

**SHIRE OF DONNYBROOK/BALINGUP
LOCAL GOVERNMENT ACT 1995**

**LIST OF ACCOUNTS AUTHORISED AND PAID BY THE CHIEF EXECUTIVE OFFICER
IN ACCORDANCE WITH DELEGATION NO. 3.2 AND PRESENTED TO
COUNCIL ON 26 SEPTEMBER 2018**

MANUAL/AUTO CHEQUES

| Chq/EFT | Name | Description | Municipal | Trust |
|----------------|-------------------------------|--|------------------|--------------|
| CCP3319 | CAFE TIFFANY'S | REFRESHMENTS FOR SITE VISIT - SODB | \$10.50 | |
| CCP3320 | THE GOOSE BEACH BAR & KITCHEN | REFRESHMENTS FOR SITE VISIT TO BUSSELTON RAILWAY HOUSE | \$42.15 | |
| CCP3321 | MICROSOFT REGIONAL SALES | CLOUD BASED EMAIL SERVICE FOR PERIOD 29/05/2018 - 25/07/2018 | \$723.69 | |
| CCP3322 | NATIONAL PRESSURE ULCER | TUIA LODGE - INTERNATIONAL PRESSURE ULCER GUIDELINES BOOK | \$70.12 | |
| CCP3323 | PLE COMPUTERS PTY LTD | 2 X 24 PORT GIGABIT SMART POE SWITCHES FOR CCTV EQUIPMENT | \$1,520.64 | |
| CCP3324 | SMALLWATER ESTATE | REFRESHMENTS FOR SITE VISIT - SODB | \$188.00 | |
| CCP3325 | TRAVELODGE HOTEL PERTH | ACCOMMODATION FOR TAXATION TRAINING COURSE - PAYROLL | \$135.86 | |
| 3653 | LICCIARDELLO NOMINEES PTY LTD | REFUND SUBDIVISION BOND | | \$59,837.27 |
| 3654 | SHIRE OF DONNYBROOK/BALINGUP | TUIA LODGE - RESIDENTS KITTY RECOUP | | \$682.50 |
| 3655 | ALAN FRANCIS COXALL | REFUND TRANSPORTABLE HOUSE BOND | | \$10,000.00 |
| 3656 | BALINGUP MEDIEVAL CARNIVAL | BOND REFUND | | \$100.00 |
| 3657 | BALINGUP MEDIEVAL CARNIVAL | BOND REFUND | | \$300.00 |
| 3658 | CANCELLED | | | |
| 3659 | NEIL BOWMAN | BOND REFUND | | \$150.00 |
| 3660 | JODIE KIRKPATRICK | BOND REFUND | | \$150.00 |
| 3661 | WILLIAM BARRETT & SONS | BOND REFUND | | \$150.00 |
| 3662 | DONNYBROOK RSL | BOND REFUND | | \$300.00 |
| EFT14596a | SHIRE OF DONNYBROOK BALINGUP | TUIA LODGE - PAYROLL FOR PERIOD ENDING 15/08/2018 | \$63,662.07 | |
| EFT14596b | SHIRE OF DONNYBROOK/BALINGUP | PAYROLL FOR PERIOD ENDING 15/08/2018 | \$134,519.69 | |
| EFT14597 | A & L PRINTERS | PREPARATION OF PROOF FOR 2018/19 FIRE BREAK ORDER | \$3,815.00 | |
| EFT14598 | ALFS MACHINERY PTY LTD | VARIOUS SHIRE VEHICLES & SITES - PARTS | \$147.30 | |
| EFT14599 | AUSTRALIA DAY COUNCIL OF WA | 2018/2019 AUSTRALIA DAY COUNCIL OF WA GOLD MEMBERSHIP | \$577.50 | |
| EFT14600 | AUSTRALIAN SERVICES UNION | PAYROLL DEDUCTIONS | \$27.45 | |

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| Chg/EFT | Name | Description | Municipal | Trust |
|----------------|---------------------------------|---|------------------|--------------|
| EFT14601 | A & R ENGINEERING | DB2134 - REPAIR TAIL GATE ON RUBBISH TRUCK | \$885.78 | |
