooking is proposed for the centre of Tentland. Once again this is to meet existing park licensing requirements. Diagram attached.
- F. Boom Gate: A boom gate will be installed for security and insurance purposes. It will restrict vehicle access to the park to only customers and known visitors. Visible on Attached park map.
- G. Ride on mower and Utility vehicle: These two items have been included as they will become assets for the park.

The following table 2.1 shows proposed development items, with costs, completion date and loan maturity year. With a 10% contingency budget, the total initial investment by Daniel and Jane Eddy will be \$490,600.00.

Table 2.1

Proposed Developments					
	Item	Loan Value	Start Year	Term	Maturity Year
a	House	\$ 250,000.00	2015	25 years	2040
b	Bunkhouses	\$ 50,000.00	2016	15years	2031
c	Shed/Games Room	\$ 50,000.00	2015	15years	2030
d	Ablution Block	\$ 50,000.00	2015	15 years	2030
e	Camp Kitchen	\$ 25,000.00	2020	15 years	2035
f	Boom Gate	\$ 7,000.00	2015	5Years	2020
g	Mower	\$ 7,000.00	2015	5years	2020
g	Vehicle/Utility	\$ 7,000.00	2020	5years	2025
Total Cost		\$446,000.00			

As the business grows, further development in the form of more fixed accommodation is proposed. This may be chalets, cabins, safari tents or ensuite sites. It is a variable and as such is very dependent on growth and profitability. The market will also heavily dictate future developments as well as negotiations with the Shire of Nannup.

Riverbend camp ground has not been included for development at this stage as the expense for the first ten years out ways any projected income increases for that area. Some small development may occur based on good cash flow forecasts. At the 10 year mark, it is expected to evaluate the performance and profitability of the park and plan for further development of both Brockman Street Caravan Park and Riverbend camp ground. For the foreseeable future, Riverbend will be used as an overflow area for peak weekends and for large groups for private camping.

The future development of Riverbend has great potential as it is a picturesque space with great aspect and river views. At this stage Daniel and Jane are looking at either low impact timber cabins or yurts, transportable timber framed felt tents suited to colder climates.



The Enchanted Walk

Attached to this document is a promotional flyer for an idea that has increased tourist traffic and spending in other bush land or forest settings around the world. Currently under utilised in Australia this would be one of the first of its kind for Western Australia.

It is a low cost, high impact project that is beneficial to both the Caravan Park and the Nannup community as a whole. It complements the garden tourism and nature based attractions that Nannup is known for and further developing.

3.4.3 Cash Flow Forecast

To give an accurate cash flow forecast, expenses have been calculated and are shown in table 3.1. These expenses include those given as part of the tender document as well as loan repayments and additional expenses needed to operate the business privately. Yearly increases of 5% have been included. A large increase for wages in year 5 (2019) is to cover managers wages.

Table 3.1

Expenses 10 Year Forecast										
	1	2	3	4	5	6	7	8	9	10
Expenses per year budget	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Wages	\$ 17,250	\$ 18,113	\$ 19,018	\$ 19,969	\$ 89,969	\$ 94,467	\$ 99,191	\$104,150	\$109,358	\$114,826
Advertising	\$ 5,000	\$ 5,250	\$ 5,513	\$ 5,788	\$ 6,078	\$ 6,381	\$ 6,700	\$ 7,036	\$ 7,387	\$ 7,757
Stock Purchases	\$ 10,000	\$ 10,500	\$ 11,025	\$ 11,576	\$ 12,155	\$ 12,763	\$ 13,401	\$ 14,071	\$ 14,775	\$ 15,513
pest control	\$ 300	\$ 315	\$ 331	\$ 347	\$ 365	\$ 383	\$ 402	\$ 422	\$ 443	\$ 465
electrical repairs	\$ 1,000	\$ 1,050	\$ 1,103	\$ 1,158	\$ 1,216	\$ 1,276	\$ 1,340	\$ 1,407	\$ 1,477	\$ 1,551
Fencing repairs	\$ 1,000	\$ 1,050	\$ 1,103	\$ 1,158	\$ 1,216	\$ 1,276	\$ 1,340	\$ 1,407	\$ 1,477	\$ 1,551
Hardware supplies	\$ 2,000	\$ 2,100	\$ 2,205	\$ 2,315	\$ 2,431	\$ 2,553	\$ 2,680	\$ 2,814	\$ 2,955	\$ 3,103
Utilities	\$ 24,950	\$ 26,198	\$ 27,507	\$ 28,883	\$ 30,327	\$ 31,843	\$ 33,435	\$ 35,107	\$ 36,863	\$ 38,706
Equipment Hire	\$ 500	\$ 525	\$ 551	\$ 579	\$ 608	\$ 638	\$ 670	\$ 704	\$ 739	\$ 776
Arbor Guy	\$ 5,000	\$ 5,250	\$ 5,513	\$ 5,788	\$ 6,078	\$ 6,381	\$ 6,700	\$ 7,036	\$ 7,387	\$ 7,757
Refuse Removal	\$ 3,505	\$ 3,680	\$ 3,864	\$ 4,057	\$ 4,260	\$ 4,473	\$ 4,697	\$ 4,932	\$ 5,178	\$ 5,437
A/C Maintenance	\$ 400	\$ 420	\$ 441	\$ 463	\$ 486	\$ 511	\$ 536	\$ 563	\$ 591	\$ 621
Cleaning Products	\$ 4,000	\$ 4,200	\$ 4,410	\$ 4,631	\$ 4,862	\$ 5,105	\$ 5,360	\$ 5,628	\$ 5,910	\$ 6,205
Insurance	\$ 5,519	\$ 5,795	\$ 6,084	\$ 6,389	\$ 6,708	\$ 7,043	\$ 7,396	\$ 7,765	\$ 8,154	\$ 8,561
Fire Inspections	\$ 700	\$ 735	\$ 772	\$ 810	\$ 851	\$ 893	\$ 938	\$ 985	\$ 1,034	\$ 1,086
Bank Charges	\$ 4,000	\$ 4,200	\$ 4,410	\$ 4,631	\$ 4,862	\$ 5,105	\$ 5,360	\$ 5,628	\$ 5,910	\$ 6,205
Loan Repayments	\$ 45,912	\$ 49,140	\$ 49,140	\$ 49,140	\$ 49,140	\$ 43,776	\$ 43,776	\$ 43,776	\$ 43,776	\$ 43,776
TOTAL EXPENSES	\$131,036	\$138,520	\$142,989	\$147,681	\$221,610	\$224,869	\$233,924	\$243,432	\$253,414	\$263,896

The cash flow forecast is divided into three sections, 10 years with an additional 20 years and then 20 more to fully display the terms of the lease over 50 years. Included are all expenses known at the time of tender and a budgeted growth of 10% for the first ten years, 5% for years 11 to 20 and 4% growth for years 21 to 50. Expected turnover has been increased for proposed developments that will generate income.

