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# **AGENDA**

for the

**Meeting of Audit Committee**

to be held at

**2.30pm Wednesday 19<sup>th</sup> March 2025**

Shire of Cuballing  
Council Chambers – CWA Hall

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Wednesday 19<sup>th</sup> March 2025**

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**1. DECLARATION OF OPENING:**

**2. ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE:**

2.1.1 Attendance

Cr Scott Ballantyne	Presiding Member / Chairperson
Cr Robert Harris	
Cr Adrian Kowald	
Cr Steve Sexton	
Cr Dawson Bradford	

Mr Chris Paget	Chief Executive Officer
Ms Narelle Rowe	Deputy CEO
Mr Bruce Brennan	Manager Works and Services

2.1.2 Apologies

Nil

2.1.3 Leave of Absence

Cr Eliza Dowling

**3. STANDING ORDERS:**

**OFFICER'S RECOMENDATION:**

**That Standing Orders be suspended for the duration of the meeting to allow for greater debate on items.**

**4. CONFIRMATION OF MINUTES:**

4.1 Meeting of Audit Committee held on Wednesday 18<sup>th</sup> December 2024

**OFFICER'S RECOMMENDATION:**

**That the minutes of the Audit Committee meeting held on 18<sup>th</sup> December 2024 be confirmed as a true record.**

**5. DISCLOSURE OF INTEREST:**

**DISCLOSURE OF FINANCIAL INTEREST AND PROXIMITY INTEREST**

Members must disclose the nature of their interest in matters to be discussed at the meeting.

Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting.

**DISCLOSURE OF INTEREST AFFECTING IMPARTIALITY**

Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the Member or employee has given or will give advice.

## **6. OFFICER REPORTS**

### **6.1 2024 Compliance Audit Return**

File Ref. No:	ADM35
Disclosure of Interest:	Nil
Date:	13 <sup>th</sup> March 2025
Author:	Chris Paget - CEO
Attachments:	Shire of Cuballing 2024 Compliance Audit Return

#### Summary

The purpose of this report is for the Audit Committee to recommend Council adopt the completed statutory Local Government Compliance Audit Return (CAR) for the year ending 31 December 2024.

#### Background

Under the Local Government (Audit) Regulations 1996, a Local Government is required to carry out a Compliance Audit for the period 1 January to 31 December 2024. Once received and endorsed by Council, the certified return then needs to be submitted to the Director General, Department of Local Government, Sports and Cultural Industries by 31 March 2025.

The Compliance Audit Return must be:

1. reviewed by the Audit Committee;
2. presented to Council at a meeting of the Council;
3. adopted by the Council and certified by the President and CEO, then
4. recorded in the minutes of the meeting at which it is adopted.

The Compliance Audit Return is intended to assist Council in monitoring its organisational functions and provides an additional element of accountability through a check on internal management systems, procedures and record keeping. This in turn demonstrates the Shire's emphasis on improving its good governance, compliance, and best practice methods. Council is required to note any areas of non-compliance and endorse remedial action. The Audit is provided by the Department of Local Government through their secure website CAR reporting portal and is required to be completed by every local government in Western Australia.

#### Comment

There were three items of non-compliance noted out of the total 94 questions included in the Shire of Cuballing 2024 CAR, and this equates to a compliance achievement rate of 96.81%. The non-compliant matters identified for the three topic areas are as follows:

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Tenders for Providing Goods and Services

(Page 7 No.1) Local Government Functions & General Regulations 11A: While reviewing previous monthly financial report support documentation, it has been noted that some instances of non-compliance with the purchasing policy have occurred. These primarily relate to a lack of the requisite number of quotations and in some cases purchase orders being raised after invoice receipt.

Integrated Planning and Reporting

(Page 10 No.2) The last Corporate Business Plan was adopted by Council on 17<sup>th</sup> June 2020. Upon adoption of the new Strategic Community Plan in February 2024 (and as commented on in the 2023 Compliance Audit Return document), a new CBP should have been formulated or a major review of the 'old' document undertaken to ensure it aligns with and supports the SCP.

Other / Optional Questions

(Page 11 No.5) Local Government Act s5.96A(1): To date, no map of the district, up-to-date listing of fees and charges, or confirmed minutes of Committee meetings have been published on the Shire website in accordance with the legislative requirements. It is noted however that the lists of fees and charges are included in adopted Annual Budget documents which have been uploaded on to the website.