| EFT14602 | ALL-TECH PLUMBING | EGAN PARK - CARRY OUT BACKFLOW DEVICE TEST TO DEVICE | \$544.50 | |
| EFT14603 | WINC AUSTRALIA PTY LTD | ESL - TRAINING STATIONARY | \$423.65 | |
| EFT14604 | AMPAC DEBT RECOVERY (WA) P/L | RATES RECOVERY EXPENSES FOR PERIOD ENDING 10/08/2018 | \$625.54 | |
| EFT14605 | ATC EMPLOYMENT SOLUTIONS | TUIA LODGE - CASUAL AGED CARER SERVICES | \$4,175.58 | |
| EFT14606 | A & R MACHINERY | DB606 KUBOTA MOWER - VARIOUS PARTS | \$3.11 | |
| EFT14607 | BUNNINGS GROUP LIMITED | ADMIN - SHELVING STORAGE UNITS | \$208.05 | |
| EFT14608 | BOC LIMITED | DISSOLVED ACETYLENE - DEPOT & OXYGEN - TUIA LODGE | \$431.44 | |
| EFT14609 | BELL FIRE EQUIPMENT COMPANY P/L | TUIA LODGE - SERV EMERG WARNING SYSTEM & FIRE ALARM - 07/18 | \$168.66 | |
| EFT14610 | BBY WELLINGTON ECONOM ALLIANCE | LOCAL GOVERNMENT MEMBERSHIP FEES - 2018/19 | \$8,489.25 | |
| EFT14611 | BDA TREE LOPPING | TREE PRUNING FOR THE MONTH OF JULY 2018 | \$9,515.00 | |
| EFT14612 | BLUE FORCE PTY LTD | PRESTON VILLAGE - EMERGENCY HELP MONITORING FOR JULY 2018 | \$200.20 | |
| EFT14613 | BUNBURY AUTO ONE | VARIOUS SHIRE VEHICLES - FOOD WARMERS | \$319.60 | |
| EFT14614 | BUNBURY HARVEY REGIONAL CNL | ORGANICS DISPOSAL & REGIONAL WASTE EDUCATION - JULY 2018 | \$2,966.03 | |
| EFT14615 | COURIER AUSTRALIA | VARIOUS SHIRE DEPTS - FREIGHT SERVICES | \$10.75 | |
| EFT14616 | CLIFFORD AUTO REPAIRS | DB5 - 100,000KM & DB252 90,000 KM VEHICLE SERVICES | \$799.60 | |
| EFT14617 | DUG CROSS ELECTRICS | VARIOUS SHIRE SITES - ELECTRICAL REPAIRS | \$555.00 | |
| EFT14618 | CHILD SUPPORT AGENCY | PAYROLL DEDUCTIONS | \$49.00 | |
| EFT14619 | CAPITAL FINANCE | RENTAL/LEASE AGREEMENT FOR PERIOD 15/08/2018 - 14/11/2018 | \$990.00 | |
| EFT14620 | CLEANAWAY | REFUSE COLLECTION - JULY 2018 | \$17,886.87 | |
| EFT14621 | DONNYBROOK PHARMACY | TUIA LODGE - MEDICAL SUPPLIES - JUNE & JULY 2018 | \$2,953.43 | |
| EFT14622 | DONNYBROOK FRUIT BARN | TUIA LODGE - FRUIT SUPPLIES - JULY 2018 | \$691.98 | |
| EFT14623 | DBK & DISTRICT PLUMBING SERVICE | MINNINUP COTTAGES - REPLACE CISTERN & KITCHEN FAWCET | \$550.00 | |

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|----------------|---------------------------------|--|------------------|--------------|
| EFT14624 | DONNYBROOK FAMILY BAKERY | TUIA LODGE - BREAD SUPPLIES JULY 2018 | \$351.00 | |
| EFT14625 | DONNYBROOK DISTRICT HIGH SCHOOL | DBK LIBRARY - VARIOUS EXPENSES | \$150.61 | |
| EFT14626 | DBK GREENWASTE RECYCLER | 2 SCOOPS OF YELLOW SAND | \$60.00 | |
| EFT14627 | DEPT OF LOCAL GOVT | LG STANDARDS PANEL SITTING FEES FOR 2017-18 | \$261.25 | |
| EFT14628 | EARTHMAC | VARIOUS SHIRE ROADS - TRAFFIC MGMT FOR DRAIN CLEARING | \$4,400.06 | |
