

**HARBOUR PINES RETIREMENT VILLAGE
NOTE 1 TO 30**

NOTE 1 - RECURRENT CHARGE (Exc GST)

Operating Cost Share

Increase of 5% from 2020 rate

12 months x 2021 rate x Number of Units

1 Bedroom Units

12 x \$267.27 x 3 = \$9,621.72

2 Bedroom Units

12 x \$279.40 x 35 = \$117,348.00

3 Bedroom Units

12 x \$300.33 x 13 = \$46,851.48

\$173,821.20

This information is being provided in accordance with clause 17(3) (a) of the Code. The source of income is 100% from residents.

Strata Levy

12 months x 2021 rate x Number of Units

1 Bedroom Units

\$74.00 x 12 x 3 = \$2,664.00

2 Bedroom Units

\$74.00 x 12 x 35 = \$31,080.00

3 Bedroom Units

\$74.00 x 12 x 13 = \$11,544.00

\$45,288.00

Hall

\$74 x 12 = \$888.00

\$ 46,176.00

This information is being provided in accordance with clause 17(3) (a) of the Code.

NOTE 2 - RECURRENT CHARGE PAYABLE BY ADMIN BODY FOR FORMER RESIDENTS

As per Item 7(B) of Pre-contractual Agreement, residents are liable for their recurrent charge until they no longer own their units. This information is being provided in accordance with clause 17(3) (b) of the Code. Refer to calculation in Note 1.

NOTE 3 - RENTAL INCOME

There is no rental income receivable. This information is being provided in accordance with clause 17(3) (c) of the Code.

NOTE 4 - OTHER INCOME

The Admin Body's contribution to the operations of the village to the advertising of the Village, 50% of Aussie Natural Spring Water invoices as per Note 22 and \$72.68 per month to Node 1 Internet as per Note 19. This information is being provided in accordance with clause 17(3) (d) of the Code.

NOTE 5 – INSURANCE CLAIM PROCEEDS

The source of income is 100% from Ausure Insurance Brokers, the Village's insurance broker, for insurance claims made in relation to the Legal Fees incurred as per Note 16. This information is being provided in accordance with clause 17(3) (d) of the Code.

NOTE 6 - ADVERTISING

The source of income is 100% from the Admin Body and is determined from last year's expenditure and is used to pay for advertising as per Note 4. This information is being provided in accordance with clause 17(3) (i) of the Code.

NOTE 7 - AUDIT SERVICES

This is for the audit of the financial accounts for the 12 months ended 30 June 2020. The budget amount is based on last year's expenditure. The source of income is 100% from resident recurrent charges. This information is being provided in accordance with clause 17(3) (h) of the Code.

NOTE 8 - NON -AUDIT SERVICES

There are no non-audit services. This information is being provided in accordance with clause 17(3) (h) of the Code.

NOTE 9 - BANK & TRANSACTION FEES

This is bank charges in relation to maintaining bank accounts. The income source is 100% from resident recurrent charges. The budget amount is based on last year's expenditure plus CPI. This information is being provided in accordance with clause 17(3) (n) of the Code.

NOTE 10 - MANAGEMENT FEES

This covers the staff costs of the Admin Body for managing the day to day running of the Village. The management fee is calculated on charging \$7,500 per month and the income source is 100% from resident recurrent charges. This information is being provided in accordance with clause 17(3) (o) and 17(6) (e) of the Code.

NOTE 11 - ADMINISTRATION FEES

This covers the staff costs of the Admin Body for the preparation of financial reporting, management of creditors and debtors and correspondence. The administration fee is calculated on charging \$2,000 per month. The source of income is 100% from resident recurrent charges. This information is being provided in accordance with clause 17(3) (o) and clause 17(6) (e) of the Code.

NOTE 12 - ELECTRICITY

This is the electricity for the Community Hall and common area, lighting, reticulation and other electrical equipment. The source of income is 100% from resident recurrent charges. The budget amount is based on last year's expenditure plus CPI. This information is being provided in accordance with clause 17(3) (p) of the Code.

NOTE 13 - FEES AND PERMITS

This is for signage fees and other statutory and membership fees. The budget amount is based on last year's budget. The source of income is 100% from resident recurrent charges. This information is being provided in accordance with clause 17(3) (k) of the Code.

NOTE 14 - GARDEN MAINTENANCE AND CLEANING

This is made up of \$9,000 for labour and \$3,000 for consumables for reticulation repairs, mulch, lawn mowing, plants, cleaning and other gardening expenses. The budget amount is based on last year's expenditure. The source of income is 100% from resident recurrent charges. This information is being provided in accordance with clause 17(3) (p) of the Code.

NOTE 15 - INSURANCE

This is the main Strata Insurance, a copy of the current insurance is displayed in the hall. The budget amount is based on last year's budget and expenditure. The source of income is 100% from resident recurrent charges. This information is being provided in accordance with clause 17(3) (l) of the Code.

NOTE 16 - LEGAL EXPENSES

These are the legal expenses incurred by the Village, which will be claimed on insurance as per Note 5. This information is being provided in accordance with clause 17(3) (m) of the Code.

NOTE 17 - PRINTING, STATIONERY, POSTAGES AND INTERNET

This is for any printing, stationery items and postage for the office at the Village. The internet is NBN for the office at the Village. The budget amount is based on last year's expenditure. The source of income is \$72.86 from the Admin Body as per Note 4 and the balance from resident recurrent charges. This information is being provided in accordance with clause 17(3) (p) of the Code.