Statutory / Legal Implications

Local Government Act 1995 section 7.13(i)  
Local Government (Administration) Regulations 1996 - Regs 13, 14 & 15  
Local Government (Audit) Regulations 1996  
Local Government (Elections) Regulations 1997  
Local Government (Functions and General) Regulations 1996  
Local Government (Rules of Conduct) Regulations 2007

Policy Implications

Not applicable

Consultation

Internal: Shire Executive Team & Administration/Finance staff

Financial Implications

Nil

Strategic Implications

**Shire of Cuballing Strategic Community Plan 2023-2033:**

Governance

- Forward thinking leadership, which listens and responds to community needs, with transparent and accountable decision-making.
- Enhancing community information and engagement.

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Voting Requirements

*Absolute majority* required.

**OFFICER RECOMMENDATION:**

That the Audit Committee recommends Council:

1. Adopts the completed Compliance Audit Return for the period 1 January 2024 to 31 December 2024 for the Shire of Cuballing; and
2. Instructs the CEO to submit the certified 2024 Compliance Audit Return to the Department of Local Government, Sport and Cultural Industries by 31 March 2025.





## Cuballing – Compliance Audit Return

Commercial Enterprises by Local Governments				
No	Reference	Question	Response	Comments
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2024?	N/A	
2	s3.59(2)(b) F&G Regs 7,8A, 8, 10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2024?	N/A	
3	s3.59(2)(c) F&G Regs 7,8A, 8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2024?	N/A	
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2024?	N/A	
5	s3.59(5)	During 2024, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	

Delegation of Power/Duty				
No	Reference	Question	Response	Comments
1	s5.16 (1)	Were all delegations to committees resolved by absolute majority?	N/A	No delegations to committees have been made in the reporting period.
2	s5.16 (2)	Were all delegations to committees in writing?	N/A	
3	s5.17	Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995?	N/A	
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A	
5	s5.18	Has council reviewed delegations to its committees in the 2023/2024 financial year?	N/A	



<b>6</b>	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Local Government Act 1995?	Yes	
<b>7</b>	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes	
<b>8</b>	s5.42(2)	Were all delegations to the CEO in writing?	Yes	
<b>9</b>	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes	
<b>10</b>	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	Yes	
<b>11</b>	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes	
<b>12</b>	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2023/2024 financial year?	Yes	A review of all delegations was conducted and endorsed by Council on 20th December 2023.
<b>13</b>	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Local Government (Administration) Regulations 1996, regulation 19?	Yes	

Disclosure of Interest				
No	Reference	Question	Response	Comments
<b>1</b>	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the Local Government Act 1995, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes	
<b>2</b>	s5.68(2) & s5.69(5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by the Local Government (Administration) Regulations 1996 regulation 21A, recorded in the minutes of the relevant council or committee meeting?	Yes	
<b>3</b>	s5.73	Were disclosures under sections 5.65, 5.70 or 5.71A(3) of the Local Government Act 1995 recorded in the minutes of the meeting at which the disclosures were made?	Yes	
<b>4</b>	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Yes	
<b>5</b>	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2024?	Yes	



<b>6</b>	s5.77	On receipt of a primary or annual return, did the CEO, or the Mayor/President, give written acknowledgment of having received the return?	Yes	
<b>7</b>	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the Local Government Act 1995?	Yes	
<b>8</b>	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28?	Yes	
<b>9</b>	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person?	Yes	
<b>10</b>	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) of the Local Government Act 1995 been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes	
<b>11</b>	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A?	Yes	
<b>12</b>	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes	
<b>13</b>	s5.89A(6)	When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the Local Government Act 1995, did the CEO remove from the register all records relating to those people?	Yes	
<b>14</b>	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) of the Local Government Act 1995 been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes	
<b>15</b>	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes	



<b>16</b>	s5.71A & s5.71B(5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under section 5.71A(1) of the Local Government Act 1995 relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A	
<b>17</b>	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under section 5.71B(6) of the Local Government Act 1995, recorded in the minutes of the council meeting at which the decision was considered?	N/A	
<b>18</b>	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members candidates that incorporates the model code of conduct?	Yes	
<b>19</b>	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the Local Government Act 1995?	No	
<b>20</b>	s5.104(7)	Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government's website?	Yes	
<b>21</b>	s5.51A(1) & (3)	Has the CEO prepared and implemented a code of conduct to be observed by employees of the local government? If yes, has the CEO published an up-to-date version of the code of conduct for employees on the local government's website?	Yes	

#### Disposal of Property

<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>
<b>1</b>	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the Local Government Act 1995 (unless section 3.58(5) applies)?	N/A	
<b>2</b>	s3.58(4)	Where the local government disposed of property under section 3.58(3) of the Local Government Act 1995, did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	N/A	



Elections				
No	Reference	Question	Response	Comments
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the Local Government (Elections) Regulations 1997?	Yes	No electoral gift declarations were received during the reporting period.
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the Local Government (Elections) Regulations 1997?	N/A	
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997?	Yes	Refer to answer 1 above.