Caravan Park Lease Fees and Cash Flow Per Year

	Income 2012/13	\$93,837.71							
	Income 2013/14	\$135,841.00							
	Predicted Incomes on % increase P/A		Lease fee	Lease Fee Actual	Park Licencing Fee	Sub Total	Income after Lease and share expenses	Expenses (ex Management)	Cash Flow after Expenses
1	14/15		1%	\$1,754.25		\$2,416.25	\$173,008.85		\$45,973.12
2	15/16		1%	\$1,929.68		\$2,618.16	\$190,349.45		\$56,961.94
3	16/17		1%	\$2,122.64		\$2,838.66	\$209,425.71		\$69,368.82
4	17/18		1%	\$2,334.91		\$3,079.57	\$230,411.24		\$83,351.50
5	18/19		1%	\$2,568.40		\$3,342.85	\$253,497.04		\$99,084.32
6	19/20		1%	\$2,825.24		\$3,630.66	\$278,893.21	\$232,133.36	\$46,759.85
7	20/21		1%	\$3,107.76		\$3,945.40	\$306,830.86		\$63,090.83
8	21/22		1%	\$3,418.54		\$4,289.69	\$337,564.21		\$81,637.18
9	22/23		1%	\$3,760.39		\$4,666.39	\$371,372.90		\$102,649.51
10	23/24		1%	\$4,136.43		\$5,078.66	\$408,564.54		\$126,405.00
	Total After 10 Years					\$25,906.29	Average	3,590.63	Per Year
11	24/25		4%	\$17,373.01		\$18,352.94	\$415,972.43		\$119,704.91
12	25/26		4%	\$18,241.67		\$19,260.78	\$436,780.85		\$125,699.95
13	27/27		4%	\$19,153.75		\$20,213.63	\$458,630.09		\$131,995.14
14	28/28		4%	\$20,111.44		\$21,213.71	\$481,572.19		\$138,605.50
15	28/29		4%	\$21,117.01		\$22,263.38	\$505,661.82		\$145,546.79
16	29/30		4%	\$22,172.86		\$23,365.08	\$530,956.38		\$152,835.60
17	31/32		4%	\$23,281.50		\$24,521.41	\$557,516.12		\$160,489.30
18	32/33		4%	\$24,445.58		\$25,735.09	\$585,404.33		\$168,526.16
19	33/34		4%	\$25,667.86		\$27,008.95	\$614,687.44		\$176,965.37
20	34/35		4%	\$26,951.25		\$28,345.98	\$645,435.22		\$185,827.04
21	35/36		7%	\$49,051.27		\$50,501.79	\$650,230.65		\$167,642.07
22	36/37		7%	\$51,013.32		\$52,521.87	\$676,239.88		\$169,521.87
23	37/38		7%	\$53,054.86		\$54,622.74	\$703,289.48		\$171,235.56
24	38/39		7%	\$55,176.01		\$56,807.65	\$731,421.05		\$172,764.45
25	39/40		7%	\$57,383.05		\$59,079.96	\$760,677.90		\$174,088.46
26	40/41		7%	\$59,678.37		\$61,443.16	\$791,105.01		\$175,186.10
27	41/42		7%	\$62,065.51		\$63,903.88	\$822,749.21		\$176,034.36
28	42/43		7%	\$64,548.13		\$66,456.92	\$855,659.18		\$176,608.58
29	43/44		7%	\$67,130.05		\$69,115.19	\$889,885.55		\$176,882.42
30	44/45		7%	\$69,815.25		\$71,879.80	\$925,480.97		\$176,827.69
	Total After 20 Years						Average	\$29,083.91	Per Year
31	45/46		10%	\$103,725.52		\$105,872.65	\$931,382.55		\$152,783.14
32	46/47		10%	\$107,874.54		\$110,107.56	\$968,637.86		\$158,894.46
33	47/48		10%	\$112,189.52		\$114,511.86	\$1,007,383.37		\$165,250.24
34	48/49		10%	\$116,677.10		\$119,092.33	\$1,047,678.71		\$171,860.25
35	49/50		10%	\$121,344.19		\$123,856.03	\$1,089,585.85		\$178,734.66
36	50/51		10%	\$126,197.96		\$128,810.27	\$1,133,169.29		\$185,884.05
37	51/52		10%	\$131,245.87		\$133,962.68	\$1,178,496.06		\$193,319.41
38	52/53		10%	\$136,495.71		\$139,321.18	\$1,225,635.90		\$201,052.18
39	53/54		10%	\$141,955.54		\$144,894.03	\$1,274,661.34		\$209,094.27
40	54/55		10%	\$147,633.76		\$150,689.79	\$1,325,647.79		\$217,458.04
41	55/56		15%	\$230,308.66		\$233,486.94	\$1,391,904.15		\$149,386.81
42	56/57		15%	\$239,521.01		\$242,826.42	\$1,353,980.31		\$155,362.28
43	57/58		15%	\$249,101.85		\$252,539.47	\$1,408,139.53		\$161,576.77
44	58/59		15%	\$259,065.92		\$262,641.05	\$1,464,465.11		\$168,039.84
45	59/60		15%	\$269,428.56		\$273,146.69	\$1,523,043.71		\$174,761.44
46	60/61		15%	\$280,205.70		\$284,072.56	\$1,583,965.46		\$181,751.90
47	61/62		15%	\$291,413.93		\$295,435.46	\$1,647,324.08		\$189,021.97
48	62/63		15%	\$303,070.49		\$307,252.88	\$1,713,217.04		\$196,582.85
49	63/64		15%	\$315,193.31		\$319,543.00	\$1,781,745.72		\$204,446.16
50	64/65		15%	\$327,801.04		\$332,324.72	\$1,853,015.55		\$212,624.01
	Total After 50 Years					\$4,982,811.06	Average	\$99,656.22	Per Year

3.4.4 Marketing strategies.

The following target markets have been identified as potential growth areas for the Nannup Caravan Park:

- Grey Nomads and retirees
- Families
- Large groups of caravans or campers
- Clubs
- School camps
- Garden Tourists
- Events, both existing and new.

While a lot has been done to increase the market share for Nannup Caravan Park, there are still plenty of areas to target. Current strategies include:

1. Website
2. Web Advertising
3. Flyers
4. Signage at Park
5. Cross promotion with events
6. Print Publications

The following areas have been identified as new areas that can be utilised to maximise facility use

1. In house events; Markets, bands, workshops
2. Signage around town in particular both north and south entrances
3. Cold calling and mailing Clubs and Groups
4. Cold calling and mailing school and youth associations
5. Increased web presence
6. Increased print publications
7. The Enchanted Wood website and app.
8. Promotional deals in quieter periods
9. Package deals with other local businesses, for example, stay 3 nights and receive a voucher for a local eatery or gift store.
10. Cross promotion with more local businesses.
11. Possible affiliation with other Caravan Parks.

