



# MINUTES

22<sup>nd</sup> OF NOVEMBER 2023

## AUDIT COMMITTEE MEETING

Held at the Shires Administration Building situated at Gascoyne Junction  
commencing at 10.30am

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

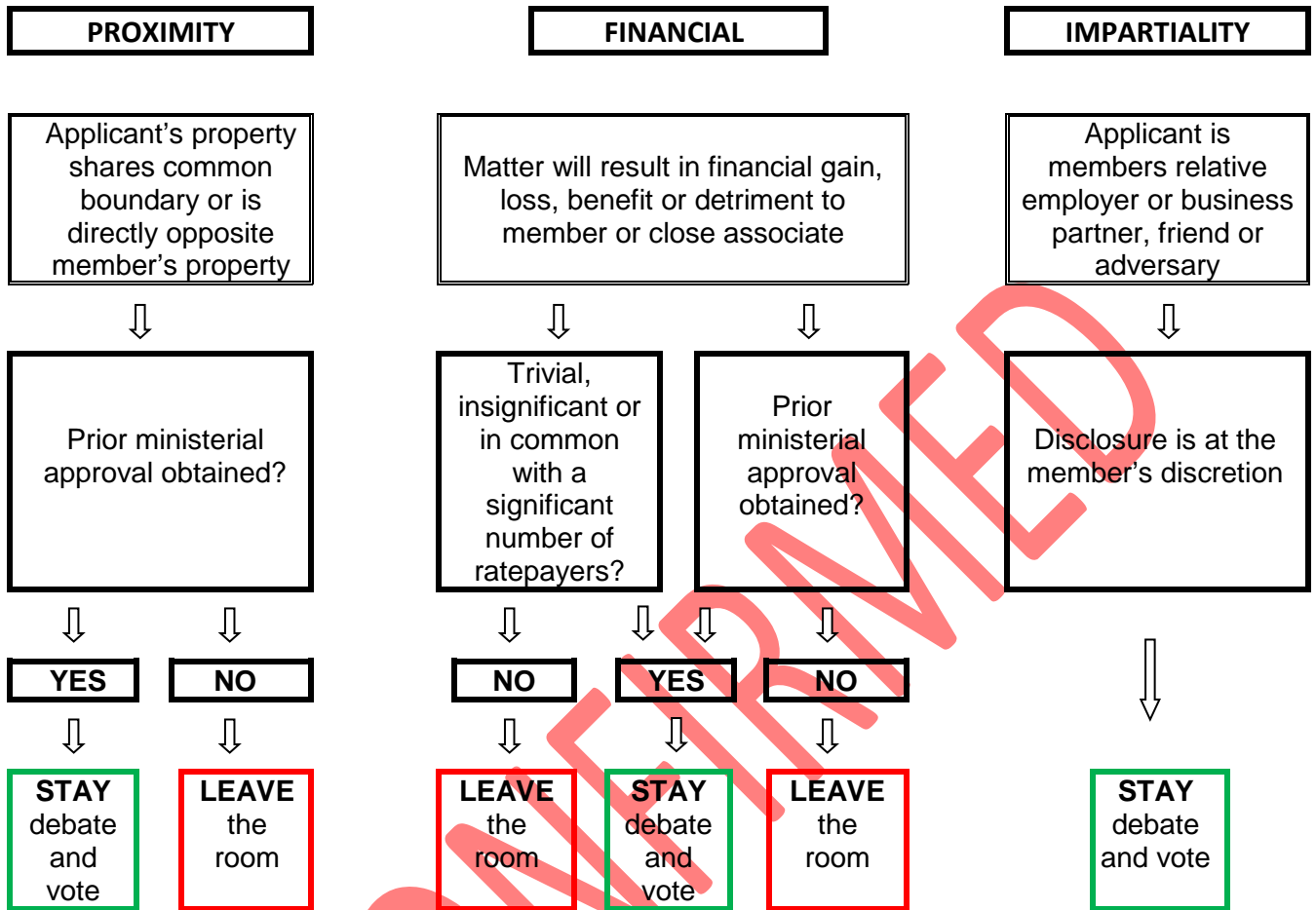
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John McCleary, JP  
CHIEF EXECUTIVE OFFICER

## \* 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**

**AGENDA FOR THE AUDIT MEETING OF COUNCIL HELD AT GASCOYNE JUNCTION SHIRE OFFICES ON WEDNESDAY THE 22<sup>ND</sup> OF NOVEMBER 2023 COMMENCING AT 10.30AM**

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**SHIRE OF UPPER GASCOYNE**  
**AGENDA FOR THE AUDIT MEETING OF COUNCIL HELD AT GASCOYNE JUNCTION SHIRE OFFICES**  
**ON WEDNESDAY THE 22<sup>ND</sup> OF NOVEMBER 2023 COMMENCING AT 10.30AM**

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**1. DECLARATION OF OPENING / ANNOUNCEMENTS OF VISITORS**

The Chairperson welcomed those present and declared the meeting  
Open at 10:30am.

