



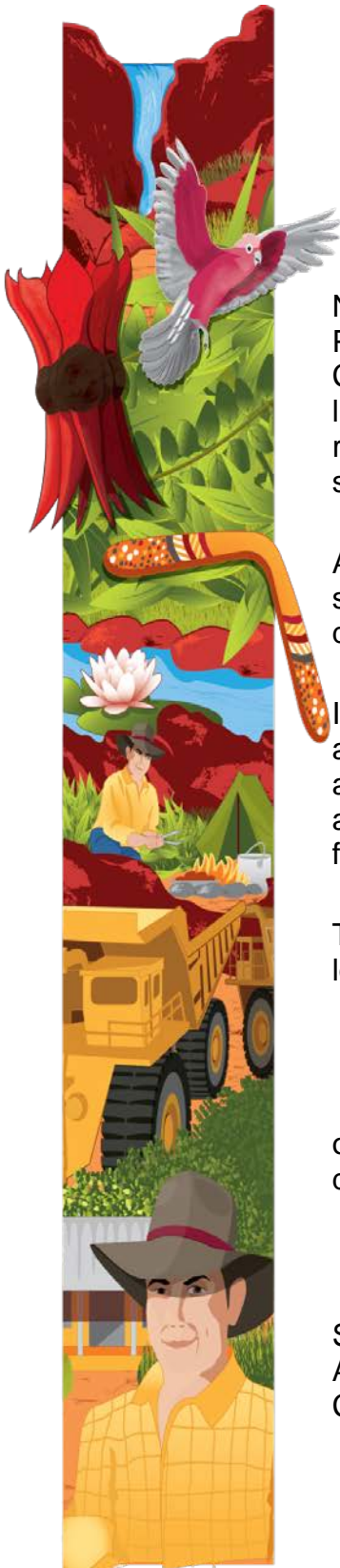
SHIRE OF EAST PILBARA

MINUTES

AUDIT COMMITTEE

NOTICE IS HEREBY GIVEN that an
Audit Committee Meeting of the Council was held,
in the Meeting Room, Newman
8:00 am, Thursday, 15th June, **2017**

Allen Cooper
CHIEF EXECUTIVE OFFICER



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

AUDIT COMMITTEE
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- 1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**
- 2 RECORD OF ATTENDANCES/APOLOGIES/LEAVE OF ABSENCE**
 - 2.1 ATTENDANCES**

Councillors
Anita Grace
Shane Carter
Gerry Parsons

Officers
Sian Appleton
 - 2.2 APOLOGIES**

Councillors
Craig Hoyer
Lynne Craigie
Jeton (Jay) Ahmedi
 - 2.3 LEAVE OF ABSENCE**
- 3 RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE**
- 4 PUBLIC QUESTION TIME**
- 5 PETITIONS/DEPUTATIONS/PRESENTATIONS**
- 6 APPLICATIONS FOR LEAVE OF ABSENCE**
- 7 CONFIRMATION OF MINUTES OF PREVIOUS COMMITTEE MEETING**
 - 7.1 CONFIRMATION OF MINUTES**

OFFICER & COMMITTEE RECOMMENDATION:

Moved Cr Anita Grace Seconded Cr Shane Carter

8 MEMBERS' REPORTS

8.1 ITEMS FOR RECOMMENDATION'

Nil

9 OFFICERS' REPORTS

9.1.1 FINANCIAL STATEMENTS - APRIL 2017

Attachments:	Circular 31 – Audit Amendment Bill
Responsible Officer:	Ms Sian Appleton Deputy Chief Executive Officer
Author:	Ms Sian Appleton Deputy Chief Executive Officer
Proposed Meeting Date:	15 June 2017
Location/Address:	N/A
Name of Applicant:	N/A
Author Disclosure of Interest:	Nil

REPORT PURPOSE

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

BACKGROUND

The attached thirteen page report details the financial activities of the Council for the period 1st July 2016 to 30th April 2017 of the 2016/2017 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 Deputy Chief Executive Officer 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)

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.

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire’s resources – that deliver optimum benefits to the community.

- 1.1 Efficient and effective local government
- 1.1.2 *Continued strong financial management*
Responsible officer: DCEO
Timing: 1 year

RISK MANAGEMENT CONSIDERATIONS

The submission of monthly financial statements is a legislative requirement under the Local Government Act 1995. No compliance would result in a breach of Council’s legislative responsibility.

FINANCIAL IMPLICATIONS

No financial resource impact.

VOTING REQUIREMENTS

Absolute.

OFFICER'S & COMMITTEE RECOMMENDATION

Moved Cr Shane Carter,

Seconded Cr Anita Grace

THAT the Audit Committee recommends to Council the adoption of the April financial statements.

10 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

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

12 CONFIDENTIAL MATTERS BEHIND CLOSED DOORS

13 GENERAL BUSINESS

13.1 Sian Appleton explained that it was previously proposed by the Liberal government that the Auditor General and the Office of the Auditor General would take responsibility for local government financial audits from 1 July 2017. Local governments were requested not to extend or renew audit contracts past the 2016-17 audit in anticipation of the *Local Government Amendment (Auditing) Bill 2016* taking effect.

On 25 August 2016 the *Local Government Amendment (Auditing) Bill 2016* was introduced into the Legislative Assembly. However, the Bill did not pass before the dissolution of Parliament.

If the bill is passed it will not affect the Shire of East Pilbara until the current contract with Moore Stephens has expired.

13.2 Sian Appleton noted that there was a mistake made by consultants who valued our roads in the 13/14 year. This error will be considered material and will require alterations and explanations in this year's financial statements. Staff are currently liaising with our Auditors Moore Stephens to ensure the correct process is undertaken for reporting on this misstatement.

14 DATE OF NEXT MEETING

7th September 2017.

15 CLOSURE