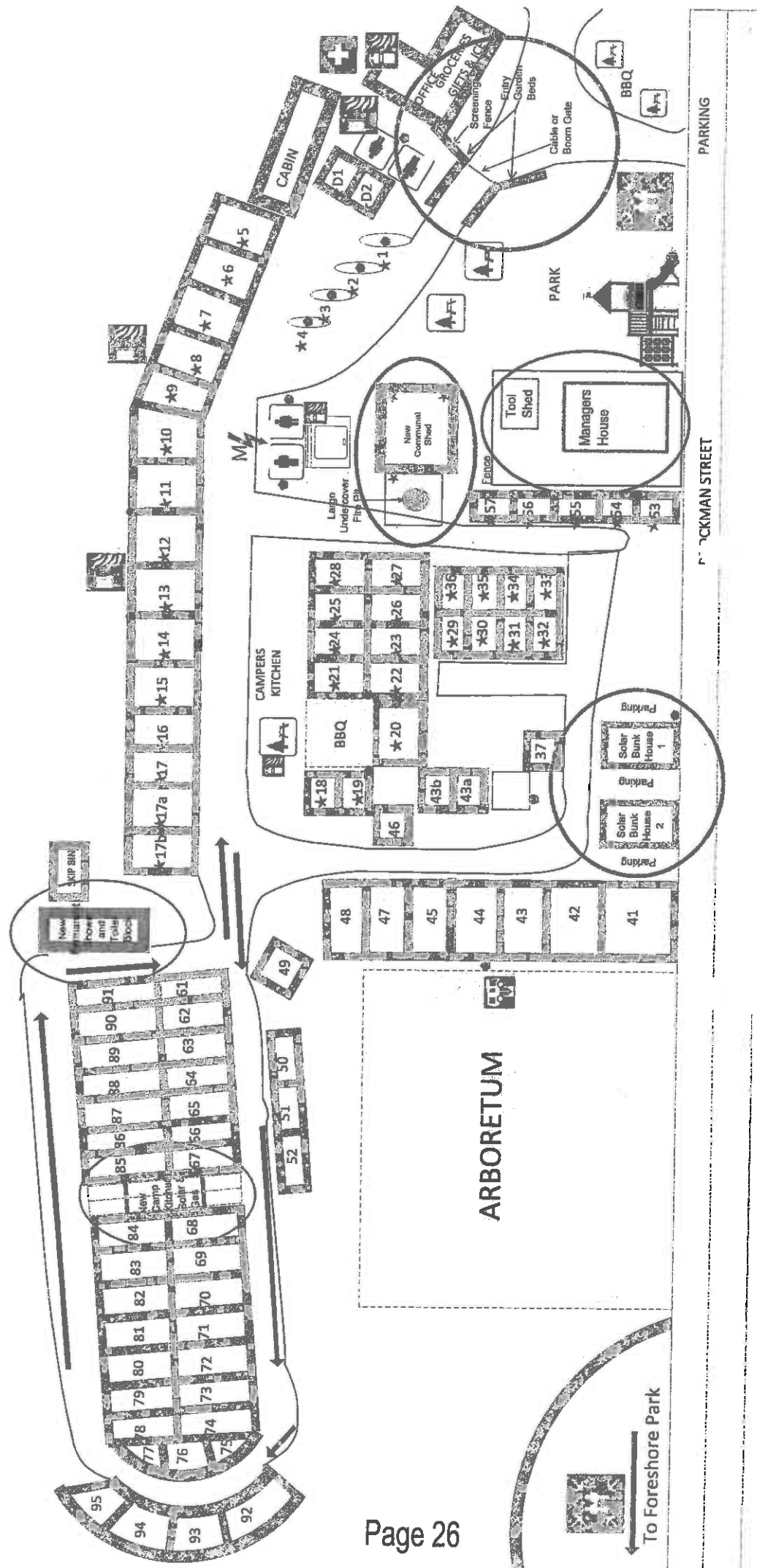
To make the most of these new and existing marketing opportunities the advertising budget has been increased to \$5,000.00. This is the starting budget and will increase yearly by at least 5% per year.