| EFT14629 | E-TOOLS SOFTWARE PTY LTD | TUIA LODGE - E-PC MAIN LICENCE RENEWAL ANNUAL FEE | \$2,057.00 | |
| EFT14630 | BUNBURY FREIGHT SERVICES | TUIA LODGE - SURGICAL HOUSE FREIGHT - JULY 2018 | \$184.21 | |
| EFT14631 | FRONTLINE FIRE & RESCUE | MITIGATION ITEMS - FIRE BUG, TRACKS, FIRE EQUIPMENT | \$4,962.33 | |
| EFT14632 | GRESLEY ABAS PTY LTD | BALINGUP TOWN HALL RENEWAL PROJECT - FEASIBILITY | \$5,500.00 | |
| EFT14633 | HARVEY NORMAN ELECTRICAL | TWO COMPUTER MONITORS ASSOC CABLES FOR CBFCO COMPUTER | \$522.99 | |
| EFT14634 | JR & A HERSEY PTY LTD | VARIOUS CLEANING PRODUCTS FOR PARKS & GARDENS | \$547.20 | |
| EFT14635 | HASTIE WASTE PTY LTD | MGMT SHIRE LANDFILL SITES - JULY 2018 | \$35,013.43 | |
| EFT14636 | COVERT SIGNS | TRAFFIC SIGNS | \$66.00 | |
| EFT14637 | INSTANT WEIGHING | DB2201 CAT LOADER - PAPER ROLLS FOR COMPULOAD PRINTER | \$56.10 | |
| EFT14638 | IPWEA (AUSTRALASIA) | NAMS PLUS - SUBSCRIPTION FEE | \$814.00 | |
| EFT14639 | STAFF REIMBURSEMENTS | TUIA LODGE - SUBSCRIPTION TO MONTHLY GOLDEN CARERS GUIDE | \$49.95 | |
| EFT14640 | JCOMM SW | DSP64 CARD FOR VOIP SUPPLY AND INSTALL TVM VOICEMAIL UNIT | \$1,622.50 | |
| EFT14641 | JIMS ROOF RESTORATION | LANGLEY VILLAS - STRIP TILES AND FIX VALLEY ON ROOM UNIT 7 | \$245.00 | |
| EFT14642 | WESFARMERS KLEENHEAT GAS P/L | DBK SES - 45KG GAS CYLINDER FACILITY FEE 2018/19 | \$75.90 | |
| EFT14643 | LOCAL HEALTH AUTH. ANALYT COM. | ANNUAL LHAAC FEE 2018/19 | \$1,504.86 | |
| EFT14644 | MALATESTA ROAD PAVING & HOTMIX | UPPER CAPEL RD - EMULSION | \$400.00 | |
| EFT14645 | MOUNTS BAY WATERS | ACCOMMODATION - 2018 WA LOCAL GOVERNMENT CONVENTION | \$2,990.00 | |
| EFT14646 | MARKETFORCE PRODUCTIONS | VARIOUS SHIRE DEPTS - ADVERTISING - JULY 2018 | \$900.18 | |

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|----------------|---------------------------------|--|------------------|--------------|
| EFT14647 | NEIL MCCABE | HANG HONOUR BOARDS IN THE COUNCIL CHAMBER | \$1,500.00 | |
| EFT14648 | MANJIMUP MITSUBISHI | OIL FILTER & FUEL FILTER | \$336.47 | |
| EFT14649 | OFFICEWORKS | TUIA LODGE & ADMIN - STATIONERY SUPPLIES | \$537.28 | |
| EFT14650 | PRESTON POWER EQUIPMENT | PAIR OF PROTECTIVE CHAINSAW CHAPS | \$326.50 | |
| EFT14651 | QM AIRCONDITIONING | DEGAS FRIDGES, FREEZERS & AIR CONS AT DBK WMF | \$321.75 | |
| EFT14652 | STAFF REIMBURSEMENTS | REIMBURSEMENT OF HOME INTERNET EXPENSES FOR AUGUST 2018 | \$39.95 | |
| EFT14653 | RAMM SOFTWARE PTY LTD | RAMM ANNUAL SUPPORT & MAINT FEE FOR 2018/19 | \$6,992.03 | |
| EFT14654 | STEWART & HEATON CLOTHING CO | VARIOUS BFB'S - PROTECTIVE CLOTHING | \$1,153.35 | |