**2. APOLOGIES AND APPROVED LEAVE OF ABSENCE**

**2.1 Councillors**

Cr. B. Walker	Chairperson
Cr. J. Caunt	President
Cr. A McKeough	Councillor
Cr R. Hoseason-Smith	Councillor

**Staff**

John McCleary JP	Chief Executive Officer
Andrea Pears	Manager of Finance and Corporate Services
Cherie Walker	Senior Administration Officer

**Visitors**

**2.2 Absentees**

Nil

**2.3 Leave of Absence previously approved**

**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 01112023			
<b>MOVED:</b>	<b>CR: R. HOSEASON-SMITH</b>	<b>SECONDED:</b>	<b>CR: J. CAUNT</b>
<p>That the Unconfirmed Minutes from the previous Audit Committee Meeting held on the 25<sup>th</sup> of October 2023 be confirmed as a true and correct record of proceedings.</p>			
<b>FOR: CR. B. WALKER</b>		<b>AGAINST: CR</b>	
<b>CR. J. CAUNT</b>			
<b>CR. A. MCKEOUGH</b>			
<b>CR. R. HOSEASON-SMITH</b>			
<b>F/A: 4/0</b>			

10. REPORTS OF OFFICERS

10.1 2022/2023 ANNUAL FINANCIAL REPORT	
<b>Applicant:</b>	Shire of Upper Gascoyne
<b>Disclosure of Interest:</b>	Nil
<b>Author/s:</b>	Andrea Pears – Manager, Finance & Corporate Services William Buck Auditors & Office of the Auditor General (OAG)
<b>Date:</b>	16 <sup>th</sup> November 2023
<b>Matters for Consideration:</b>	<ul style="list-style-type: none"><li>To accept the Annual Financial Report for the year ended 30 June 2023 containing the Independent Auditors Report from the Office of the Auditor General (OAG), as contained in <a href="#">Appendix 1</a>.</li><li>Management Control Issues – To accept the attached Final Management Letter under <a href="#">Appendix 2</a> and note that these matters have already been discussed with and addressed by Shire management staff.</li></ul>

<p><b>Background:</b></p>	<p>At the previous Audit Committee Meeting held on the 25<sup>th</sup> of October 2023 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"> <li>• The draft Financial Statements for the Year ended 30 June 2023.</li> <li>• The Shire of Upper Gascoyne Report to the Audit Committee from William Buck for the Year ended 30 June 2023.</li> <li>• The Final Management Letter</li> <li>• Other pending audit matters.</li> </ul> <p>The Auditors updated the committee on the progress of the 2022/23 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>
<p><b>Comments:</b></p>	<p>I am pleased to advise the Audit Committee that the End of Year Audit for 2022/23 is now complete and the following reports have been finalised –</p> <ul style="list-style-type: none"> <li>• The audited 2022/20232 Annual Financial Report signed by the CEO on the 26<sup>th</sup> October 2023</li> <li>• The OAG's Independent Auditors Report issued on the 8<sup>th</sup> November 2023</li> </ul> <p>Both reports have been combined to form one document and are attached to this agenda under <a href="#">Appendix 1</a>.</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 <a href="#">Appendix 2</a>. The Management Letter provides best practice recommendations to improve the Shire's internal processes and procedures.</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 the recommendations had been implemented mitigating potential risk.</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>

<b>Statutory Environment:</b>		Local Government Act 1995 – Division 3 – Conduct of Audit Local Government (Financial Management) Regulations 1996, Part 4, section 6.4			
<b>Policy Implications:</b>		Nil			
<b>Financial Implications:</b>		Nil			
<b>Strategic Implications:</b>		Civic Leadership – To responsibly manage Council’s financial resources to ensure optimum value for money and sustainable asset management.			
<b>Risk:</b>					
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
<b>Consultation:</b>		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 2022/23 Audit.			
<b>Voting requirement:</b>		Simple Majority			
<b>Officer’s Recommendation:</b>		<p><i>That the Audit Committee –</i></p> <ol style="list-style-type: none"> <li><i>Receive the audited and signed Annual Financial Report for the year ended 30 June 2023 as contained in <a href="#">Appendix 1</a>.</i></li> <li><i>Receive the Final Management Letter for the year ended 30 June 2023 as contained in <a href="#">Appendix 2</a>.</i></li> <li><i>By way of delegation to the CEO, forwards a copy of the audited and signed 2022/2023 Annual Financial Report, to the Department of Local Government, Sport and Cultural Industries within 30 Days of receiving the report.</i></li> <li><i>Recommends that a copy of the audited and signed 2022/2023 Annual Financial Report be presented and received at the next Ordinary Meeting of Council to be held on the 22<sup>nd</sup> of November 2023.</i></li> </ol>			
<b>Council Resolution No: AC02112023</b>					
<b>MOVED:</b>	<b>CR A. MCKEOUGH</b>	<b>SECONED:</b>	<b>CR R. HOSEASON-SMITH</b>		

That the Audit Committee –

1. Receive the audited and signed Annual Financial Report for the year ended 30 June 2023 as contained in [Appendix 1](#).
2. Receive the Final Management Letter for the year ended 30 June 2023 as contained in [Appendix 2](#).
3. By way of delegation to the CEO, forwards a copy of the audited and signed 2022/2023 Annual Financial Report, to the Department of Local Government, Sport and Cultural Industries within 30 Days of receiving the report.
4. Recommends that a copy of the audited and signed 2022/2023 Annual Financial Report be presented and received at the next Ordinary Meeting of Council to be held on the 22<sup>nd</sup> of November 2023.

**FOR: CR. B. WALKER**

**CR. J. CAUNT**

**CR. A. MCKEOUGH**

**CR. R. HOSEASON-SMITH**

**AGAINST: CR**

**F/A: 4/0**

## **11. MEETING CLOSURE**

The Deputy President closed the meeting at 10:36pm.

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