BROCKMAN STREET CARAVAN PARK

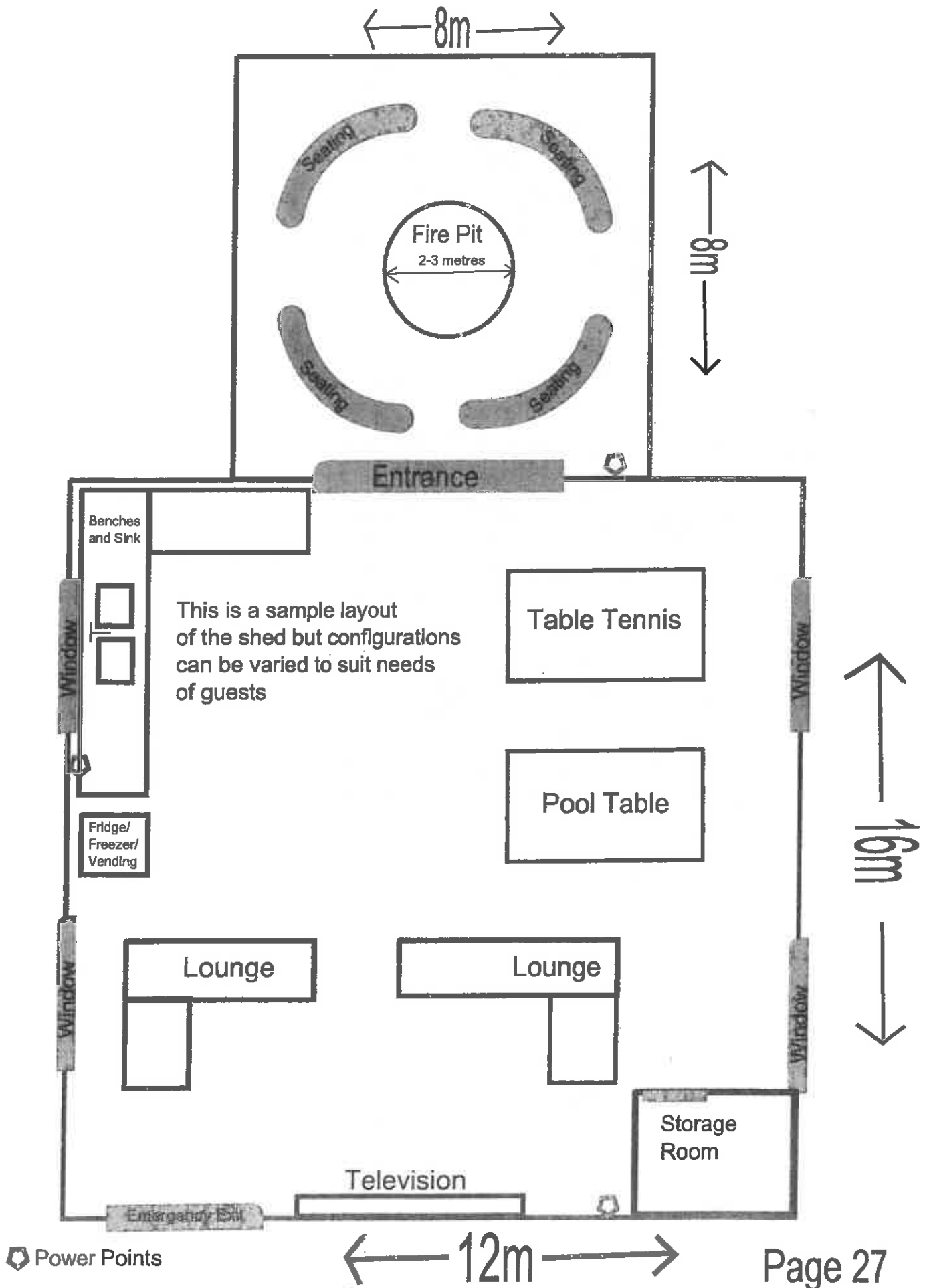
10 Year Development

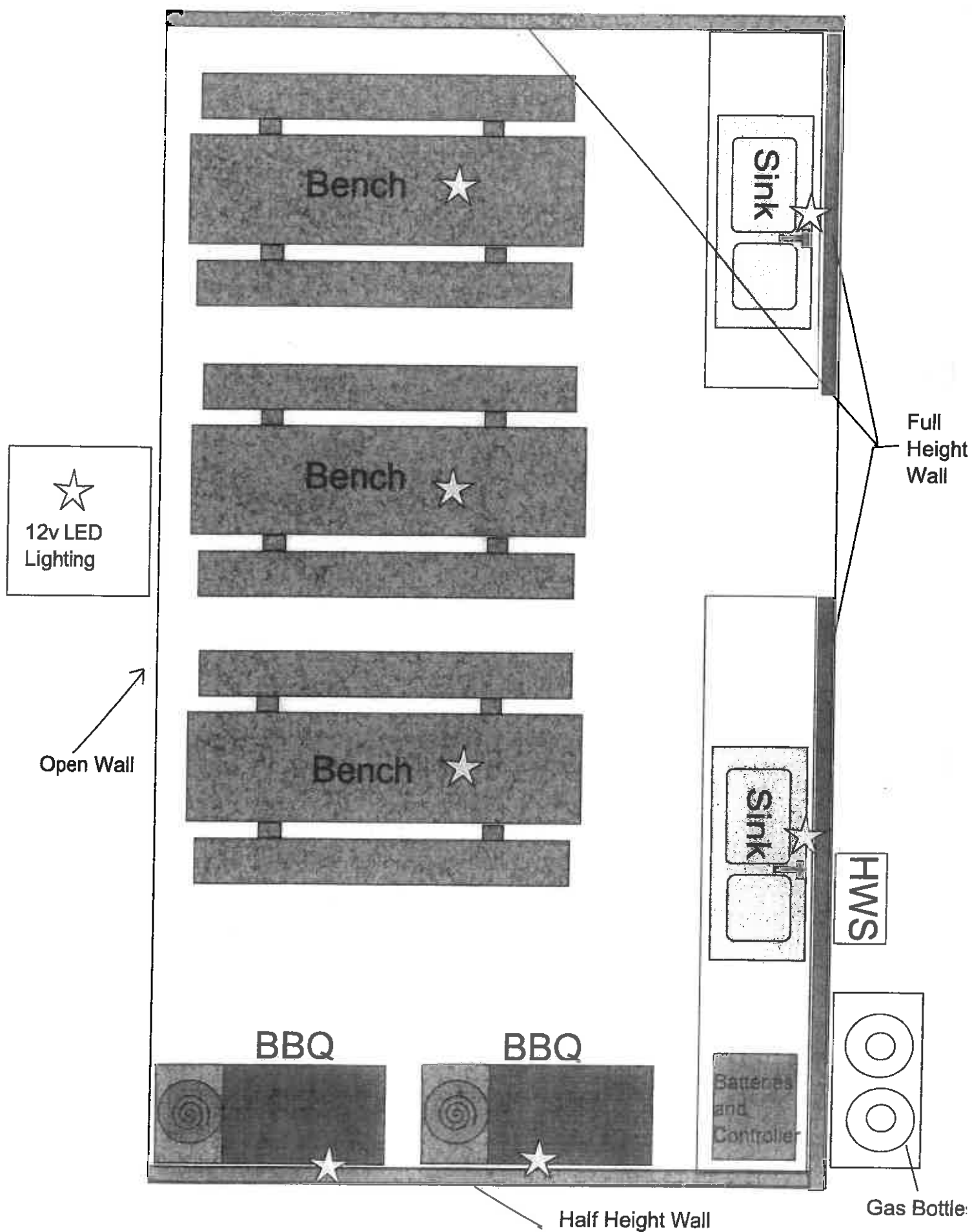
New Developments

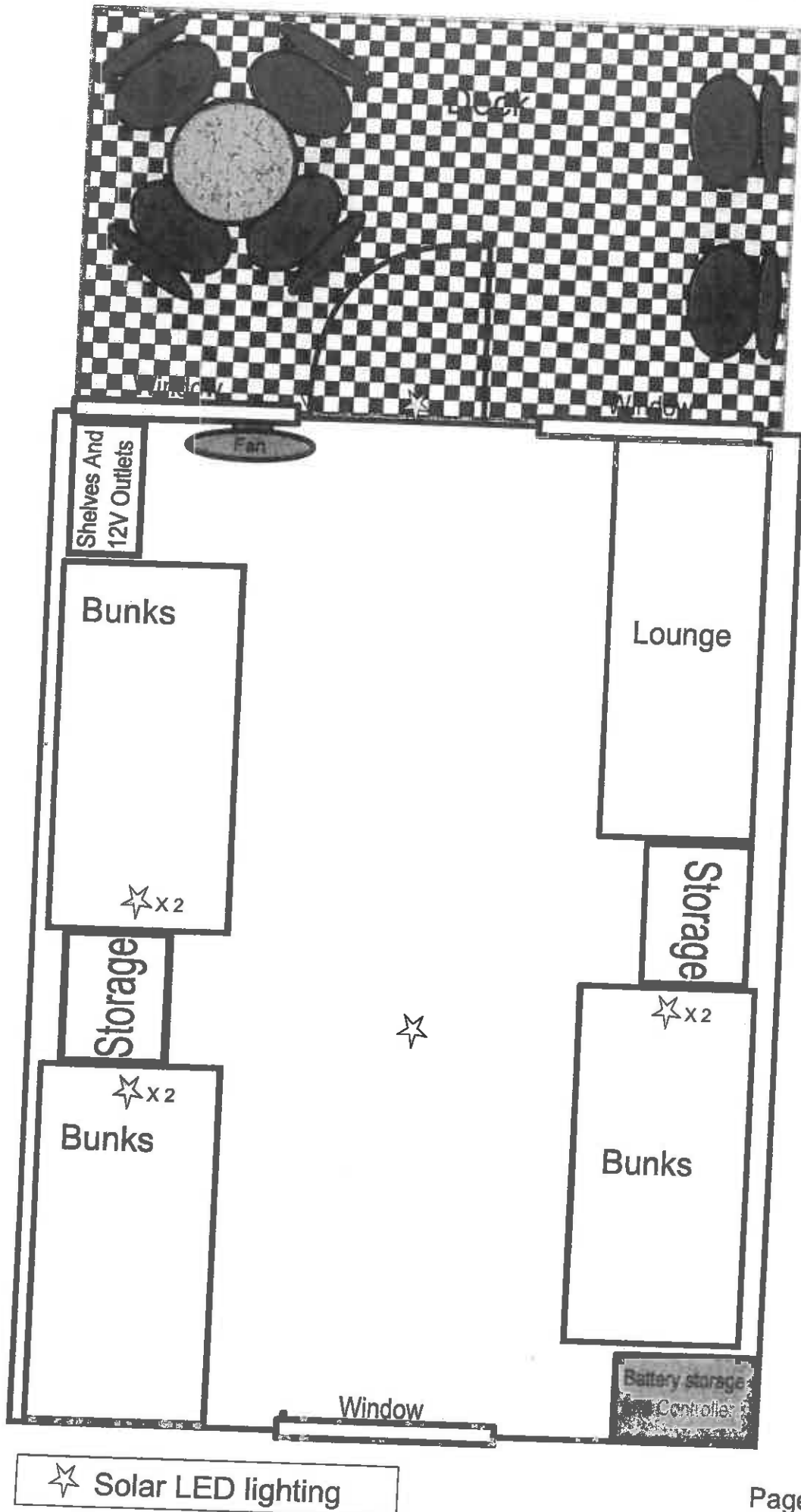
1. Entrance Gardens and Gate
2. Communal Shed and Fire Pit
3. Solar Bunk House 1 & 2
4. New Permanent Shower Block
5. New Camp Kitchen
6. New Managers House



New Communal Shed and Fire Pit







Business Ideas

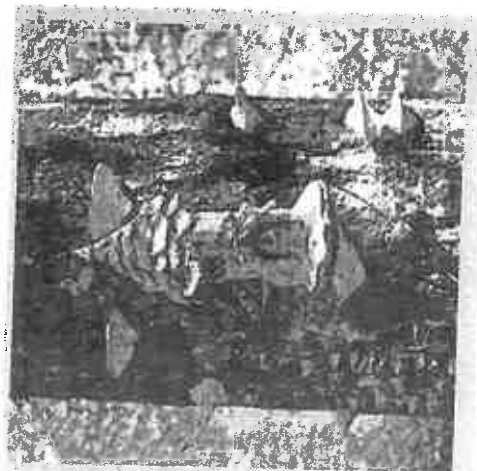
A new tourism drawcard in the form of an enchanted adventure walk through the woods at the rear of the Nannup Caravan Park.