| EFT14655 | ST JOHN AMBULANCE DONNYBROOK | ESL - FIRST AID TRAINING COURSE FOR 16 PARTICIPANTS | \$1,110.70 | |
| EFT14656 | SMITH CONSTRUCTIONS | DBK REC CTR - SUPPLY AND INSTALL POOL BLANKET | \$39,669.30 | |
| EFT14657 | SPOTLIGHT PTY LTD | FRAMES FOR CITIZENSHIP CERTIFICATES | \$83.94 | |
| EFT14658 | WA COUNTRY HEALTH SERVICE - SW | TUIA LODGE - RESIDENTS MEALS - JUNE 2018 | \$16,435.80 | |
| EFT14659 | SURGICAL HOUSE PTY LTD | TUIA LODGE - PHARMACEUTICAL SUPPLIES | \$2,616.98 | |
| EFT14660 | SCOPE BUSINESS IMAGING | DBK SES - SERVICE PLAN FOR PRINTER/COPIER - AUGUST 2017 | \$371.83 | |
| EFT14661 | SONIC HEALTHPLUS PTY LTD | TUIA LODGE - PRE EMPLOYMENT MEDICAL | \$148.50 | |
| EFT14662 | TALDARA INDUSTRIES PTY LTD | TUIA LODGE - CLEANING SUPPLIES JULY/ AUGUST 2018 | \$3,386.40 | |
| EFT14663 | TRISLEY'S HYDRAULIC SERVICES | DBK REC CTR - REPLACE HEAT CIRC PUMP & INSTALL FLOW SWITCH | \$28,278.54 | |
| EFT14664 | IT VISION USER GROUP | IT VISION USER GROUP SUBSCRIPTION 01/07/2018 - 30/06/2019 | \$748.00 | |
| EFT14665 | VIP GARDENING | TUIA LODGE - GARDENING MAINTENANCE - JUNE 2018 | \$2,409.00 | |
| EFT14666 | WESTRAC EQUIPMENT PTY LTD | TRAVEL TO/FROM JOB SITE TO REPAIR COOLANT LEAK ON DB008 | \$105.88 | |
| EFT14667 | WORKFORCE INTERNATIONAL PTY LTD | HIRE OF CASUAL CONTRACTOR FOR PARKS AND GARDENS CREW | \$1,601.87 | |
| EFT14667a | AUSTRALIAN TAX OFFICE | BAS - JULY 18 | | \$12,561.00 |
| EFT14667b | SHIRE OF DONNYBROOK BALINGUP | TUIA LODGE - PAYROLL FOR PERIOD ENDING 29/08/2018 | \$65,797.45 | |

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| EFT14667c | SHIRE OF DONNYBROOK | PAYROLL FOR PERIOD ENDING 29/08/2018 | \$118,205.16 | |
| EFT14668 | JIMS ROOF RESTORATION | PESTON VILLAGE - REMOVE & INSTALL BOX GUTTERS & DOWNPIPES | \$4,435.00 | |
| EFT14669 | ABC FILTER EXCHANGE | DBK REC CTR - FILTER EXCHANGE FOR KITCHEN RANGEHOOD | \$30.80 | |
| EFT14670 | WESTERN ALLPEST SERVICES | TUIA LODGE - QUARTERLY RODENT CONTROL | \$160.00 | |
| EFT14671 | AUSTRALIAN SERVICES UNION | PAYROLL DEDUCTIONS | \$25.90 | |
| EFT14672 | A & R ENGINEERING | RANGERS - TOWING OF VEHICLE FROM BALINGUP TO SHIRE DEPOT | \$341.98 | |
| EFT14673 | ALL-TECH PLUMBING | TUIA LODGE - TESTING OF BACK FLOW DEVICES | \$775.50 | |
| EFT14674 | WINC AUSTRALIA PTY LTD | ADMIN - INTERIM AUGUST STATIONERY ORDER | \$725.15 | |
| EFT14675 | ALLENS TRAFFIC MANAGEMENT | 4 WEEKS TRAFFIC MANAGEMENT ON VARIOUS GRAVELS ROADS | \$8,395.20 | |
| EFT14676 | ATC EMPLOYMENT SOLUTIONS | TUIA LODGE - CASUAL AGED CARER SERVICES | \$2,026.56 | |
| EFT14677 | BENARA NURSERIES | VARIOUS SHIRE SITES - PLANTS | \$4,699.68 | |
