

INDEPENDENT AUDITOR'S REPORT

TO: CITY OF ARMADALE

We have audited the accompanying Statement of Income and Expenditure of the City of Armadale – North Forestdale Development Contribution Plan for the year ended 30 June 2011.

Council's Responsibility for the Statement

The Council is responsible for the preparation and fair presentation of the Statement of Income and Expenditure for the purpose of reporting, and have determined that the accounting policies used are appropriate to meet the financial reporting requirements of the Funding Agreement. The Council's responsibilities also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the Statement of Income and Expenditure that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the Statement of Income and Expenditure based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the Statement of Income and Expenditure is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement of Income and Expenditure. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Statement of Income and Expenditure, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Statement of Income and Expenditure in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statement.

The Income and Expenditure Statement has been prepared for purposes of providing information to the Council. The statement may not be suitable for another purpose. Our report is intended solely for City of Armadale and should not be distributed to or used by parties other than City of Armadale.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

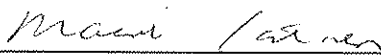
Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements

Auditor's Opinion

In our opinion:

- (i) The Income and Expenditure Statement has been properly drawn up so as to present a true and fair view of the operation of the scheme for the year ended 30 June 2011; and
- (ii) The City of Armadale has administered the funds in accordance with the requirements of Development Contribution Plan No 3 Schedule 13 of the City of Armadale's TPS No 4.



MACRI PARTNERS
CERTIFIED PRACTISING ACCOUNTANTS
SUITE 2, 137 BURSWOOD ROAD
BURSWOOD WA 6100



A MACRI
REGISTERED COMPANY AUDITOR

DATED THIS 22nd DAY OF FEBRUARY 2012

City of Armadale
North Forrestdale Development Contribution Plan
Statement of Income & Expenditure 2010 / 11

INCOME:	Amount
Nominal Contributions	\$26,550
Owner Cost Contributions	\$8,788,532
Credits or Prefunded Works	
1b Wright Road Build	\$20,942
3a Nicholson Road Land	\$27,035
7a Main Drain Land	\$153,418
7b Main Drain Build	\$26,230
7c Other Drain Build	\$77,111
Interest Earnings	\$512,184
TOTAL INCOME	\$9,632,002
EXPENDITURE:	
Capital Expenditure	
2b Warton Rd Build	\$275,240
3a Nicholson Road Land	\$89,239
3b Nicholson Rd Build	\$480
7a Main Drain Land	\$153,418
7b Main Drain Build	\$31,606
7c Other Drain Build	\$305,223
7e Water Management	\$10,000
10a CCW Rehabilitated Land	\$300,000
Total	\$1,165,206
Operating Expenditure	
Contributions to City Infrastructure	\$4,384,165
G (g) (i) Audit fees	\$2,800
G (g) (ii) Office and sundry costs	\$1,706
G (g) (iii) Legal expenses	\$981
G (g) (iv) Valuation fees	\$17,750
G (g) (v) Employment and office	\$93,323
Total	\$4,500,725
TOTAL EXPENDITURE	\$5,665,931
Current year surplus	\$3,966,071
Previous year balance b/forward	\$8,799,724
Balance carried forward	\$12,765,795