Market Analysis

The target demographic would be tourists, families and gardeners of all ages.

Marketing

There would be a dedicated website and regular brochure distribution and an interactive android App of the walk.



Profitability

There is a potential cottage industry for local artisans and students to contribute art to the enchanted walk during the construction phase and future growth. A part time gardener would be employed to maintain the grounds and attendees would be required during busy periods.

Profitability

The themed gift shop could utilise retail space in the Caravan Park Office. Selling themed supplies, memorabilia, souvenirs sourced from both local and imported suppliers.

This business opens opportunities for other businesses in Nannup to benefit from this theme. It would encourage the increased traffic passing through Nannup from Mowen road to stop and spend much needed tourist dollars throughout the whole township. Together with the potential to increase the length of stay for the target demographic.

Vision

A low cost high impact destination business connected and supported by the Nannup Caravan Park that takes advantage of one of the few businesses that is open 7 days a week in Nannup.

This business compliments existing Nannup strengths such as garden tourism, nature based attractions and historical beauty.

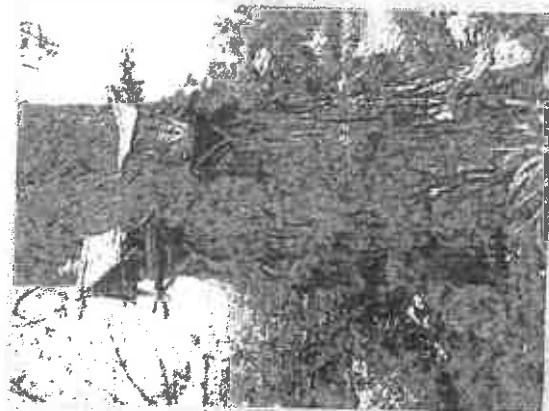


Financials

Minimal donation required for entry to the walk with percentage of proceeds being donated to local youth charity.

Financials

This business would compliment existing businesses in Nannup. The nursery, The Mini put, gift stores, Templemore Tea house the Bridge cafe and each festival and market presented throughout the year.



The Enchanted Walk

REQUEST FOR TENDER

MANAGEMENT, DEVELOPMENT AND LEASE

OF

THE NANNUP CARAVAN PARK

PREPARED FOR

VIC SMITH

MANAGER CORPORATE SERVICES

SHIRE OF NANNUP

SHIRE OFFICES ADAM STREET

NANNUP, WA 6275

PREPARED BY

BARRY & JACKI-LEE FAWCETT

PO BOX 218

CEDUNA, SA 5690

jacki-lee.fawcett@bigpond.com

0429805288

SUBMITTED ON

5TH SEPTEMBER, 2014

DEVELOPMENT/BUSINESS PLAN

NANNUP CARAVAN PARK

BUSINESS PLAN

DEVELOPMENT

SHORT TERM

We plan to inject some of our savings into the park to make a statement to travellers that the Nannup Caravan Park is under new management. Maintenance and improvements will be made on the existing amenities block and camp kitchen at Brockman Street.

LONG TERM

To increase the site capacity, we will start planning the development of a second amenities block at Brockman Street. Barry's vast experience in this field will save on costs and we believe he is capable of building this on his own with approval from the Shire. We plan to have this completed before the 2016 Nannup Music Festival.

We are happy to employ Garry Franks when required to assist with the operation of the Riverbend overflow camp area. We would like to open this over flow area on a regular basis and plan to investigate this option further. As Garry is local we would like to work closely with him regarding the management of this area, his input would be greatly appreciated.

Long term we would like make the park more eco friendly, look into solar options and maybe even install some permanent economically friendly tents or cabins.

BUSINESS PLAN & MARKETING

FAMILIES – We want to make the Nannup Caravan Park family friendly, as we have been living on the road for 6 months, we are aware that there are many families out there travelling and always keen to catch up with others doing the same. There are numerous Facebook pages for travelling families and this would be the ideal place to target the market! During these get togethers we would host activities for the kids and offer a pancakes breakfast.

SENIORS or also known as the **GREY NOMAD** – The quiet bush surrounding located on the banks of the Blackwood River, the Nannup Caravan Park is the perfect place to park up for the night and relax, away from the hustle and bustle. Known as **THE SPOKE OF THE WHEEL**, All roads lead to Nannup, what an ideal place to base yourself to explore the beautiful South West. We intend to promote a meet and greet weekend once a month for Seniors to gather and share their adventures. We plan to market this on Facebook and work with surrounding Caravan Parks that are at the end of the spoke.

The Hotel often has live entertainment and we plan on working with them to develop a Voucher System, which will result in money being spent at both businesses. We plan to approach the local café's and wineries regarding this Voucher System, it could be a huge success which benefits everyone.

GROUPS – We would like to cater for groups, whether they are school groups or bird watchers, the far end of the park needs to be developed to cater for large groups, giving them the privacy they require. Therefor the planning and development of new amenities needs to be addressed sooner rather than later. We need to contact groups within the South West that associate with other groups from surrounding areas. We need to get the word out there that we cater for groups, large or small. Producing an attractive flyer and emailing it to numerous groups would be the best way to market this.

HIKERS and BIKE RIDERS – The famous Mundabiddi Trail and Bibbulmun Track passes through Nannup. Completing this is a huge challenge, we'd like to offer a discount and start a photo board of all thrill seekers attempting this amazing journey. We plan to post on both websites offering our discounts. A lot of participants are raising funds for a cause, we'd love to be able to contribute in any way possible!

FACEBOOK seems to be the easiest, cheapest and best marketing tool by far. You are able to spread the word fast by sharing and target all different groups by tagging! We are excited at the prospect of setting up a Nannup Caravan Park Facebook page, we can see it becoming a huge success and being the talk of the South West.

FINANCIAL PLAN

Our goal is to purchase this business with our savings which will then enable us to inject a further \$20,000 plus 30% of the income straight back into the development of the park. The financials provided have made it really hard to determine net income for the duration of the 10 year lease, so we have decided to estimate minimal projected growth so that we know we can afford the repayments.

We can see so much potential and room for improvements and growth, but with no guarantees we were left with no option other than to offer an affordable tender for us.

The Nannup Caravan park and Campgrounds

Jo and Ton van Hattem

Short explanation of our view to developing the park and ground

We will start to give the park and ground a good clean up.

We will repair and/or replace pit fires and bbq's throughout both park and ground a.s.a.p.

The managers' accommodation is too small for us and Ton will build an extension of the living area (North side, approximately 6 by 4 meters) in style and construction as existing accommodation. We will create a "private" yard. A water tank will be installed at the same time and possibly solar panels

As we would like to have the whole as asbestos free as possible we will make efforts to build/have build a shed (approximately 6 by 9 meters + lean-to of 3 by 9 meters somewhere in the vicinity of shop/manager's accommodation. And at time of removal of the old shed have the shop made asbestos free as well.

In the meantime the existing amenity blocks will be "freshened up" by painting, repair, replace etc anything obviously and less obviously in and around the blocks.

In the right season we will plant native water wise shrubs where needed to define sites and create a varied landscape throughout the park.

