



# Minutes

## Audit and Governance Committee Wednesday, 19 February 2025

Date	Wednesday 19 February 2025
Time	10.30am
Location	Shire of Wickepin Council Chambers 77 Wogolin Road, Wickepin WA 6370
Distribution Date	Friday 14 February 2024



## Notice of Meeting

Please be informed an Audit and Governance Committee Meeting will be held at 10.30 am on Wednesday 19 February 2025 at the Shire of Wickepin Council Chambers, 77 Wogolin Road, Wickepin WA 6370.

Kellie Bartley  
Chief Executive Officer

### Disclaimer

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## Terms of Reference

### 1. Name

Audit and Governance Committee

### 2. Members

Cr Julie Russell

Cr Fran Allan

Cr Wes Astbury

Cr John Mearns

Cr Tyron Miller

Cr Lindsay Corke

Cr Peter Thompson

### 3. Objectives

The following objectives are to be considered by the Committee:

- To exercise responsibility for the annual external audit and liaise with the local government's auditors so that Council can be satisfied with the performance of the local government in managing its financial affairs.
- To assist Council in discharging its legislative responsibilities of controlling the local government's affairs and overseeing the allocation of the local government's finances and resources.
- To provide an independent oversight of the financial systems of the Shire of Wickepin on behalf of the Council. As such, the Committee will operate to assist Council to fulfil its corporate governance, stewardship, leadership and control responsibilities in relation to the Shire of Wickepin's financial reporting and audit responsibilities.
- To support Council in its endeavours to provide effective corporate governance and fulfil its responsibilities.
- To facilitate improvements to internal/external financial reporting, management of risk, development/maintenance of internal controls and compliance with legislation.

### 4. Function of the Committee

To provide guidance and assistance to the Shire of Wickepin;

- As to the carrying out of its functions in relation to audits;
- As to the development of a process to be used to select and appoint a person to be the auditor;
- As to its functions under Part 6 of the Act that relate to financial management; and
- As to the carrying out of its functions relating to other audits and other matters related to financial management.

### 5. Role and Scope of the Committee

1. Audit –

- a) Provide guidance and assistance to Council as to the carrying out of the functions of the local government in relation to audits.
- b) Develop and recommend to Council an appropriate process for the selection and appointment of a person as the local government's auditor.
- c) Develop and recommend to Council – a list of those matters to be audited; and the scope of the audit to be undertaken.

- d) Recommend to Council the person or persons to be appointed as auditor.
- e) Develop and recommend to Council a written agreement for the appointment of the auditor, which is to include –
  - the objectives of the audit;
  - the scope of the audit;
  - a plan of the audit;
  - details of the remuneration and expenses to be paid to the auditor; and
  - method/s to be used by the local government to communicate with, and supply information to, the auditor.
- f) Meet with the auditor once in each year and provide a report to Council on the matters discussed and outcome of those discussions.
- g) Liaise with the CEO to ensure that the local government does everything in its power to –
  - assist the auditor to conduct the audit and carry out his or her other duties under the *Local Government Act 1995*; and
  - ensure that audits are conducted successfully and expeditiously.
- h) Examine the reports of the auditor after receiving a report from the CEO on the matters and –
  - determine if any matters raised require action to be taken by the local government; and
  - ensure that appropriate action is taken in respect of those matters.
- i) Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and presenting the report to Council for adoption prior to the end of the next financial year or 6 months after the last report prepared by the auditor is received, whichever is the latest in time.
- j) Review the scope of the audit plan and program and its effectiveness.
- k) Review the local government's draft annual financial report, focusing on:
  - accounting policies and practices;
  - changes to accounting policies and practices;
  - the process used in making significant accounting estimates; - significant adjustments to the financial report (if any) arising from the audit process;
  - compliance with accounting standards and other reporting requirements; - significant variances from prior years.

## **6. Appointment of Committee Members**

A chairperson is appointed at the first Committee Meeting at the beginning of each year by the committee members.

## **8. Meeting Frequency**

The Committee shall meet 3 times per annum – February, June and December – actual dates to be determined by the Presiding Member in consultation with Committee Members and applicable Shire Officers.

## **9. Delegated Powers.**

The Committee has no delegated powers and is an advisory committee to Council only. Recommendations of Committee meetings are to be presented to Council by Shire officers for noting or consideration as soon as practicable after unconfirmed minutes of Committee meetings are available.

