

Independent Auditor's Report to the Council of the City of Rockingham

Opinion

We have audited the accompanying Statement of Income and Expenditure for the Development Contribution Area No.2 of the City of Rockingham (the "Recipient"), which comprises details of the monies received and expended, and the Statement by the Chief Executive Officer (the "Grant Acquittal Report") for the funding period 1 July 2020 to 30 June 2021.

In our opinion, the accompanying Report presents fairly, in all material respects, the monies received and expended by the Recipient, in accordance with the accrual basis of accounting and the monies were expended in accordance with the Town Planning Scheme No. 2 for the period from 1 July 2020 to 30 June 2021.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Report* section of our report. We are independent of the Recipient in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the Grant Acquittal Report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to the *Responsibilities of Management for the Report* paragraph below which states the Report has been prepared in accordance with the accruals basis of accounting. The Report has been prepared to assist the Recipient to meet the financial reporting requirements of Town Planning Scheme No. 2. As a result, the Report may not be suitable for another purpose. Our report is intended solely for the Recipient and should not be distributed to or used by parties other than the Recipient. Our opinion is not modified in respect of this matter.

Responsibilities of Management for the Grant Acquittal Report

Management of the Recipient is responsible for compliance with Town Planning Scheme No. 2 and the preparation and fair presentation of the Report and has determined that the accruals basis of accounting is appropriate to meet the requirements of the Town Planning Scheme No. 2 and the needs of the Recipient. Management's responsibility also includes such internal control as they determine is necessary to enable the preparation and fair presentation of the Report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Grant Acquittal Report

Our objectives are to obtain reasonable assurance about whether the Grant Acquittal Report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Grant Acquittal Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Recipient's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the Report, including the disclosures, and whether the Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

N Menezes

Nicole Menezes

Partner

Chartered Accountants

Perth, 7 February 2022

CITY OF ROCKINGHAM
DEVELOPMENT CONTRIBUTION AREA NO.2
Town Planning Scheme No. 2

Statement of Income and Expenditure

for the year ended 30 June 2021

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Principal place of business:
Civic Boulevard
ROCKINGHAM WA 6168

**City of Rockingham
Development contribution Area No.2
Town Planning Scheme No.2
Statement of Income and Expenditure
For the year ended 30 June 2021**

STATEMENT BY CHIEF EXECUTIVE OFFICER

In my opinion, the attached Statement of Income and Expenditure for the Development Contribution Area No.2 of the City of Rockingham's Town Planning Scheme No.2 for the year ended 30 June 2021, fairly presents the income earned and expenditure incurred by the City in relation to the Development Contribution Area No.2.

Signed as authorisation of issue on the ^{7th} day of FEBRUARY 2022.



Michael Parker
Chief Executive Officer

**City of Rockingham
Development contribution Area No.2
Town Planning Scheme No.2
Statement of Income and Expenditure
For the year ended 30 June 2021**

**Statement of Income and Expenditure
For the year ended 30 June 2021**

	\$
Income:	
Developer contributions	1,707,041
Interest income	36,681
Total Income	<u>1,743,722</u>
Expenses:	
Capital expenditure	(1,918,744)
Administration expenditure	(115,293)
Total Expenditure	<u>(2,034,037)</u>
Deficit for the year	<u><u>(290,315)</u></u>

**City of Rockingham
Development contribution Area No.2
Town Planning Scheme No.2
Statement of Income and Expenditure
For the year ended 30 June 2021**

**NOTES TO AND FORMING PART OF THE STATEMENT OF RECEIPTS AND
EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2021**

Note 1: Basis of preparation

The statement of income and expenditure has been prepared on an accrual basis. All amounts are presented in Australian dollars.

Note 2: Developer Contribution Reserve Account

	\$
Balance as at 1 July 2020	4,333,161
Transfer to the City's Municipal fund	(2,034,037)
Interest Earned	36,681
Developer Contributions	1,482,417
Settlement of FY 2020 outstanding developer contributions	257,680
Developer contributions receivable at 30 June 2021	<u>(33,056)</u>
Balance for the year ended 30 June 2021	<u><u>4,042,846</u></u>

**City of Rockingham
Development contribution Area No.2
Town Planning Scheme No.2
Statement of Income and Expenditure
For the year ended 30 June 2021**

INDEPENDENT AUDITOR'S REPORT