NOTE 18 - RATES, TAXES AND LEVIES

This is the Shire Rates, Water Rates for the Community Hall and Water Usage for the entire Village. The budget amount is based on last year's expenditure. The source of income is 100% from recurrent charges. This information is being provided in accordance with clause 17(3) (p) of the Code.

NOTE 19 - REPAIRS AND MAINTENANCE

This is the general repairs around the Village. The budgeted amount is based on last year's expenditure. It has been projected that labour costs will be \$16,000 and consumables will be \$10,000. The source of the income is 100% from resident recurrent charges. This information is being provided in accordance with clause 17(3) (j) of the Code.

NOTE 20 - RESIDENT AMENITIES AND SERVICES

This is for events and amenities for the residents, for example Christmas decorations, filtered water cooler. The budgeted amount is based on last year's expenditure. . It has been projected that labour costs will be \$9,800 and consumables will be \$2,400. The source of income is 98% from resident recurrent charges and 2% contribution from the Admin Body for 50% of Aussie Natural Spring Water invoices as per Note 4. This information is being provided in accordance with clause 17(3) (p) of the Code.

NOTE 21 - SECURITY

This is for the monitoring of the personal alarms and security at the Village. The budgeted amount is based on last year's expenditure. The source of income is 100% from resident recurrent charges. This information is being provided in accordance with clause 17(3) (p) of the Code.

NOTE 22 - TELEPHONE

This is for the main line, fax line, mobile and diversion to mobile phone at the Village. The budgeted amount is based on last year's expenditure. The source of income is 100% from resident recurrent charges. This information is being provided in accordance with clause 17(3) (p) of the Code.

NOTE 23 - RECRUITMENT AND RELOCATION COSTS

This is in the event that new staff are required and any related relocating costs. The budgeted amount is based on last year's expenditure. The source of income is 100% from resident recurrent charges. This information is being provided in accordance with clause 17(3) (f) of the Code.

NOTE 24 - TRAVEL AND ACCOMMODATION

This is the travel costs for the administrative body and/or its representatives to attend regulated meetings as per the Code. The budgeted amount is based on last year's expenditure. The source of income is 100% from resident recurrent charges. This information is being provided in accordance with clause 17(3) (g) of the Code.

SINKING FUND NOTES

NOTE 25 - RECURRENT CHARGES (Exc GST)

No increase from 2020 rate

<u>1 Bedroom Units</u> \$9.09 x 12 x 3	\$ 327.24
<u>2 Bedroom Units</u> \$10.91 x 12 x 35	\$ 4,582.20
<u>3 Bedroom Units</u> \$13.63 x 12 x 13	<u>\$ 2,126.28</u>
	\$ 7,035.72
<u>Hall</u> \$15.45 x 12	<u>\$ 185.40</u>
	<u><u>\$ 7,221.12</u></u>

This information is being provided in accordance with clause 17(4) (b) of the Code.

NOTE 26 - RECURRENT CHARGE PAYABLE BY ADMIN BODY FOR FORMER RESIDENTS

As per Item 7(B) of Pre-contractual Agreement, residents are liable for their recurrent charge until they no longer own their units. This information is being provided in accordance with clause 17(4) (c) of the Code. Refer to the calculation in Note 24.

NOTE 27 - PREMIUMS REPAYABLE TO RESIDENTS WHO HAVE PERMANENTLY VACATED VILLAGE

There are no premiums repayable. This information is being provided in accordance with clause 17(4) (d) of the Code.

NOTE 28 - INTEREST RECEIVED

There is no interest receivable. This information is being provided in accordance with clause 17(4) (e) of the Code.

NOTE 29 - OTHER INCOME

Water Bore Levy (exc GST)

This proposed special levy is for the purpose of installing a water bore at the Village to reduce the water usage charges to the residents as per Note 31. The special levy is \$120 per unit per quarter as detailed below:

<u>1 Bedroom Units</u> \$120 x 4 x 3	\$ 1,440.00
<u>2 Bedroom Units</u> \$120.00 x 4 x 35	\$ 16,800.00
<u>3 Bedroom Units</u> \$120.00 x 4 x 13	\$ 6,240.00
	<u>\$ 24,480.00</u>

This information is being provided in accordance with clause 17(4) (f) of the Code.

Other Income (exc GST)

This ex gratia payment will be made, 100% from the Admin Body, contingent on the passing of a special resolution by the residents to proceed with the water bore and storage initiative. This information is being provided in accordance with clause 17(4) (f) of the Code.

NOTE 30 - AUDIT FEES

This is for the audit of the financial accounts for the 12 months ended 30 June 2020. The budgeted amount is based on last year's expenditure. The source of income is 97.5% from resident recurrent charges and 2.5% from Adder Holdings Pty Ltd recurrent charges. This information is being provided in accordance with clause 17(4) (h) of the Code.

NOTE 31 – WATER BORE AND STORAGE INITIATIVE

This is for the capital works to install a water bore and storage facility. This expense will be required to be passed by a special resolution by the residents. The source of income is 100% from resident water bore levies as per Note 29. This information is being provided in accordance with clause 17(4) (h) of the Code.

NOTE 32 – REPAY LOAN – ADDER HOLDINGS PTY LTD

This is for the repayment of the ex gratia payment made by the Admin Body as per Note 29. The source of income is 100% from resident water bore levies as per Note 29. This information is being provided in accordance with clause 17(4) (h) of the Code.

NOTE 33 - OTHER EXPENSES

There are no other sinking fund expenses. This information is being provided in accordance with clause 17(4) (h) of the Code.