



MINUTES

15th of DECEMBER 2022

MINUTES COMMITTEE MEETING

held at the Shires Administration Building situated at Gascoyne Junction
commencing at 9:30am

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Please note this agenda contains recommendations which have not yet been adopted by Council.

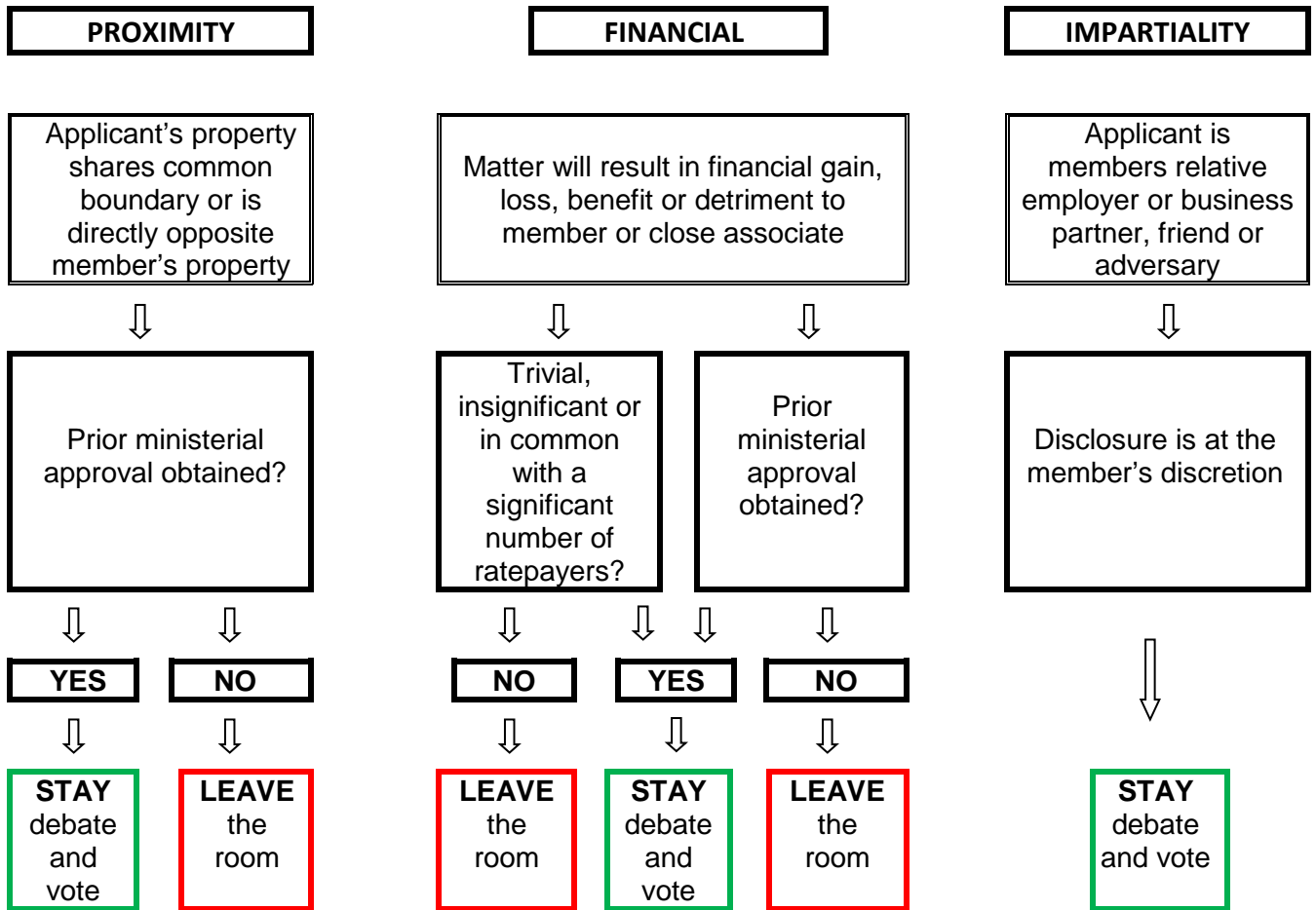
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John McCleary, JP
CHIEF EXECUTIVE OFFICER

* Declaring an Interest



Local Government Act 1995 - Extract

5.65 - Members' interests in matters to be discussed at meetings to be disclosed.

(1) A member who has an interest in any matter to be discussed at a council or committee meeting that will be attended by the member must disclose the nature of the interest:

(a) in a written notice given to the CEO before the meeting; or (b) at the meeting immediately before the matter is discussed. (Penalties apply).

(2) It is a defense to a prosecution under this section if the member proves that he or she did not know:

(a) that he or she had an interest in the matter; or (b) that the matter in which he or she had an interest would be discussed at the meeting.