In winter we will install/create/supply and fit 2 self-contained ensuited cabins in a style and character which will reflect the park, town and surrounds. After figures and demand is sufficient we intend to install another 2 cabins. These (2 and later 4) cabins will be situated where now the old shed is. Configuration as in a cross in which the water tank and hot water systems will be situated in the centre

For the March and April Festivals we will hire extra showers, after that we would either extend the existing amenity block with up to 8 showers (in total) or buy a (dongastyle) shower block.

On the camping ground we will install 2 (neat) caravans to be hired as budget accommodation, a.s.a.p.

After we have further investigated the possible increase of use of the shop we will accordingly redecorate/renovate the interior.

As part of the environmentally friendly and sustainability efforts, both the cabins and renovated/added on or new amenities, will have water tank(s) installed and the grey water will be reused in compliance with health regulations. Hot water will come from (super) efficient heat pumps and (possibly) electricity from solar panels.

As soon as money allows we will install heating in the amenity block and when/if the existing hot water system fails/break down will have it/them replaced with heat pumps

We would like to extend the post and rail fencing around the Arboretum to be extended on the North side (border with Caravan Park) Shire to provide materials, and we will install.

We will build an undercover open air "social hub" near/next to the existing camp kitchens both in the park as in the camp, with the required extras as in chairs, tables, bbq, pit fire, possible table tennis table etc etc.

All the measures/renovations/additions etc will be taken with disabled accessibility in mind and practise. The first cabin would be disabled accessible. The new showers will be disabled accessible. Etc.

Eventually, depending on growth return and grants we will turn the camp and grounds in a sustainable and environmentally show piece for as many people to enjoy

The Nannup Caravan park and Campgrounds ORIGINAL

Jo and Ton van Hattem

We acknowledge that the business is in times not a full time job for two.

This enables Ton to partly and when possible in regards to the park and ground to continue with his carpentry/building business.

The park and ground daily running, maintenance and development measures will come first and therefore Ton will not take on jobs which would require him to be at, and finish, a job within the period which would require him to be at the park.

Over time we hope and expect the park attendance will grow so much that Ton will be finishing his building business to concentrate fully on the further development of the park.

All the above has been put together in a short time, from ad in local papers to now is a mere 3 weeks.

We acknowledge that we/you will want to discuss many of the measures proposed/stated with those in the shire who would have a say in these matters.

In all the above we will obey the relevant laws and directions given by the Shire.

As Ton is no longer a registered builder (can be explained) there will/could be instances that we will be an "owner builder" and/or the Shire will be the "builder".

The red coloured remarks indicate the parts where the Shire will be part of the financial part. Possible to supply materials and some machinery by Shire. Ton to supply labour.

To be discussed at a later time.

The Nannup Caravan park and Campground

Jo and Ton van Hattem

ORIGINAL

**Jo and Ton van Hattem
Partners/Owners/Lessees
Nannup Caravan Park and Campground
Nannup Brockman Street
ABN: 56157793142**

Nannup Caravan Park and Campground

Prepared: 3 September 2014

The Nannup Caravan park and Campground

Jo and Ton van Hattem

ORIGINAL

Business Plan Summary

The Business

Business name: Nannup Caravan Park and Riverbend camp.

Business structure: Partnership

ABN: 56157793142

Business location: Brockman Street Nannup

Date established: 1 January 2015

Business owner(s): Johanna Cornelia (Jo) van Hattem and Anthonius Johannes (Ton) van Hattem

Relevant owner experience:

Jo runs her own self contained accommodation business. Ton is a self-employed carpenter/builder. We have had a wholesale nursery back in the nineties. Jo is a nurse and carer by profession. We are lifelong campers, caravaners and have travelled all over Australia and Europe. We are self-starters and environmental conscious. We believe strongly in sustainability. Ton will be able to do all renovation, additions and maintenance as described in this plan and therefore would not have to spend on labour and "only" on materials, plumber, and electrician.

Products/services:

We would offer clean sites and amenities on a fully operational park and campground, with a wide variety of facilities for an affordable price with the possibilities for discounts for those we could temp to stay longer or come back. We will be pet friendly and have sites and amenities available for disabled people. We will not discriminate and oppose discrimination in colour, ethnicity, religion and gender.

The Market

Target market:

Customers would be at first the Baby Boomers and Grey Nomads with an expansion to workers and corporate market once facilities have been upgraded.

Marketing strategy:

Social media. Senior Citizen brochures/booklets. Mail drops. Groups and clubs. Internet. We will make the park and campground more accessible with top of range amenities. Sustainability will be a very important factor in future development.

The Nannup Caravan park and Campground

Jo and Ton van Hattem

ORIGINAL

The Future

Vision statement:

To run the park and ground as sustainable as possible with a variety of high quality facilities and amenities.

To vastly increase the occupancy rate.

To heat the ablution blocks in winter.

To provide a "social" shaded area.

To provide affordable holiday opportunities for all.

Sustainable use of land and natural resources.

Contribution to recreation and tourism through providing short term and possibly medium term access.

Social, environmental and economic benefits for the whole Shire.

Goals/objectives:

To ensure the park and ground will be a viable business and eventually a sustainable asset for the Shire of Nannup, by increase of occupancy, adding solar Electra and water, plant water wise local natives, introduce waterless toilets, reuse grey water.

This will take some time to achieve, up to 5 years, but is foremost on our business plan.

The Finances

Money needed up front would be for:

• Cash money.	\$ 1000
• Trade money.	\$ 2000
• Stock as valued \$ 10,000 (estimation by Shire).	\$10,000
• Equipment needed for running the business. Part of this could be bought from shire for \$2,500. A great deal of needed equipment is already in our possession.	\$ 2500
• Cleaning materials, toilet paper, soap, etc.	\$ 1000
• Administration/accountant.	\$ 2000
• Accounting system.	\$ 1000
• Insurances.	\$ 2000
• Lease moneys.	\$ 1500
• Websites, periodic, membership,	\$ 1500
Total of	\$ 25,000

Figures provided by Shire are showing a very small profit in 12/13 and 13/14. Projected figures for 14/15 show a reasonable profit. All this though without the salary of the manager + associated costs included (\$55,000+) + bin services and insurances. Therefore there was to be a loss for "even" 14/15. We will perform all duties and therefore will not have the costs of a cleaner/gardener and less relief. This will mean that 14/15 might give us a reasonable wage.

The Nannup Caravan park and Campground

Jo and Ton van Hattem

ORIGINAL

Part of the contract will be that we supply upgraded/renewed/expanded ablutions in the caravan park as there is a shortfall of showers in the park.

Short term solution could be to hire a donga style shower block. \$1000

Medium term solution is to build an addition of 4 showers to both women and men sides in style with the existing ablution block. \$15000

The Business

Business details

Products/services: To supply clean, safe and enjoyable caravan and tent sites along the Blackwood River. Year round with up to 105 sites. Anticipated occupancy rate should double within the next 10 years. Occupancy rate is now very low.

Registration details

Business name: NANNUP CARAVAN PARK AND CAMPGROUND

Trading name(s): AS ABOVE

Date registered: 1 January 2015

Location(s) registered: Nannup WA

Business structure: Partnership

ABN: 56157793142

ACN: N.A.

GST: 1 January 2015

Domain names: NANNUP CARAVAN PARK AND RIVERBEND CAMPGROUND

Licences & permits: ??????

Business premises

Business location: Caravan Park @ 4 Brockman Street Nannup and Riverbend campground @ Reserve 24762 Nannup/Balingup Road Nannup. Both locations are at the banks of the Blackwood River.

The park around 3 acres and the ground around 2 acres.

Both locations are on a tourist route and adjacent to the Blackwood River.

