



## **EAST PILBARA SHIRE COUNCIL**

# **MINUTES**

## **AUDIT COMMITTEE MEETING**

**NOTICE IS HEREBY GIVEN** that an  
Audit Committee Meeting of the Council will be held,  
in the Meeting Room, Newman  
8:00 am, Thursday, 12<sup>th</sup> July, 2012.

**Allen Cooper**  
**CHIEF EXECUTIVE OFFICER**

THE HEART  
OF THE  
PILBARA



## DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of East Pilbara for any act, omission or statement or intimation occurring during Council or Committee Meetings. The Shire of East Pilbara disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee Meeting does so at that person's or legal entity's own risk.

In particular and without derogating any planning application or application of a licence, any statement or intimation of approval made by any member or Officer of the Shire of East Pilbara during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of East Pilbara.

The Shire of East Pilbara warns that anyone who has any application lodged with the Shire of East Pilbara must obtain and should only rely on

## WRITTEN CONFIRMATION

of the outcome of the application and any conditions attaching to the decision made by the Shire of East Pilbara in respect of the application.

Signed: \_\_\_\_\_  
Allen Cooper  
Chief Executive Officer

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**1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

**2 RECORD OF ATTENDANCES/APOLOGIES/LEAVE OF ABSENCE**

**2.1 ATTENDANCES**

Cr Anita Grace

Cr Doug Stead

Ms Sian Appleton Deputy Chief Executive Officer

Ms Angela McDonald Manager Finance and  
Administration

**2.2 APOLOGIES**

Cr Shane Carter

**2.3 LEAVE OF ABSENCE**

**3 RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE**

Nil

**4 PUBLIC QUESTION TIME**

Nil

**5 PETITIONS/DEPUTATIONS/PRESENTATIONS**

Nil

**6 APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**7 CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING**

**7.1 CONFIRMATION OF MINUTES**

**OFFICER 'S RECOMMENDATION:**

**Moved: Cr Doug Stead**

**Seconded: Cr Anita Grace**

THAT the minutes of the Audit Committee meeting held at Newman on 1st March 2012, be confirmed as a true and correct record of proceedings.

**8 MEMBERS REPORT**

**8.1 ITEMS FOR RECOMMENDATION**

Nil

## 9 OFFICER'S REPORTS

### 9.1 MONTHLY FINANCIAL STATEMENTS – MAY 2012

<b>Attachments:</b>	<a href="#">Councillor May 2012.pdf</a>
<b>Responsible Officer:</b>	<b>Ms Sian Appleton</b> <b>Deputy Chief Executive Officer</b>
<b>Author:</b>	<b>Ms Angela McDonald</b> <b>Manager Finance and Administration</b>
<b>Proposed Meeting Date:</b>	<b>11-JUL-2012</b>
<b>Location/Address:</b>	<b>N/A</b>
<b>Name of Applicant:</b>	<b>N/A</b>
<b>Author Disclosure of Interest:</b>	<b>Nil</b>

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#### REPORT PURPOSE

To provide Councillors with a monthly financial statement on the operations of Council.

#### BACKGROUND

The attached ten page report details the financial activities of the Council for the period 1<sup>st</sup> July 2011 to 31<sup>st</sup> May 2012 of the 2011/2012 financial year.

There are 4 sections of the monthly report:

1. An operating statement comparing income and expenditure to the adopted budget for each function of Council.
2. A more detailed schedule which breaks the operating statement down into the various operational sections and departments of Council.
3. A schedule detailing all expenditure for the year to date for individual capital items.
4. A statement of cash flows.

#### COMMENTS/OPTIONS/DISCUSSIONS

The Manager of Finance and Administration will provide an overview and explanation as required of how to interpret the financial statements at the meeting.

#### STATUTORY IMPLICATIONS/REQUIREMENTS

Part 6 - Financial Management (Division 3 - Reporting on activities and finance) 6.4. Financial report (pg 211)

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Regulation 34(1) of the Local Government (Financial Management) Regulations states that:

*“A local Government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail –*

- a) annual budget estimates ....”*
- b) budget estimates to the end of the month to which the statement relates;*
- c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
- d) material variances between the comparable amounts referred to in paragraphs (a) and (c); and*
- e) the net current assets at the end of the month to which the statement relates.*

#### **POLICY IMPLICATIONS**

Complies with Council’s Accounting Policies as per the current Policy Manual.

#### **PLAN FOR FUTURE OF THE DISTRICT**

Nil

#### **FINANCIAL IMPLICATIONS**

This report discloses financial activities for the period under review.

#### **VOTING REQUIREMENTS**

Simple

#### **OFFICER’S RECOMMENDATION**

**Moved: Cr Anita Grace**

**Seconded: Cr Doug Stead**

**THAT the monthly financial statements for the period 1 July 2011 to 31 May 2012 of the 2011/2012 financial year as presented be received.**

## 9.2 FINANCIAL MANAGEMENT REVIEW

**File No:** LEG-21-1  
**Responsible Officer:** Ms Sian Appleton  
Deputy Chief Executive Officer  
**Author:** Ms Angela McDonald  
Manager Finance and Administration  
**Proposed Meeting Date:** 11-JUL-2012  
**Location/Address:** N/A  
**Name of Applicant:** N/A  
**Author Disclosure of Interest:** Nil

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### REPORT PURPOSE

For Council to consider and accept the Financial Management Review conducted by UHY Haines Norton.

### BACKGROUND

The Chief Executive Officer is required to undertake a review of the financial management systems and procedures for the local government at least once every four years.

This report was completed by UHY Haines Norton and is attached.

### COMMENTS/OPTIONS/DISCUSSIONS

The review was completed for the period 1 July 2011 to 31 March 2012. The conclusion of the Independent Reviewer's report reads:

"Based on our work described in this report which is not an audit, nothing has come to our attention to indicate the Shire of East Pilbara has not established and maintained, in all material aspects, appropriate and effective financial management systems and procedures during the period 1 July 2011 to 31 March 2012."

### STATUTORY IMPLICATIONS/REQUIREMENTS

Local Government (Financial Management) Regulations 1996 paragraph 5 (2) states:-

The Chief Executive Officer is to:

(c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the Local Government regularly (and not less than once in every 4 financial years) and report to the Local Government the results of these reviews.

### POLICY IMPLICATIONS

Nil.

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## PLAN FOR FUTURE OF THE DISTRICT

### Goal 1 – Community Viability

*Supporting Opportunities that Encourage Growth and Diversity*

#### 1.1 Financial Stability

### FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

### VOTING REQUIREMENTS

Simple.

### OFFICER'S RECOMMENDATION

Not accepted on the basis that an information item is required to be presented to Council showing that the high risk issues have been addressed.

**THAT the Audit Committee consider and accept the Financial Management Review conducted by UHY Haines Norton as presented in the accordance with paragraph 5(2) of the Local Government (Financial Management) regulation 1996.**

**10 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

**11 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY A  
DECISION OF COUNCIL**

Nil

**12 CONFIDENTIAL MATTERS BEHIND CLOSED DOORS**

Nil

**13 GENERAL BUSINESS**

Nil

**14 DATE OF NEXT MEETING**

11<sup>th</sup> October 2012

**15 CLOSURE**

8.26am