Finance				
No	Reference	Question	Response	Comments
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Local Government Act 1995?	Yes	
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Local Government Act 1995, did it do so by absolute majority?	N/A	No delegations have been made to the audit committee.
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2024 received by the local government by 31 December 2024?	Yes	The auditor's report was received on 13th December 2024.



<b>4</b>	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the Local Government Act 1995 required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	N/A	There were no matters raised in the auditor's report.
<b>5</b>	s7.12A(4)(a) & (4)(b)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government?	N/A	No matters of significance were identified in the report.
<b>6</b>	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the Local Government Act 1995, did the CEO publish a copy of the report on the local government's official website?	N/A	
<b>7</b>	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June 2024 received by the local government within 30 days of completion of the audit?	Yes	

#### Local Government Employees

<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>
<b>1</b>	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Local Government (Administration) Regulations 1996, regulation 18A?	Yes	
<b>2</b>	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	Yes	
<b>3</b>	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the Local Government Act 1995?	Yes	
<b>4</b>	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A	No senior employee recruitment was required during the year.
<b>5</b>	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A	



Official Conduct				
No	Reference	Question	Response	Comments
1	s5.120	Has the local government designated an employee to be its complaints officer?	N/A	As per s.5.120(2) of the Local Government Act 1995, the CEO is the Complaints Officer.
2	s5.121(1) & (2)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a) of the Local Government Act 1995?	N/A	A register is maintained in accordance with the Act, however no complaints have been received during the reporting period.
3	S5.121(2)	Does the complaints register include all information required by section 5.121(2) of the Local Government Act 1995?	Yes	The register includes categories for all necessary information required by the Act, but no complaints have been received.
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes	

Tenders for Providing Goods and Services				
No	Reference	Question	Response	Comments
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy, adopted under the Local Government (Functions and General) Regulations 1996, regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	No	Some instances of non-compliance with the current purchasing policy during the reporting period have been identified.
2	s3.57 F&G Reg 11	Subject to Local Government (Functions and General) Regulations 1996, regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations?	N/A	No tenders were called during the reporting period - purchases of goods or services worth more than the prescribed amount of \$250,000 have been made via RFQs through the WALGA Preferred Supplier Program.
3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 of the Local Government (Functions and General) Regulations 1996, required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)?	N/A	Refer answer 2 above.



<b>4</b>	F&G Reg 12	Did the local government comply with Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract?	N/A	
<b>5</b>	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents, or each acceptable tenderer notice of the variation?	N/A	
<b>6</b>	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 15 and 16?	N/A	
<b>7</b>	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	N/A	
<b>8</b>	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	N/A	
<b>9</b>	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	N/A	
<b>10</b>	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	N/A	
<b>11</b>	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulations 21 and 22?	N/A	
<b>12</b>	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A	
<b>13</b>	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under the Local Government (Functions and General) Regulations 1996, Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	N/A	





<b>14</b>	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with Local Government (Functions and General) Regulations 1996, Regulation 24?	N/A	
<b>15</b>	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with Local Government (Functions & General) Regulations 1996 regulations 24AD(4) and 24AE?	N/A	
<b>16</b>	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A	
<b>17</b>	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A	
<b>18</b>	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24AG?	N/A	
<b>19</b>	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A	
<b>20</b>	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A	
<b>21</b>	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A	
<b>22</b>	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24E and 24F?	N/A	



Integrated Planning and Reporting				
No	Reference	Question	Response	Comments
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	21/02/2024
2	Admin Reg 19DA(1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	No	The last CBP adopted by Council on 17th June 2020 was for the period 2020 through to June 2024. Development of a new CBP to support the Strategic Community Plan (adopted Feb 2024) is presently underway.
3	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)?	Yes	The 2020-2024 CBP complied with the relevant Regulations.

