

## INDEPENDENT AUDITOR'S REPORT

### TO: CITY OF ARMADALE

We have audited the accompanying Statement of Income and Expenditure of the City of Armadale – North Forrestdale Development Contribution Plan for the year ended 30 June 2012.

#### **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.

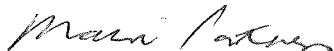
### Auditor's Opinion

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 2012; 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.

### Restriction on Distribution

The Statement of Income and Expenditure is prepared to assist the City of Armadale to meet the financial reporting requirements of the North Forrestdale Development Contribution Plan Funding Agreement. As a result, the Statement of Income and Expenditure may not be suitable for another purpose. Our report is intended solely for the City of Armadale and should not be distributed to parties other than the City of Armadale.

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

  
\_\_\_\_\_  
**A MACRI**  
**REGISTERED COMPANY AUDITOR**

DATED THIS 27<sup>th</sup> DAY OF NOVEMBER 2012.



**City of Armadale**  
**North Forrestdale Development Contribution Plan**  
**Statement of Income & Expenditure 2011 / 12**

<b>INCOME:</b>		<b>Amount</b>
	Owner Cost Contributions	\$6,373,820
	Credits or Prefunded Works 3b Nicholson Road Build	\$28,103
<b>TOTAL INCOME</b>		<b>\$6,401,923</b>
<b>EXPENDITURE:</b>		
	<b>Capital Expenditure</b>	
	2a Warton Rd Land	\$377,158
	2b Warton Rd Build	\$25,228
	3a Nicholson Rd Land	\$11,337
	3b Nicholson Rd Build	\$17,070
	3b Nicholson Rd Clearing	\$39,625
	3b Nicholson Rd Supervision	\$1,276
	3b Nicholson Rd Traffic Management	\$2,712
	3c Nicholson Road Intersection	\$4,402
	4a Mason Rd Land	\$10,005
	4b Mason Rd Build	\$20,000
	7b Main Drain Build	\$37,617
	7c Other Drain Build	\$9,962
	8b Lot 48 City Facility Build	\$17,756
	8c Community Centre	\$3,755
	9c Power Lines Contribution	\$256,146
	10 CCW Land	\$243,626
	<b>Total</b>	<b>\$1,077,675</b>
	<b>Operating Expenditure</b>	
	Contributions to City Infrastructure	\$5,463,443
	G (d) Consulting Fees	\$10,087
	G (g) (ii) Office and Sundry Costs	\$6,524
	G (g) (iii) Legal Expenses	\$19,771
	G (g) (iv) Valuation Fees	\$10,455
	G (g) (v) Employment and Office	\$119,103
	<b>Total</b>	<b>\$5,629,383</b>
<b>TOTAL EXPENDITURE</b>		<b>\$6,707,058</b>
	<b>Current year deficit</b>	<b>(\$305,135)</b>
	<b>Previous year balance b/forward</b>	<b>\$12,765,795</b>
	<b>Interest Earnings</b>	<b>\$800,200</b>
	<b>Balance carried forward</b>	<b>\$13,260,860</b>