| EFT14678 | BUNBURY TRAFFIC SERVICES | REVIEW OF GENERIC TRAFFIC MANAGEMENT PLANS | \$300.00 | |
| EFT14679 | BUNBURY JUNIOR FOOTBALL CNL INC | 2018 KIDSPORT FUNDING | \$80.00 | |
| EFT14680 | BUSSELTON CIVIL PTY LTD | TUIA LODGE - GREASE ARRESTOR SERVICING (KITCHEN 2) | \$363.00 | |
| EFT14681 | COCA COLA AMATIL (AUST) P/L | DBK REC CTR - DRINK PURCHASES FOR KIOSK | \$200.18 | |
| EFT14682 | COUNCIL ON THE AGEING (WA) INC | COTA WA ORGANISATIONAL MEMBERSHIP - ANNUAL FEE 2018/19 | \$65.00 | |
| EFT14683 | COURIER AUSTRALIA | VARIOUS SHIRE DEPTS - FREIGHT EXPENSES | \$554.33 | |
| EFT14684 | CJD EQUIPMENT PTY LTD | OIL FILTER & FUEL FILTER FOR DB754 | \$167.42 | |
| EFT14685 | CLIFFORD AUTO REPAIRS | DB 15 - REPLACE BATTERY | \$309.50 | |
| EFT14686 | CHILD SUPPORT AGENCY | PAYROLL DEDUCTIONS | \$49.00 | |
| EFT14687 | FIONA MARY COOPER | REFUND LANDSCAPING BOND - ARGYLE | \$544.00 | |
| EFT14688 | CRAVEN FOODS | DBK REC CTR - CONFECTIONERY AND CHIP SUPPLIES | \$242.08 | |
| EFT14689 | STAFF REIMBURSEMENTS | REIMBURSEMENT OF HIGH RISK WORK LICENCE | \$50.40 | |

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|----------------|---------------------------------|---|------------------|--------------|
| EFT14690 | CHRISTINE DENISE STEVENSON | CATERING FOR DDHS ROAD TRAUMA DAY 2018 | \$500.00 | |
| EFT14691 | CRS ELECTRICAL | DBK REC CTR - CALLOUT FOR POOL PLANT WORK | \$104.50 | |
| EFT14692 | CLIFFORD HALLAM HEALTHCARE P/L | TUIA LODGE - CONTINENCE PRODUCTS FOR AUGUST 2018 | \$2,614.64 | |
| EFT14693 | CSP GROUP PTY LTD | ESL - TRAINING EQUIPMENT AND STORAGE | \$596.00 | |
| EFT14694 | DBK & DISTRICT PLUMBING SERVICE | BLN TRANSIT PARK - CLEAR BLOCKAGE TO WC IN LADIES TOILET | \$583.00 | |
| EFT14695 | DONNYBROOK TYRE SERVICE | DB15 - NEW TYRES | \$1,411.00 | |
| EFT14696 | STATE LIBRARY OF WA | DBK LIB - LOST & DAMAGED STATE LIBRARIES MATERIAL - 2018/19 | \$440.00 | |
| EFT14697 | STAFF REIMBURSEMENTS | REIMBURSEMENT OF 1YRS MOTOR DRIVER LICENCE AS PER EBA | \$44.05 | |
| EFT14698 | DBCEC (WA) PTY LTD | VARIOUS SHIRE ROADS - EXCAVATOR HIRE TO CLEAR DRAINS | \$2,475.00 | |
| EFT14699 | DOWNER EDI ENGINEER POWER P/L | CCTV - INSTALLATION OF NEW SWICTHES | \$231.00 | |
| EFT14700 | ECOANGLE DESIGN & DRAFTING | DESIGN DRAWINGS OF THE KIRUP FIRE STATION | \$3,185.00 | |
| EFT14701 | E-STATION PTY LTD | MAINTENANCE DC CHARGING STATION - ANNUAL FEE 2018/19 | \$550.00 | |
| EFT14702 | DEPT OF FIRE & EMERG SERVICES | 2018/19 ESL 1ST QUARTER CONTRIBUTION | \$86,112.76 | |
| EFT14703 | FLEXI STAFF PTY LTD | TUIA LODGE - CASUAL AGED CARER SERVICES | \$328.24 | |