Optional Questions				
No	Reference	Question	Response	Comments
1	Financial Management Reg 5(2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with the Local Government (Financial Management) Regulations 1996 regulations 5(2)(c) within the three financial years prior to 31 December 2024? If yes, please provide the date of council's resolution to accept the report.	Yes	20/03/2024
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2024? If yes, please provide date of council's resolution to accept the report.	Yes	20/03/2024



<b>3</b>	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B of the Local Government Act 1995, were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?	N/A	No such disclosures were made during the reporting period.
<b>4</b>	s5.90A(2) & (5)	Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events?	Yes	Policy 3.15 updated 17th April 2024. Available online at: <a href="http://www.cuballing.wa.gov.au/Profiles/cuballing/Assets/ClientData/202408_Shire_of_Cuballing_Policy_Manual_-_Updated_August_2024.pdf">www.cuballing.wa.gov.au/Profiles/cuballing/Assets/ClientData/202408_Shire_of_Cuballing_Policy_Manual_-_Updated_August_2024.pdf</a>
<b>5</b>	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the Local Government Act 1995?	No	A map of the district, up-to-date list of fees and charges (although this is included in Annual Budget document) and confirmed minutes of Committee meetings have not been published on the Shire website. These matters are in the process of being rectified.
<b>6</b>	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes	Policy 3.14 "Continuing Elected Member Professional Development" updated 21st August 2024. Available online at: <a href="http://www.cuballing.wa.gov.au/Profiles/cuballing/Assets/ClientData/202408_Shire_of_Cuballing_Policy_Manual_-_Updated_August_2024.pdf">www.cuballing.wa.gov.au/Profiles/cuballing/Assets/ClientData/202408_Shire_of_Cuballing_Policy_Manual_-_Updated_August_2024.pdf</a>
<b>7</b>	s5.127	Did the local government prepare a report on the training completed by council members in the 2023/2024 financial year and publish it on the local government's official website by 31 July 2024?	Yes	
<b>8</b>	s6.4(3)	By 30 September 2024, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2024?	Yes	
<b>9</b>	s.6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?	Yes	



Department of  
**Local Government, Sport  
and Cultural Industries**

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Chief Executive Officer

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Date

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Mayor/President

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Date

7. **MEMBERS' MOTION OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN:**


8. **URGENT BUSINESS WITHOUT NOTICE WITH THE APPROVAL OF THE PRESIDING MEMBER OR MEETING:**

9. **NEXT MEETING:**

The next Audit Committee will be held when next required.

10. **CLOSURE OF MEETING:**

The Presiding Member of the Audit Committee will close the meeting.

**SHIRE**  
OF  
  
**CUBALLING**

*A progressive, diverse and caring community,  
with access to modern services and infrastructure,  
in a unique part of the world*

**MINUTES**

of the

**Meeting of Audit Committee**

held

**2.30pm Wednesday 18<sup>th</sup> December 2024**

Shire of Cuballing Chambers – CWA Hall

These minutes were confirmed at the Audit Committee Meeting held on Wednesday 19<sup>th</sup> March 2025.

Signed.....

Cr Scott Ballantyne, Audit Committee Chairperson

## **DISCLAIMER**

No responsibility whatsoever is implied or accepted by the Shire of Cuballing for any act, omission or statement or intimation occurring during Council/Committee meetings or during formal/informal conversations with staff.

The Shire of Cuballing 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/Committee meetings or discussions.

Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and with derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Cuballing during the course of any meeting is not intended to be and is not taken as notice or approval from the Shire of Cuballing.

The Shire of Cuballing warns that anyone who has an application lodged with the Shire of Cuballing must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of that application and any conditions attaching to the decision made by the Shire of Cuballing in respect of the application.

**Minutes of the Audit Committee Meeting of the Shire of Cuballing held on  
Wednesday 18<sup>th</sup> December 2024**

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<b>4</b>	<b>CONFIRMATION OF MINUTES:</b>	<b>4</b>
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<b>5.</b>	<b>DISCLOSURE OF INTEREST:</b>	<b>5</b>
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<b>9.</b>	<b>NEXT MEETING:</b>	<b>10</b>
<b>10.</b>	<b>CLOSURE OF MEETING:</b>	<b>10</b>



**1. DECLARATION OF OPENING:**

Cr Ballantyne, Chairperson of the Audit Committee declared the meeting open at 2.40pm.