(3) This section does not apply to a person who is a member of a committee referred to in section 5.9(2)(f).

5.70 - Employees to disclose interests relating to advice or reports.

(1) In this section: 'employee' includes a person who, under a contract for services with the local government, provides advice or a report on a matter.

(2) An employee who has an interest in any matter in respect of which the employee is providing advice or a report directly to the council or a committee must disclose the nature of the interest when giving the advice or report.

(3) An employee who discloses an interest under this section must, if required to do so by the council or committee, as the case may be, disclose the extent of the interest. (Penalties apply).

5.71 - Employees to disclose interests relating to delegated functions.

If, under Division 4, an employee has been delegated a power or duty relating to a matter and the employee has an interest in the matter, the employee must not exercise the power or discharge the duty and:

(a) in the case of the CEO, must disclose to the mayor or president the nature of the interest as soon as practicable after becoming aware that he or she has the interest in the matter; and (b) in the case of any other employee, must disclose to the CEO the nature of the interest as soon as practicable after becoming aware that he or she has the interest in the matter. (Penalties apply).

'Local Government (Administration) Regulations 1996 – Extract

In this clause and in accordance with Regulation 34C of the Local Government (Administration) Regulations 1996:

"Interest" means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.



SHIRE OF UPPER GASCOYNE
MINUTES FOR THE AUDIT MEETING OF COUNCIL HELD AT GASCOYNE JUNCTION SHIRE
OFFICES ON WEDNESDAY THE 15TH OF DECEMBER 2022 9:30AM

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SHIRE OF UPPER GASCOYNE
MINUTES FOR THE AUDIT MEETING OF COUNCIL HELD AT GASCOYNE JUNCTION SHIRE OFFICES
ON WEDNESDAY THE 15TH of DECEMBER 2022 9:30AM

1. DECLARATION OF OPENING / ANNOUNCEMENTS OF VISITORS

The Deputy President welcomed those present and declared the meeting
Open at 9:30am.

2. APOLOGIES AND APPROVED LEAVE OF ABSENCE

2.1 Councillors

Cr. J. Caunt	Deputy President
Cr. B. Walker	Councillor

Staff

John McCleary JP	Chief Executive Officer
Sa Toomalatai	Manager of Finance and Corporate Services

Visitors

Conley Manifis	Audit Director, William Buck
Travis Bate	Principal Accountant, RSM Australia Pty Ltd

Note: Meeting will be scheduled as an online zoom meeting, however if connectivity is poor, visitors will be attending via teleconference.

2.2 Absentees

Nil

2.3 Leave of Absence previously approved

Cr D. Hammarquist OAM	JP Shire President
Cr A. McKeough	Councillor

3. APPLICATION FOR LEAVE OF ABSENCE

Nil

4. PUBLIC QUESTION TIME

4.1 Questions on Notice

Nil

4.2 Questions without Notice

Nil

5. DISCLOSURE OF INTEREST

Nil

6. PETITIONS/DEPUTATIONS/PRESENTATIONS

Nil

7. ANNOUNCEMENTS BY THE PERSON PRESCIDING WITHOUT DISCUSSION

Nil

8. MATTERS FOR WHICH THE MEETING MAY GO BEHIND CLOSED DOORS

Nil

9. CONFIRMATION OF MINUTES FROM PREVIOUS MEETINGS

Committee Resolution No: AC 01122022			
MOVED:	CR: B. WALKER	SECONDED:	CR: J. CAUNT
That the Unconfirmed Minutes from the previous Audit Committee Meeting held on the 23 rd of November 2022 be confirmed as a true and correct record of proceedings.			
FOR:	CR J. CAUNT	AGAINST:	CR
	CR B. WALKER		
F/A: 2/0			

10. REPORTS OF OFFICERS

10.1 2021/2022 ANNUAL FINANCIAL REPORT	
Applicant:	Shire of Upper Gascoyne
Disclosure of Interest:	Nil
Author/s:	Sa Toomalatai – Manager, Finance & Corporate Services William Buck Auditors & Office of the Auditor General (OAG)
Date:	12 th December 2022
Matters for Consideration:	<ul style="list-style-type: none">To accept the Annual Financial Report for the year ended 30 June 2022 containing the Independent Auditors Report from the Office of the Auditor General (OAG), as contained in Appendix 1.Management Control Issues – To accept the attached Final Management Letter under Appendix 2 and note that these matters have already been discussed with and addressed by Shire management staff.