| EFT14704 | FAIRTEL PTY LTD | PHONE, NBN & SERVICES FOR LEVEL 2 ICC - AUGUST 2018 | \$271.53 | |
| EFT14705 | FRONTLINE FIRE & RESCUE | VARIOUS BFB'S - FIRE FIGHTING PPC | \$7,850.43 | |
| EFT14706 | FITRIC | DBK REC CTR - PUMP INSTRUCTOR EXPENSES JULY 2018 | \$200.00 | |
| EFT14707 | GLOBAL SYNTHETICS PTY LTD | TREVENA RD BRIDGE - COMBIGRID 40/40 | \$14,531.76 | |
| EFT14708 | HASTIE WASTE PTY LTD | ASBESTOS CEMENT DISPOSAL AT BHRC | \$469.16 | |
| EFT14709 | HEATLEYS SAFETY & INDUSTRIAL | DEPOT - CUTTING DISCS & SAFETY EQUIPMENT | \$451.44 | |
| EFT14710 | COVERT SIGNS | DOG AND CAT REGISTRATION SIGNS | \$450.00 | |
| EFT14711 | SKIPPERS PLUMBING SERVICES | LANG VILLAS - REPLACE SHOWER & KITCHEN TAPS, REPAIR TAPS | \$801.90 | |
| EFT14712 | HARTAC SIGNS AND SAFETY | ADMIN OHS - 2 EMERGENCY ASSEMBLY POINT SIGNS | \$85.80 | |

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|----------------|----------------------------------|---|------------------|--------------|
| EFT14713 | JASON SIGNMAKERS | VARIOUS SHIRE DEPTS - ASSORTED SIGNS & STRUTS | \$1,246.08 | |
| EFT14714 | STAFF REIMBURSEMENTS | REIMBURSEMENT OF HIGH RISK WORK LICENCE | \$50.40 | |
| EFT14715 | JUICEBOX CREATIVE | BNY GEOGRAPHE TOURISM PARTNERSHIP BRAND DEVELOPMENT | \$704.00 | |
| EFT14716 | JCOMM SW | ADMIN - REPAIRS TO TELEPHONE SYSTEM | \$302.50 | |
| EFT14717 | LIVING SPRINGS | ADMIN OFFICE - BOTTLED WATER - AUGUST 2018 | \$110.00 | |
| EFT14718 | MALATESTA ROAD PAVING & HOTMIX | EMERALD ST & THOMSON BROOK RD - 3 TONNES OF BLACK PRE MIX | \$1,300.00 | |
| EFT14719 | MEDELECT BIOMEDICAL SERVICES | TUIA LODGE - PREVENTATIVE MAINT OF MEDICAL EQUIPMENT 2018 | \$1,287.00 | |
| EFT14720 | MACQUARIE EQUIPMENT RENTALS PTY | DBK REC CTR - EQUIPMENT LEASE EXPENSES | \$503.86 | |
| EFT14721 | MAIN ROADS WESTERN AUSTRALIA | SEAL A SMALL PORTION OF LOGUIDICE ROAD | \$6,837.68 | |
| EFT14722 | MANJIMUP TOYOTA | RANGERS - ARIEL FOR DB92 | \$130.67 | |
| EFT14723 | MJB INDUSTRIES PTY LTD | TREVENA RD BRIDGE - CONCRETE PIPE FOR CULVERT CONSTRUCT | \$28,297.50 | |
| EFT14724 | MARKETFORCE PRODUCTIONS | VARIOUS SHIRE DEPTS - ADVERTISING EXPENSES | \$542.66 | |
| EFT14725 | MESSAGES ON HOLD AUSTRALIA P/L | QUARTERLY PHONE MESSAGE ANNOUNCER SERVICE | \$402.96 | |
| EFT14726 | OFFICEWORKS | TUIA LODGE - STATIONERY EXPENSES - AUGUST 2018 | \$405.02 | |
| EFT14727 | PFI CLEANING SUPPLIES | BLN HALL - CLEANING SUPPLIES | \$335.78 | |
| EFT14728 | PRESTIGE PRODUCTS | DBK REC CTR - DISPENSER SOAP | \$109.56 | |
| EFT14729 | PRESTON VALLEY MAINTENANCE | VARIOUS SHIRE SITES - BUILDING & REPAIRS | \$3,487.00 | |
| EFT14730 | PK TECHNOLOGY PTY LTD | REPLACE LIGHTS/SIREN, SIREN CONTROL UNIT - BFB APPLIANCES | \$18,649.63 | |