**2. ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE:**

**2.1 Attendance**

Cr Scott Ballantyne	Chairperson / Presiding Member
Cr Eliza Dowling	
Cr Robert Harris	
Cr Adrian Kowald	
Cr Steve Sexton	
Cr Dawson Bradford	

Mr Chris Paget	Chief Executive Officer
Mr Bruce Brennan	Manager Works & Services

**2.2 Apologies**

Ms Narelle Rowe	Deputy Chief Executive Officer
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**2.3 Leave of Absence**

Nil

**3. STANDING ORDERS:**

**OFFICER'S RECOMENDATION:**

**That Standing Orders be suspended for the duration of the meeting to allow for greater debate on items.**

**Moved Cr Harris                      Seconded Cr Dowling                      CARRIED 6/0**

**Crs Ballantyne, Harris, Dowling, Kowald, Sexton and Bradford voted in favour.**

## **4 CONFIRMATION OF MINUTES:**

4.1 Meeting of Audit Committee held on 12<sup>th</sup> August 2024

### **OFFICER'S RECOMMENDATION:**

That the minutes of the Meeting of the Audit Committee of the Shire of Cuballing held in the Cuballing Shire Chambers on 12th August 2024 be confirmed as a true record.

Moved Cr Dowling

Seconded Cr Kowald

**CARRIED 6/0**

Crs Ballantyne, Harris, Dowling, Kowald, Sexton and Bradford voted in favour.

## **5. DISCLOSURE OF INTEREST:**

### **DISCLOSURE OF FINANCIAL INTEREST AND PROXIMITY INTEREST**

Members must disclose the nature of their interest in matters to be discussed at the meeting.

Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting.

### **DISCLOSURE OF INTEREST AFFECTING IMPARTIALITY**

Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the Member or employee has given or will give advice.

\*Cr Sexton left the Chambers at 2.44pm and returned at 2.47pm.

## **6. MATTERS FOR CONSIDERATION**

<b>6.1</b>	<b>2023-24 Annual Financial Report and Auditors Report</b>
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File Ref. No:	ADM 108
Disclosure of Interest:	Nil
Date:	15 December 2024
Author:	Chris Paget - Chief Executive Officer 2023-24 Audit Management Letter & responses
Attachments	2023-24 Independent Auditor's Report 2023-24 Audited Financial Statements

### Summary

The purpose of this item is for the Audit Committee to recommend that Council accept the Auditors report and Annual Financial Report for the year ended 30 June 2024 and set a date for the Annual General Meeting of Electors.

### Background

The Shire's auditors AMD undertook the annual site visit to Cuballing between 14 and 16 October 2024, with follow up work completed electronically throughout October, November and December. The exit meeting was held with the Office of the Auditor General and AMD on Wednesday 11 December, and the final audit opinion report was signed off by the OAG on Friday 13 December.

Section 5.54 of the *Local Government Act 1995 Acceptance of Annual Reports* requires an Annual Financial Statement to be accepted by Council by 31 December in each year, unless the Auditors Report is not available in time. The *Local Government Act 1995* Section 5.54(2) requires that if the Annual Report is not accepted by the Local Government by 31 December, then it must be presented within two months of the Auditors report becoming available.

### Comment

The completion of the audit report confirms all figures for the 2023-24 financial year including the carried forward position as of 30 June 2024.

It is very pleasing that the audit management report for this year has noted no issues of significance that require action and reporting to the Minister; there are made three moderate and one minor findings however with recommendations as detailed below:

- 1) At the commencement of our onsite audit procedures, the Shire was unable to locate the rates model report for the year ended 30 June 2024, and the report could not be reproduced from the system. Additionally, several year-end workpapers initially provided, including the bank reconciliation for the municipal account, sundry creditors reconciliation, LRCI grants recognition as per AASB 15, outstanding rates reports, and the listing of non-rateable properties, did not reconcile with the balances recorded in the financial statements. These documents, along with the rates model report, were subsequently provided post the onsite audit procedures, and necessary adjustments were made to ensure accuracy.

**Minutes of the Audit Committee Meeting of the Shire of Cuballing held on  
Wednesday 18<sup>th</sup> December 2024**

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Recommend that Management should ensure that:

- all documents are saved in an easily accessible location and reports are processed at the end of the year where they cannot be re-produced in the system; and
- year-end workpapers are accurately prepared, reconciled, and reviewed for consistency with the financial statements before submission to streamline the audit process and reduce the risk of misstatements.