The park is on a major local through fare road and next to the centre of town, the ground is 300 meters from town.

The Nannup Caravan park and Campground

Jo and Ton van Hattem

ORIGINAL

Buy/lease:

The land and improvements and infrastructure are to be leased from Shire of Nannup for minimum term of 20 years for an agreed amount as outlined in the lease agreement

Organisation

The owners are a married couple and will trade as a partnership.
Both partners to be equally (50% each) involved in the business.
Occasionally a casual part-time cleaner/caretaker will be sourced locally.

Management & ownership

Names of owners: Johanna Cornelia (Jo) van Hattem
Anthonius Johannes (Ton) van Hattem

Details of management & ownership:

The owners will run the business.

Jo and Ton will be equally involved.

Jo will be involved in the daily running of the business, the bookings, the cleaning and the reception.

Jo strengths are her hospitality/ caretaker and people skills.

Ton will be the technical man, "the handyman", gardener, back-up, and administration.

Ton strengths are his trade background, people skills and administrator skills.

Experience:

Jo has extensive experience in hospitality and runs her own self-contained accommodation business: Jedda's Playground in Bridgetown.

She has had her own wholesale plant nursery in the early nineties.

By profession Jo is a nurse/carer and at the moment works part-time for STRIVE in Bridgetown.

Ton has been a self-employed builder most of his working life.

He runs a carpentry/building business in Bridgetown.

He has been involved with working with and for disabled people.

Both Ton and Jo have been working in Aboriginal communities in a variety of roles.

See resumes.

Key personnel

Job Title	Name	Expected staff turnover	Skills or strengths
Owner/manager	Jo van Hattem	N.A.	First aid, people skills, hospitality experience, business skills, computer literate,

The Nannup Caravan park and Campground

Jo and Ton van Hattem

Job Title	Name	Expected staff turnover	Skills or strengths
Owner/manager	Ton van Hattem	N/A	First aid, people skills, business skills, computer literate, technical experienced, management skills, administration skills

Required staff

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Job Title	Quantity	Expected staff turnover	Skills necessary	Date required
Cleaner/care-taker	1	2-3 year	Booking and cleaning	1 July 2015

Recruitment options: Local paper and note boards

Training programs: On job training provided

Skill retention strategies: On job continues training.

There will in time a document which will outline responsibilities and skills for the owners/staff

Products/services

Powered sites	Defined site with access to power/water	\$ 32
Unpowered sites	Defined site without access to power	\$ 27
Tent sites	Undefined site without access to power	\$ 27
Campground sites	Defined sites with or without access to power/water	\$ 25

Market position:

We are the only caravan park in town and 40 km surrounding area.

The campground is one of 3 campgrounds in the area being ours the closest to town and the only one with hot water showers.

We will be competitive as a caravan park but will try to be budget for the campground (luxury backpackers, groups, scouts, schools, reunions?).

Unique selling position:

Having the park being run from the visitors centre (volunteers?) and by an employee of the shire has had a negative impact on the daily running and maintenance of facilities.

With the presence of the 2 owners/managers there will be an improvement of the state and total appearance of both park and campground.

The Nannup Caravan park and Campground

Jo and Ton van Hattem

The proposed extra facilities and improvements like: on site van(s), cabin(s) with ensuites, possibly the creation of ensuite sites and heating in amenity block(s) shall cater for a greater range of clients a.k. greater turnover.

A better use of the existing shop/reception/office should eventually result in a greater turnover from park clients and day tourists alike.

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Anticipated demand:

As deduced from supplied financial figures the occupancy rate is around the 11% with 105 sites.

The nationwide average occupancy rate for a short term caravan park is 50%.

A southwest inland caravan park is possibly less, but not less than 20%.

With expanded upgraded facilities and a more personal approach, discount possibilities for return clients, we anticipate and will strongly work towards an increased occupancy rate.

This would give an increase of gross profit, without a great increase of costs.

It is clear though that the total of 105 sites is too much for a town as Nannup, at least at the moment.

Pricing strategy:

We will follow the existing pricing for now with the addition of discount strategy for repeat clients, for groups, for advanced bookings.

We believe that a hot shower should be part of the site price and therefore we will not charge for having a shower. (Is this going to affect the revenue positive or negative?)

Value to customer:

Customers are to be divided into different groups and therefore will have different ideas about the view of the caravan park.

Baby Boomers value our park for relative cheap facilities in a beautiful area.

Groups and clubs value our park for the surrounding area which can be explored from a central point.

All customers will value clean, good and first class facilities.

Growth potential:

The amount of the "GREY NOMADS" will continue to increase over the coming 20 years.

These are the people who will have the time and resources to use our facilities.

We will market this group extensively as well as the "midlife crises toy blokes", groups, schools and scouts.

Innovation

Research & development (R&D)/innovation activities

A diverse action will be undertaken to upgrade the facilities for the intended client groups.

As in heated amenities, ensuite sites, onside cabins and caravans, weekly "free" bbq.

Increased shop inventory (whatever that might be).

Insurance

Workers compensation: t.b.a.

The Nannup Caravan park and Campground

Jo and Ton van Hattem

Public liability insurance: \$ 10 million

Professional indemnity: t.b.a.

Product liability: t.b.a.

Business assets: As per lease contract

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Legal considerations

There will soon be an amended Caravan and Camping Act.

The requirements of Local Government Act, the Health act and any other act will all have a possible impact on the business.

Operations

Production process

Daily cleaning, weekly gardening, daily maintenance, bookings, administration, marketing, renovations.

Middle term extra accommodation as on site vans and/or cabins.

Extra or renovated/extended ablution block.

Long term heated amenities.

Sustainability measures.

Suppliers

Gas, water, electricity, communications, shop supplies, maintenance supplies and cleaning supplies.

Local contractors as in plumber, electrician.

Plant & equipment

Equipment as in list of tender form.

We will buy some equipment from the shire for \$ 2500

A large variety of equipment is already in our possession.

Inventory

Stock of the shop will be bought at cost from the Shire at cost value. Currently estimated at \$10,000.

Technology (Software)

Website computer(s) distance admission to booking system (in place).

POS system (in place)

Accounting/administration package to be purchased/setup.

Trading hours:

Basically 24/7/365 realistically 9 to 6/7/365.

To be adjusted according to demand/season.

Peak will be spring autumn school holidays with moderate in winter and summer.

The Nannup Caravan park and Campground

Jo and Ton van Hattem

To expand peak in winter: provide fires/heated amenities/undercover TV/games/social/room.
To expand in summer: provide shade sails/cooled amenities/undercover TV/games/social room.

Communication channels:

Customers can be in touch with us by: Phone/ post/in person/internet/visitors centre/social media.

Customers will be able to book by: Internet/visitors centre/post/ telephone.

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Payment types accepted

We will accept: cash, credit, cheque, gift cards, PayPal etc.

Credit policy

No credit for customers, except in extra ordinary circumstances.

Pay at booking and/or arrival.

Warranties & refunds

If it is clear the customer expected a different product (site/time/length) refund should be considered.

Quality control

In due course will set up system of quality control.

Memberships & affiliations

To be advised.

Sustainability plan

Environmental/resource impacts

As responsible citizens/business people we will endeavour to be as sustainable and prudent as possible within the business procedure.

We both are very aware of the impact society has on the environment and biodiversity.

We would like that both the park and the ground will be as environmental friendly and sustainable as possible in the shortest time frame possible.

Community impact & engagement

This is an existing park with a public playground incorporated in the park. The regional bus stop is at the park entrance. The grounds are regularly used for long weekend events as in music festival and flower festival.

