

Leases Summary 2019-2020.

As at the 31 March 2020

Lease No.	Lease Description	Lease Start	Lease End	Monthly Rent	Fixed Lease Term	Option to Renew	Discount Rate	Total Lease Payments	Right of Use Asset	Lease Liability	Prepaid	After 1/7/2019 (Total amount at end of lease.)	
												Amortisation Expense	Interest
1	Car Park - 3 West Street Ipswich (A5793119)	01/07/2017	30/06/2022	\$ 2,085	5	0	1.084%	\$ 125,085	\$ 121,702	(73,811)	\$ -	\$ 73,021	\$ 1,240
2	Car Park - 205 Brisbane Street Ipswich	01/07/2017	30/06/2022	2,708	5	0	1.084%	166,858	162,312	(99,567)	-	97,387	1,673
3	Springfield Library (A5099518)	01/07/2018	30/06/2028	50,013	5	5	1.084%	5,401,440	5,101,395	(4,674,450)	-	4,591,256	246,862
4	Hockey Grounds - 65 Briggs Road Raceview (A5573477)	01/07/2013	30/06/2033	4,583	20	0	0.000%	1,100,000	1,100,000	0	(1,100,000)	770,000	-
5	Shed 4A 31-33 Briggs Road Ipswich (A5281519)	21/02/2019	20/02/2024	1,825	5	0	1.084%	116,270	114,997	(106,376)	-	105,571	2,823
6	Karalee Shopping Village Library Pod (A5758954)	01/05/2019	30/04/2022	1,813	3	0	1.084%	67,227	66,102	(62,595)	-	62,430	1,007
7	Bremer Street Ramps (A6025847)	01/07/2019	31/10/2020	2,138	2	0	1.084%	51,318	33,951	(33,951)	-	33,951	261
8	Neville Bonner Sports Complex (A6103860)	13/06/2017	12/06/2027	2,603	5	5	1.084%	312,400	295,937	(236,899)	-	234,283	10,417
				67,769				7,340,598	6,996,397	(5,287,649)	(1,100,000)	5,967,900	264,284
Exempt Leases													
Short-term	Library - Redbank Plaza Shopping Centre	01/07/2019	30/06/2020	10,000	1	0	0.000%	120,000	-	-	-	-	-
Low-Value	Leash Free Dog Park - Brisbane Tce Goodna	01/07/2017	30/06/2022	188	5	0	0.000%	2,252	-	-	-	-	-
				10,188				122,252	-	-	-	-	-
Peppercorn Leases													
	Land Lease - Mooneyean Street, Bellbird Park	01/07/2014	30/06/2034	217	20.01	0	0.000%	2,601	-	-	-	-	-
	Land Lease - Lot A The Terrace North Ipswich	26/07/2016	27/07/2036	85	20.02	0	0.000%	1,017	-	-	-	-	-
	Land Lease - Lot 4 Chalk Street, Redbank	03/10/2003	02/10/2023	112	20.01	0	0.000%	1,344	-	-	-	-	-
				413				4,962	-	-	-	-	-

Journals Required AASB @1/7/2019		Transition Date	30/06/2019
1	Dr Retained Earnings		89,750
	Dr Right of Use Lease Asset		6,996,397
	Cr Lease Asset Amort		(1,028,497)
	Cr Lease Liability (refer Loan Calculator)		(5,287,649)
	Cr Prepaid Rent		(1,100,000)
	DR Accum Amortis (prepaid rent)		330,000
	(Recognise Right to Use Asset @30/6/19)		
Journals after 1/7/2019 (total amount at end of lease)			
2	Dr Amortisation Expense		5,967,900
	Cr Lease Asset (Accumulated Depreciation)		(5,967,900)
	(Depreciation based on remaining lease term)		
3	Dr Interest		264,284
	Dr Principal - Lease Liability		5,287,649
	Cr Creditor		(5,551,933)
	(Reduction in lease liability)		
			(0.00)

In 2018-19 Council recognised a lease incentive liability under AASB 117 Leases. AASB 16 does not provide any guidance about how to treat prior recognition of lease incentive liabilities.

Proposed journal for 2019-2020

	Dr Lease Incentive Liability		120,032												
	Cr Operating Lease Rentals Expense		(120,032)												
		Month	1	2	3	4	5	6	7	8	9	10	11	12	Total
Monthly journals		31/07/2019	31/08/2019	30/09/2019	31/10/2019	30/11/2019	31/12/2019	31/01/2020	29/02/2020	31/03/2020	30/04/2020	31/05/2020	30/06/2020		
	Dr Amortisation Expense	60,138	60,138	60,138	60,138	60,138	60,138	60,138	60,138	60,138	60,138	60,138	60,138	60,138	721,656
	Cr Lease Asset (Accumulated Depreciation)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(721,656)
	(Depreciation based on remaining lease term)														
	Dr Interest	4,777	4,733	4,689	4,645	4,601	4,557	4,513	4,469	4,425	4,381	4,336	4,292	4,248	54,417
	Dr Principal - Lease Liability	53,094	53,137	53,181	53,225	53,269	53,313	53,357	53,401	53,445	53,489	53,533	53,577	53,621	640,407
	Cr Creditor	(57,870)	(57,870)	(57,870)	(57,870)	(57,870)	(57,870)	(57,870)	(57,925)	(57,925)	(57,925)	(57,925)	(57,979)	(57,979)	(694,823)
	(Reduction in lease liability)														

Lease options exercised at the discretion of Council.

Lease Details	Lessor	Option	Future Lease Payments		
			5 Years	10 Years	Potential future lease payments which are not included in the lease liability as the exercise of the option has been assessed as not reasonably certain.
Car Park 205 Brisbane Street Ipswich	Tanda 8 Pty Ltd	1 X 5 Years	(99,567)	(258,487)	(158,920)
Shed 4A 31-33 Briggs Road Ipswich	Edwards Property Pt 1 X 5 Years		(106,376)	(220,374)	(113,998)
			<u>(205,943)</u>	<u>(478,861)</u>	<u>(272,918)</u>