2) In accordance with Section 6.11(2) and (3) of the Local Government Act 1995, the Shire must provide one month's local public notice of any proposed change of purpose or use of reserve funds where an absolute majority is required for the change unless the change of purpose of proposed use of money has been disclosed in the annual budget. It was noted during the audit that funds were transferred from the Employee Entitlements Reserve Account to the Plant Reserve Account; however, this transfer was neither included in the budget nor presented to the council for approval, contrary to legislative requirements.

Recommend that the Shire should implement stricter internal controls and ensure all reserve account transfers are included in the budget and approved by the council to maintain compliance with statutory requirements.

3) During the audit, it was noted that rates receivable totalling \$90,345 from three properties were written off as the full amounts could not be recovered from the auction of these properties. Additionally, we noted that there are two properties with total rates receivable of \$52,831 where the properties are currently being auctioned or with debt collectors. However, no expected credit loss has been provided for these properties.

Recommend the Shire conduct a thorough review of all properties with outstanding rates to assess their recoverability. Where recovery is deemed unlikely, a provision for expected credit losses should be established to appropriately reflect the financial position.

4) The Local Government Industry Award 2010 deems an employee's leave accrual to be excessive if the employee has accrued more than 8 weeks annual leave and 13 weeks long service leave.

We identified two employees with greater than 13 weeks of long service leave due and two employees with greater than 8 weeks of annual leave due.

Recommend the Shire continue to manage and monitor the excessive leave balances to reduce the liability, risk of business interruption and potential fraud.

Once 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 this Electors AGM. Section 5.27 of the Local Government Act requires the 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 our December meeting, the latest date for the Annual General Meeting of Electors would be Wednesday 12 February 2025. Therefore, it is recommended that the AGM be held at 4pm on Wednesday 5 February 2025 at the Shire Council Chambers in Cuballing.

**Minutes of the Audit Committee Meeting of the Shire of Cuballing held on  
Wednesday 18<sup>th</sup> December 2024**

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Statutory Implications

*Local Government Act 1995*

Section 5.53 Annual Reports;

- (1) The local government is to prepare an annual report for each financial year.
  
- (2) The annual report is to contain —
  - (a) a report from the mayor or president; and
  - (b) a report from the CEO; and
  - [(c), (d) deleted]
  - (e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and
  - (f) the financial report for the financial year; and
  - (g) such information as may be prescribed in relation to the payments made to employees; and
  - (h) the auditor's report prepared under section 7.9(1) or 7.12AD (1) for the financial year; and
  - (ha) a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and
  - (hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —
    - (i) the number of complaints recorded in the register of complaints; and
    - (ii) how the recorded complaints were dealt with; and
    - (iii) any other details that the regulations may require; and
    - (iv) such other information as may be prescribed.

Section 5.54 Acceptance of Annual Reports;

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted\* by the local government no later than 31 December after that financial year.

\* *Absolute majority required.*

- (2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

Section 5.55 Notice of Annual Reports;

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

Section 5.55A. Publication of Annual Reports.

The CEO is to publish the annual report on the local government's official website within 14 days after the report has been accepted by the local government.

Financial Implications

Nil

Strategic Implications

Nil

Voting Requirement

*Absolute majority* required

**OFFICER'S RECOMMENDATION:**

That the Audit Committee recommends:

1. In accordance with section 5.53 and 5.54 of the *Local Government Act 1995*, Council accepts the Annual Report and Independent Auditors Report for the 2023-24 financial year; and
2. Council schedules the Annual General Meeting of Electors to be held on Wednesday 5 February 2025 at the Shire Chambers in Cuballing, commencing at 4pm.

Moved Cr Dowling    Seconded Cr Bradford    **CARRIED BY ABSOLUTE MAJORITY 6/0**  
Crs Ballantyne, Harris, Dowling, Kowald, Sexton and Bradford voted in favour.

**7**      **MEMBERS' MOTION OF WHICH PREVIOUS NOTICE HAS  
BEEN GIVEN:**

Nil

**8.**      **URGENT BUSINESS WITHOUT NOTICE WITH THE  
APPROVAL OF THE PRESIDING MEMBER OR MEETING:**

Nil

**9.**      **NEXT MEETING:**

The next Audit Committee will be held when next required in 2025.

**10.**     **CLOSURE OF MEETING:**

There being no further business, the Chairperson declared the meeting closed at 2.55pm.