



murchisonshire

Ancient land under brilliant skies

Agenda for the Meeting of the

Murchison Shire Council Audit & Risk Committee

To be held in the Council Chambers, Carnarvon Mullewa Road, Murchison,
on Tuesday **30 June 2026**, commencing at 12.30pm

Purpose The Audit Committee to consider the CEO's report on the appropriateness and effectiveness of the financial management systems and procedures

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ATTACHMENTS

1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

2 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

Councillors

Cr Q Fowler - Presiding Member

Cr R Foulkes-Taylor

Cr G Mead – via Teams

Staff

Bill Boehm – CEO

Rebecca Fogarty - Community Manager DCEO

Travis Bate – Financial Accountant (RSM)

3 CONFIRMATION OF MINUTES

3.1 Audit & Risk Committee Meeting – 25 June 2026

Background

Minutes of the Audit & Risk Committee Meeting of 25 June 2026 have previously been circulated to all Audit & Risk Committee Members.

Recommendation

That the minutes of the Audit & Risk Committee meeting held on 25 June 2026 be confirmed as an accurate record of proceedings

Voting Requirements

Simple Majority

| | | |
|---------------------------|--------------|---------|
| Committee Decision | | |
| Moved: Cr | Seconded: Cr | |
| Carried/Lost | For | Against |

4 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION

5 REPORTS

5.1 Financial Management Systems Review

| | |
|--------------------|--|
| File: | 2.1 |
| Author: | Bill Boehm – Chief Executive Officer |
| Interest Declared: | No interest to disclose |
| Date | 27 June 2026 |
| Attachments: | 5.1.1 Extract WA Local Government Accounting Manual section 07 Internal Control Framework |
| | 5.1.2 Financial Management Systems Review Report June 2026 |

Matter for Consideration

The Audit Committee to consider the CEO's report on the appropriateness and effectiveness of the financial management systems and procedures.

Background

The Audit Committee to consider the CEO's report on the appropriateness and effectiveness of the financial management systems and procedures. Under *s5(2)(c) of the Local Government (Financial Management) Regulations 1996* and *s17(1) of the Local Government (Audit) Regulations 1996* this is required to be undertaken not less than once in every 3 financial years with the CEO to report to the Audit Committee and the results of those reviews

Section 7.3 of the Western Australian Local Government Accounting Manual Edition 3 issued by the Department of Local Government in September 2012 specifies the minimum level of monitoring activities and key control activities that a Local Government should have in place. An extract of the manual is attached.

The last review was undertaken and reported to the Audit Committee on 23 June 2022.

Comment

The early part RSM's engagement in 2022 a review of the Internal Control environment was undertaken by Travis Bate Financial Accountant (RSM). Whilst there is a legislative requirement to formally review financial management systems and procedures, it was my view, and that of incoming RSM Financial Accountant, that it was essential to establish a base to work off moving forward as part of the role.

As a follow up and as part of legislative requirements a second review was commissioned

A copy of the report and findings is attached. The findings are accepted without qualification.

The continuing engagement of RSM has seen over time a steady improvement in the management of the Shire's financial operations generally. Given the difficulty of recruiting experienced local government financial expertise, this engagement has been welcomed with our less experienced staff who regularly rely on RSM's expertise.

Whilst I also note that only one of the findings (Business Continuity Plan) has been considered a major risk various areas, most are not major issues with improved documentation having been identified for improvement. Those highlighted, and other systems and procedures not specifically listed, are being addressed through a range of actions already identified through RSM's engagement.

However, whilst there are no major issues and even though processes have improved since the last review, further tweaking is still required with RSM to continue to perform a key role through their engagement with dedicated tasks associated with improved documentation processes required. This is essential given the small size of our operation and lack of local government accounting experience.

Travis will be available at the meeting to guide the Committee through the report, its findings and actions proposed as well as answering any questions

In summary I am of the opinion that the systems and procedures are adequate and welcome the advice regarding various areas identified for improvement.

Statutory Environment

Local Government (Financial Management) Regulations 1996

5 *CEO's duties as to financial management*

- (2) *The CEO 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 3 financial years) and report to the local government the results of those reviews.*

Local Government Audit Regulations 1996

17 *CEO to review certain systems and procedures*

- (1) *The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —*
 - (a) *risk management; and*
 - (b) *internal control; and*
 - (c) *legislative compliance.*
- (2) *The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.*
- (3) *The CEO is to report to the audit committee the results of that review.*

Strategic Implications

Nil

Policy Implications

Nil

Financial Implications

Nil

Consultation

Travis Bate – Financial Accountant (RSM)

Recommendation

That the Audit and Risk Committee report to the 23 July 2026 Ordinary Meeting of Council that

- 1 A review of the appropriateness and effectiveness of the financial management systems and procedures has been commissioned by the CEO and has completed and notes the findings of the report.
- 2 The CEO is of the opinion that the systems and procedures are adequate and welcomes advice regarding various areas identified for improvement, noting that as part of a continuous improvement processes RSM's engagement will continue to provide expertise and assistance.

Voting Requirements

Simple Majority

| | | |
|---------------------------|---------------------|----------------|
| Committee Decision | | |
| Moved: Cr | Seconded: Cr | |
| Carried/Lost | For | Against |

6 URGENT BUSINESS

Nil

7 MEETING CLOSURE

The Presiding Officer closed the meeting at.