Background:	<p>At the previous Audit Committee Meeting held on the 23rd November 2022 an Exit Meeting was conducted between the committee, the Office of the Auditor General (OAG) and the Auditors from William Buck to discuss the following matters:</p> <ul style="list-style-type: none">• The draft Financial Statements for the Year ended 30 June 2022.• The Shire of Upper Gascoyne Report to the Audit Committee from William Buck for the Year ended 30 June 2022.• The Final Management Letter• Other pending audit matters. <p>The Auditors updated the committee on the progress of the 2021/22 End of Year audit and the finalisation of our Annual Financial Report. The general advice received was that the Auditors were happy with how the audit process was tracking and the recommendation was to issue Council with an Unqualified Opinion.</p> <p>Given the compliance timeframe, it was agreed that staff and the Auditors would work towards having the final draft of the financial report signed off as soon as possible.</p>
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<p>Comments:</p>	<p>I am pleased to advise the Audit Committee that the End of Year Audit for 2021/22 is now complete and the following reports have been finalised –</p> <ul style="list-style-type: none"> • The audited 2021/2022 Annual Financial Report signed by the CEO on the 23rd November 2022 • The OAG’s Independent Auditors Report issued on the 8th December 2022 <p>Both reports have been combined to form one document and are attached to this agenda under Appendix 1.</p> <p>Furthermore, a Final copy of the Final Management Letter has been issued by the Auditors and is provided to the Audit Committee for review under Appendix 2. The Management Letter identifies some areas that require improvement with regard to the Shire’s internal processes and procedures and other areas of recommendation where the Shire might consider an increase in how often the Shire reviews the fair value of their assets.</p> <p>These areas have been discussed at length by staff and the Auditors, and were also raised at the Exit Meeting last month. During these discussions at the Exit Meeting, staff confirmed that changes had been implemented to immediately address these areas of risk or concern and future considerations will be made when assessing the fair value of our asset groups moving forward – this has been noted in the attached report.</p> <p>In addition, it must also be noted that the Auditors advised the Audit Committee, that the finding in relation to the frequency of valuations was not unique to our Shire but had also been stated in the management letters of other Councils. For the 2021/22 period, the Shire still remains compliant with the relevant legislation regarding the timeframe in which Councils are to review and apply fair values, however the recommendation from the Auditors is suggested in preparation of future annual financial statements and to avoid any significant material variances in valuations despite whether or not that particular asset group is due in that year. More of a best practice application for consideration moving forward.</p> <p>Regulation 51 (2) of Section 6.4 of the Local Government Financial Management Regulations 1996, states that after the Annual Financial Report has been audited in accordance with the Act and is signed by the CEO, a copy of the report is to be provided to the Department of Local Government within 30 days of the Local Government receiving the Auditors Report.</p>
<p>Statutory Environment:</p>	<p>Local Government Act 1995 – Division 3 – Conduct of Audit Local Government (Financial Management) Regulations 1996, Part 4, section 6.4</p>
<p>Policy Implications:</p>	<p>Nil</p>

Financial Implications:		Nil			
Strategic Implications:		Civic Leadership – To responsibly manage Council’s financial resources to ensure optimum value for money and sustainable asset management.			
Risk:					
Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk	Risk Action Plan (Controls or Treatment proposed)
Not meeting Statutory Compliance	Rare (1)	Moderate (3)	Low (1-4)	Failure to meet Statutory, Regulatory or Compliance Requirements	Accept Officer Recommendation
Consultation:		Various discussions have taken place between the Shire’s Management team, the Principal Accountant from RSM, the Auditors from William Buck and the OAG during the process undertaken for the 2021/22 Audit.			
Voting requirement:		Simple Majority			
Officer’s Recommendation:		<p><i>That the Audit Committee –</i></p> <ol style="list-style-type: none"> 1. <i>Receive the audited and signed Annual Financial Report for the year ended 30 June 2022 as contained in Appendix 1.</i> 2. <i>Receive the Final Management Letter for the year ended 30 June 2022 as contained in Appendix 2.</i> 3. <i>By way of delegation to the CEO, forwards a copy of the audited and signed 2021/2022 Annual Financial Report, to the Department of Local Government, Sport and Cultural Industries within 30 Days of receiving the report.</i> 4. <i>Recommends that a copy of the audited and signed 2021/2022 Annual Financial Report be presented and received at the next Ordinary Meeting of Council to be held on the 15th December 2022.</i> 			
Council Resolution No: AC02122022					
MOVED:	CR: B. WALKER		SECONDED:	CR: J. CAUNT	
FOR:	CR J. CAUNT CR B. WALKER		AGAINST:	CR	
F/A: 2/0					

11. MEETING CLOSURE

The Deputy President closed the meeting at 9:37pm.

To be confirmed at the Audit Committee Meeting on the 22nd March 2023.

Signed.....

Presiding member at the meeting at which time the minutes were confirmed.