The volunteers and professionals from Nannup and surrounds and we will work in coordination to increase the attendance of the events while at the same time provide sustainable measures. To be further researched.

Risks/constraints

Water and electricity use, erosion of river bank

Strategies

To use of ground/rain/river water for non drinking water as in toilets, showers, washing machines,

The Nannup Caravan park and Campground

Jo and Ton van Hattem

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To use grey water for reticulation. To be further researched.

To use solar systems for both hot water and electricity. Heat pumps and electricity storage.

Solar lightning and keep planting native water wise plants/shrubs.

None poisons spraying of grounds.

Action plan

Sustainability milestone	Target	Target date
Water tanks	40% reduction	2 years
Solar hot water	40% reduction	2 years
Solar energy	25% reduction	3 years
Strengthening of river bank	Safe/secure	years

The Market

Market research

According to research there is reason to believe that the park and grounds are underutilised.

Market targets

The occupancy rate is very low and should be doubled in the next 5 years.

In these 5 years we will have a wider variety of accommodation, as in on site vans, cabins and powered sites with ensuites.

We will have improved the ablution blocks to a higher standard.

The pit-fires and bbq's will be fully workable and in perfect condition.

The shop should have an improved variety of products for sale/hire. To be further researched

Our customers

Customer demographics

Baby boomers/Grey nomads, will travel, will spent, have time, are used to comfort and quality.

Groups, clubs, event followers. All walks of live, low to top educated.

Key customers

Baby boomers/ Grey nomads. We will cater for their typical desires in regards to sites, grounds, environment, comfort and information.

Customer management

There will be a constant request for feedback of all customers. Guestbook will be available for reviews and comments. In time we will mail follow ups to customers (6 months? 12 months?)

The Nannup Caravan park and Campground

Jo and Ton van Hattem

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S.W.O.T. analysis

Strengths	Weaknesses
Only caravan park Main road access Tourist route Beautiful location Nice setting (shade/no shade/power/no power) Campground draw point for groups	Loss/ no income as is. Not on main road for around Australia. Security. General poor state of both park and ground. Nannup will have a limited customer base.
Opportunities	Threats
Marketing strategy implementation Variety of accommodation. Increase quality of amenities and facilities.	Shire policies regarding alternative caravan and camp ground(s) New laws. Private accommodations

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Jo and Ton van Hattem

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Our competitors

Competitor details

B and B's will compete with on site van and cabins.

Self contained accommodation will compete with van and cabins.

Hotel/motel competes with van and cabins.

"Calm" campgrounds will compete with park and ground.

All the above are established businesses and all have their pros and contra's.

The Nannup Caravan park and Campground

Jo and Ton van Hattem

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Advertising & sales

Advertising & promotional strategy

Planned promotion /advertising type	Expected business improvement	Cost (\$)
Online, media release, social media,	10% increase per year on occupancy rate for 2 years	\$500/year
Star accreditation (will take 2 years to achieve)	5% increase per year on occupancy rate for 5 years	\$500/year
Mall out to groups, schools, clubs, motorcycle groups etc. Follow up mail to customers	10% increase per year on occupancy rate for 5 years	\$1000/year
Flyers to visitor centres as in Geraldton, Broome, Esperance etc.	5% increase per year on occupancy rate for 5 years	\$500/year

Sales & marketing objectives

We will ASAP be on the net and any other medium to gather more statistics on tourism, trends etc to be able to be more informed for a marketing strategy.

Unique selling position

The park and ground are in and very near the centre of town.

They both have direct access to the river.

We are in the middle of a beautiful environment.

Recreation possibilities as: bushwalking, bush cycling, water sports on the river.

Central in the Southwest with easy access to the beaches, forest and regional towns.

The Nannup Caravan park and Campground

Jo and Ton van Hattem

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The Future

Vision statement

Overall goal will be to improve the occupancy rate while reducing running costs while being environmental very friendly with the intention to become more and more sustainable.

To have a wide variety of accommodation available with up to date facilities and amenities.

Mission statement

Marketing, improvement of facilities, extension of accommodation variety, solar power and hot water, bore/rainwater use.

Goals/objectives

Short: marketing and improvements of facilities.

Medium: extension of accommodations.

Long: sustainability as in solar, rainwater.

Action plan

Please note: This table does not include sustainability milestones as they are listed in the sustainability section above.

Milestone	Date of expected completion	\$ needed
Clean up park and ground	1 month	\$ 1000
Marketing strategy in place	1 month	\$ 1000
Repair/replace b.b.q.'s	2 months	\$ 2000
Add extension on managers quarters and create fencing and privacy for managers	3 months	\$ 8000
Marketing tools available and being used	3-4 months	\$ 2000
Repair/repaint existing toilet block.	4 months	\$ 1000

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Milestone	Date of expected completion	\$ needed
Install 2 on site van (s)	6 months	\$ 5000 each
Hire shower block	As needed	\$ 2000
Add 4 showers for each gender at ablution block.	1 year	\$ 15000
Secure sites with boom gate and other measures	1 year	\$ 10000
Install 2 cabin(s)	18 months	\$ 30000 each
Plant native to define spots and protect/water them	Up to 3 years	\$ 1000/ year
Redecorate shop	2 years	\$ 5000
Fit undercover social area	2.5 years	\$ 5000
Install (2 or 3)solar hot water units	3 years	\$ 4500 each
Install solar energy system (batteries???)	3-4 years	\$ 25000 ???
Install water tanks (2) and adjust plumbing	2 years	\$ 10000each
		\$ 200,000 total in 3 years

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The Nannup Caravan park and Campground

Jo and Ton van Hattem

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The Finances

Key objectives & financial review

Financial objectives:

Our main objective would be to reach an acceptable income level for time/effort and money spent and at the same time to have a lifestyle that will suit our vision /age and desires.

Finance required:

We expect to spend	\$ 50,000 of our own money for the "fixed" improvements.
We expect to spend	\$ 150,000 of our own money for the "none fixed" improvements.
We expect to spend	\$ 100,000 of grants for the sustainability upgrades.

Expected cash flow

The Nannup Caravan park and Campground

Jo and Ton van Hattem

EXPECTED CASHFLOW 2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
OPENING BALANCE												
Cash incoming												
Letting fees	\$12,000	\$12,000	\$5,000	\$10,000	\$6,000	\$2,000	\$2,000	\$2,000	\$2,000	\$4,000	\$3,500	\$10,000
Festivals			\$21,000	\$5,000		\$5,000		\$11,000		\$5,000		
Shop and souvenir sales	\$1,000	\$1,000	\$1,000	\$750	\$500	\$750	\$500	\$500	\$500	\$750	\$700	\$1,000
Total Incoming	\$13,000	\$13,000	\$27,000	\$15,750	\$6,500	\$7,750	\$2,500	\$13,500	\$2,500	\$9,750	\$4,200	\$11,000
Cash outgoing												
Purchases (Stock etc)	\$500	\$500	\$500	\$375	\$250	\$375	\$250	\$250	\$250	\$375	\$350	\$500
Accountant fees	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400
Solicitor fees	\$1,000	\$0	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0
Advertising & marketing	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Bank fees & charges	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Interest paid on \$100,000	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400
Credit card fees												
Utilities (electricity, gas, water)												
Telephone	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Lease payments 5% of turnover	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Rent & rates	\$1,500			\$1,500			\$1,500			\$1,500		
Motor vehicle expenses	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Repairs & maintenance	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Stationery & printing	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Membership & affiliation fees	\$100											
Licensing	\$100											

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[illegible]