



Western Australia

Agenda of the Audit Committee Meeting of the Murchison Shire Council,
To be held in the Council Chambers, Carnarvon Mullewa Road, Murchison,
On Thursday **25 July 2019**, commencing at 11:15 am

Purpose: 2019 Interim Audit
2019 Financial Management Review

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1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

4. PUBLIC QUESTION TIME

Nil

4.1 Standing Orders

Council Decision:

Moved: Councillor

Seconded: Councillor

That the following Local Law-Standing Orders 2001 be stood down:

8.2 Limitation on the number of speeches

8.3 Duration of speeches

Carried:

For:

Against:

5. CONFIRMATION OF MINUTES

5.1 Audit Committee Meeting – 28 March 2019

Background:

Minutes of the Audit Committee Meeting of Council have previously been circulated to all Audit Committee Members.

Recommendation:

That the minutes of the Audit Committee meeting held on 28th March 2019 be confirmed as an accurate record of proceedings

Voting Requirements:

Simple majority

Council Decision:

Moved: Councillor

Seconded: Councillor

That the minutes of the Audit Committee meeting held on 28th March 2019 be confirmed as an accurate record of proceedings

Carried

For:

Against:

6. ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION

Nil

7. DISCLOSURE OF INTERESTS

Nil

8. REPORTS OF OFFICERS

8.1 2018-19 Interim Audit Management Letter

File:	2.1
Author:	Eddie Piper, Acting Chief Executive Officer
Interest Declared:	Nil.
Date:	3 July 2018
Attachments:	OAG – Interim Audit Management Letter Dated 20 June 2019

Matter for Consideration:

The Audit Committee to consider the letter dated 20 June 2019 received from Office of the Auditor General (OAG) in relation to the interim phase of their audit for the year ending 30 June 2019.

Background:

Mr Travis Bate and Mr Jonathan Kosareff of RSM acting as a contractor to the OAG attended the Shire office during May 2019 to undertake the onsite portion of their interim audit for the year ending 30th June 2019.

Their findings are reported in the attached Audit Management Letter for the Committee's consideration.

Comment:

At the exit meeting following the "hands-on" part of the interim audit conducted by RSM Australia Pty Ltd on behalf of the OAG several issues were brought to the notice of those attending. These issues are detailed in the attached letter from the OAG dated 20 June 2019

The assessment of the Acting Chief Executive Officer (ACEO) on the issues raised is following:

1. Non-compliance with internal purchasing policy
It is rated by the OAG as a moderate risk and whilst effort should be made to comply with the policy there have been several minor deviations by staff to the policy. Staff have been made aware of the need to ensure the requirements of the policy must be observed.
2. Bank Reconciliations
Bank reconciliations are carried out monthly and every effort is made to have them reviewed by the CEO. Unfortunately with such a small staff and people taking leave this is sometimes left for later. Occasionally the follow-up is missed.
3. Fees and Charges
Rated by the OAG as a moderate risk. The different fee charged was a one off and staff are aware of the Act in relation to fees and charges.
4. Annual Returns
Rated by the OAG as minor. Every effort is made to have the returns completed and returned to the CEO, however it is difficult if they are not returned within the time frame.

Statutory Environment:

Non-compliance with the requirements of Local Government (Functions and General) 1996 Regulation 17.

Strategic Implications:

Nil.

Sustainability Implications

- **Environmental**
There are no known significant environmental implications
- **Economic**

- There are no known significant economic implications
- **Social**
There are no known significant social considerations.

Policy Implications:

N/A

Financial Implications:

N/A

Consultation:

RSM Australia Pty Ltd

Recommendation:

That the Audit Committee report to the 25 July 2019 Ordinary Meeting of Council recommending that Council note the letter dated 20 June 2019 received from the Office of the Auditor General in relation to the interim phase of their audit for the year ending 30 June 2019.

Voting Requirements:

Simple Majority

Council Decision:

Moved: Councillor

Seconded: Councillor

That the Audit Committee report to the 20 July 2019 Ordinary Meeting of Council recommending that Council note the letter dated 20 June 2019 received from the Office of the Auditor General in relation to the interim phase of their audit for the year ending 30 June 2019.

Carried/Lost:

For:

Against:

9. ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS

Nil

10. MEETING CLOSURE