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# 1 Declaration of Opening

The Presiding Member, Cr Allan declared the meeting open at 10.46am and welcomed everyone to the meeting.

## 2 Attendance

### 2.1 Present

#### Councillors

J Russell	Shire President
J Mearns	Councillor
P Thompson	Councillor
F Allan	Councillor - Chair
L Corke	Councillor

#### Employees

K Bartley	Chief Executive Officer
E Clement	Deputy Chief Executive Officer

#### Leave of Absence/Apologies

T Miller	Councillor
W Astbury	Deputy Shire President

## 3 Public Question Time

### 3.1 Responses to Previous Public Questions Taken On Notice

### 3.2 Public Question Time

Nil

## 4 Apologies and Leave of Absence

### 4.1 Apologies

Noting Cr Miller was an apology due to work commitments.

### 4.2 Previously Approved Leave of Absence

Cr Wes Astbury received an approved leave of absence in December 2024.

### 4.3 Requests for Leave of Absence

Nil

## 5 Petitions, Memorials and Deputations

### 5.1 Petitions

### 5.2 Memorials

### 5.3 Deputations

## 6 Declarations of Councillors and Officers Interest

A member or officer who has an impartiality, proximity or financial interest in any matter to be discussed at this meeting must disclose the nature of the interest either in a written notice given to the Chief Executive Officer prior to the meeting or at the meeting immediately before the matter is discussed.

A member who makes a disclosure in respect to an interest must not preside at the part of the meeting which deals with the matter, or participate in, or be present during, any discussion or decision-making process relative to the matter, unless the disclosing member is permitted to do so under Section 5.68 or Section 5.69 of the *Local Government Act 1995*.

The following declarations of interest have been disclosed – **Nil declarations declared.**

## 7 Confirmation of Minutes of Previous Meetings

### 7.1 Minutes of the Governance, Audit and Community Services Meeting held on 21 August 2024

#### Officer Recommendation

*That Council –*

*Confirm the minutes of the Audit and Governance Committee Meeting held on Wednesday 21 August 2024, as attached, as a true and accurate record.*

#### Council Decision

Resolution	AGM-190225-01
Moved	Cr Corke
Second	Cr Thompson

***Confirm the minutes of the Audit and Governance Committee Meeting held on Wednesday 21 August 2024, as attached, as a true and accurate record.***

Carried	5/0
For	Cr J Russell, Cr F Allan, Cr L Corke, Cr J Mearns, Cr P Thompson
Against	Nil

## 8 Status Report

Item	Subject	Progress	Status	Action

Where a resolution is formal, procedural or lost it has not been recorded (e.g. confirmation of minutes, meeting behind closed doors, lapsed, etc.

### Key

○ = in progress    ✓ = completed    ✕ =superseded

## 9 Motions of Which Notice Has Been Given

## 10 Receipt of Committee Minutes or Reports and Consideration of Recommendations

## 11 Notices of Motions for the Following Meeting



## 12 Reports and Information

### 12.1 Acceptance of 2023/2024 Annual Report and Determination of Details to hold the Annual General Meeting of Electors

<b>Submission to</b>	Governance, Audit & Community Services Committee
<b>Location / Address</b>	-
<b>Name of Applicant</b>	-
<b>File Reference</b>	FM.FR.1211
<b>Author</b>	E.Clement – Deputy Chief Executive Officer
<b>Interest Disclosures</b>	-
<b>Report Written Date</b>	14 February 2025
<b>Attachments</b>	<b>Attachment 12.1.1</b> – Annual Report 2023/2024

#### Summary

Following receipt of the Independent Audit Report from the Office of the Auditor General, the Annual Report including the Annual Financial Statements has been prepared in accordance with Section 5.53 of the Local Government Act.

The Annual Report is being presented to Council via Council's Audit and Governance Committee which is meeting prior to the Council Meeting.

Council is requested to –

- Council is requested to receive the Annual Report for the 2023/2024 financial year and set a date for the Annual General Meeting of Electors.

#### Background

The Local Government Act requires a local government to prepare each financial year an Annual Report that includes the Annual Financial Statements.

The Shire President (representing the Audit and Governance Committee), Chief Executive Officer and Deputy Chief Executive Officer met by teams meeting with the auditor and representative from the Office of the Auditor General on 13 February 2025.

The annual report is to contain –

- A report from the Mayor or President,
- A report from the Chief Executive Officer,
- An overview of the plan for the future of the district, including major initiatives which are proposed to commence or to continue in the next financial year,
- The financial report for the financial year,
- Such information as may be prescribed in relation to the payments made to employees,
- The auditor's report for the financial year,
- A report on *Disability Services Act 1993* matters,
- Details on complaints made associated with minor breaches, and
- Other matters which may be prescribed.

The annual report, which is presented to council, contains the required information, as legislated.

## Comments

The final Audit Report was received on 14 February 2025, Section 5.54 of the Local Government Act requires a local government to accept the Auditor's report by 31 December with the exception being if the report is not available in time for that date to be met, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

Assuming Council accepts the Auditor's Report and Annual Report it needs to determine a date for the Annual General Meeting of Electors. The CEO is required to provide sufficient public notice of the availability of the Auditor's Report and Annual Report, and the date of the Annual General Meeting of Electors.

Section 5.27 of the Local Government Act requires a general meeting to be held on a day selected by the local government not more than 56 days after the local government accepts the annual report for the previous financial year. Assuming Council accepts the annual report at its December meeting the latest date for the Annual General Meeting of Electors would be Tuesday 1<sup>st</sup> April 2025.

Taking into account the above it is recommended that the Annual General Meeting of Electors be held at 5:30pm on Wednesday, 19 March 2025. Holding the meeting at a later time of 5.30pm may encourage greater attendance by electors.

The Chief Executive Officer is to convene the annual general meeting of electors by providing at least fourteen (14) days' local public notice of the date, time, place and purpose of the meeting.

It is intended to advertise the meeting date via –

- Narrogin Observer
- Social media
- Noticeboards, and
- Shire Website.

The audit of the Shire's 2024/2025 Financial Statements has been conducted in accordance with Australian Auditing Standards and the Auditor has determined that:

"In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2024 and its financial position at the end of that period
- in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards."

The Basis for Qualified Opinion was:

*“My opinion in the prior year was qualified because infrastructure assets reported at the carrying value of \$92,213,435 as disclosed in Note 7(a) as at 30 June 2023, had not been revalued as required by the Regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, my opinion on the current year financial report is modified because of the possible effects of this matter on the comparability of the current period’s figures and the corresponding figures.is misstated, as it was impracticable to do so. Additionally, I am unable to determine whether there may be any consequential impact on the revaluation surplus as at 30 June 2023”*

### **Statutory Environment**

*Local Government Act 1995*

s.5.27(2) calling of Annual General Meeting of Electors

s.5.53 contents of Annual Report

s.5.54 acceptance of Annual Report

s.5.55 and s.5.55A for notice and publication of Annual Report

### **Policy Implications**

Nil

### **Financial Implications**

Expenses associated with advertising and hosting the annual meeting of electors, and producing the annual report, are considered minor and are included in the annual budget.

### **Strategic Implications**

Nil

### **Voting Requirement**

Absolute Majority

**Officer Recommendation**

*That Council:*

- 1. *Accepts the Annual Report including the Annual Financial Report and Audit Report for the 2023/2024 financial year and gives local public notice of its availability.*
- 2. *Schedules the Annual General Meeting of Electors to be held on Wednesday, 19 March 2025 in the Council Chambers, commencing at 5:30pm.*

**Council Decision**

<b>Resolution</b>	<b>AGM-190225-02</b>
<b>Moved</b>	<b>Cr Russell</b>
<b>Second</b>	<b>Cr Mearns</b>

*That Council:*

- 1. *Accepts the Annual Report including the Annual Financial Report and Audit Report for the 2023/2024 financial year and gives local public notice of its availability.*
- 2. *Schedules the Annual General Meeting of Electors to be held on Wednesday, 19 March 2025 in the Council Chambers, commencing at 5:30pm.*

<b>Carried</b>	<b>5/0</b>
<b>For</b>	<b>Cr J Russell, Cr F Allan, Cr L Corke, Cr J Mearns, Cr P Thompson</b>
<b>Against</b>	<b>Nil</b>

**13 Confidential Reports and Information**

**14 Urgent Business**

**15 Closure**

There being on further business, the Chair declared the meeting closed at 10.58 am.

I certify that these minutes were confirmed at the Audit and Governance Committee

held on \_\_\_\_\_

.....  
Presiding Member – Cr Fran Allan

.....Date