| EFT14731 | SW HIRE & HYDRAULIC SERVICES P/L | REPAIR HYDRAULIC HOSE ON BACK HOE | \$1,314.34 | |
| EFT14732 | QUALITY PRESS | STATIONERY AS PER DFES OPERATIONAL PRINTED ITEMS ORDER | \$5,032.08 | |
| EFT14733 | HOLCIM (AUSTRALIA) PTY LTD | BLN P&G - 11 TONNES OF WASHED FINES | \$127.05 | |
| EFT14734 | SLEE ANDERSON & PIDGEON | TUIA LODGE - PROFESSIONAL SERVICES | \$1,918.40 | |
| EFT14735 | STEWART & HEATON CLOTHING CO. | VARIOUS BFB'S - FIRE FIGHTING PPC | \$6,134.61 | |

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|-----------|---------------------------------|--|-------------|-------|
| EFT14736 | ST JOHN AMBULANCE DONNYBROOK | FIRST AID COURSE AND REFRESHMENT FOR 16 PARTICIPANTS | \$1,872.00 | |
| EFT14737 | SOS OFFICE EQUIPMENT | ADMIN - PHOTOCOPIER EXPENSES | \$1,588.49 | |
| EFT14738 | BUNBURY TRUCKS | DB4550 HINO TRUCK - SEAT COVERS | \$266.81 | |
| EFT14739 | SOUTH WEST SEPTICS | BLN VILLAGE GREEN - EMPTY LEACH DRAINS TO TOILET BLOCK | \$5,857.50 | |
| EFT14740 | SOUTH REGIONAL TAFE | ENROLMENT FEES - CERTIFICATE III IN LANDSCAPING CONSTRUCTION | \$365.00 | |
| EFT14741 | SPORTSWORLD OF WA | DBK REC CTR - ADULT AND JUNIOR GOGGLES | \$297.00 | |
| EFT14742 | SURGICAL HOUSE PTY LTD | TUIA LODGE - PHARMACEUTICAL SUPPLIES | \$325.23 | |
| EFT14743 | SIGNS PLUS | ADMIN - NAME BADGES | \$45.50 | |
| EFT14744 | SNL ELECTRICS | DBK HALL:- INSTALL HARDWIRED SMOKE ALARM TO RSL ROOMS | \$328.11 | |
| EFT14745 | SONIC HEALTHPLUS PTY LTD | TUIA LODGE - PRE EMPLOYMENT MEDICAL | \$82.50 | |
| EFT14746 | TELSTRA | TELSTRA DAMAGES - THOMSON BROOK RD & RAVENSCLIFFE RD | \$2,786.20 | |
| EFT14747 | TALIS DELIVERING SOLUTIONS | UNDERTAKE THE ROAD DESKTOP AUDIT | \$1,980.00 | |
| EFT14748 | VIP GARDENING | LANGLEY VILLAS & MINNINUP COTT - GARDENING 05/2018 - 06/2018 | \$1,408.00 | |
| EFT14749 | VERSATILE CONCRETE AND PAVER | GRAFFITI REMOVAL KITS FOR PUBLIC TOILETS | \$880.00 | |
| EFT14750 | WA LOCAL GOVERNMENT ASSOC | WALGA 2018 CONFERENCE ATTENDANCE | \$8,556.00 | |
| EFT14751 | VEOLIA ENVIRONMENTAL SERVICES | DBK TOWNSITE - ROAD SWEEPING | \$276.10 | |
| EFT14752 | WORKFORCE INTERNATIONAL PTY LTD | HIRE OF CASUAL CONTRACTOR FOR PARKS AND GARDENS CREW | \$4,294.87 | |
| EFT14753 | THE WORKWEAR GROUP PTY LTD | 2017/18 STAFF UNIFORM EXPENSES - CDO | \$179.03 | |
| EFT14754 | TYLER JAMES DALY WINTER | REIMBURSE ACCOMM FIRE & EMERGENCY SERVICES AWARDS 2018 | \$162.88 | |
| EFT14754a | SHIRE OF DONNYBROOK BALINGUP | TUIA LODGE - SUPERANNUATION FOR THE MONTH OF JUNE 2018 | \$16,251.25 | |
| EFT14754b | SHIRE OF DONNYBROOK BALINGUP | TUIA LODGE - SUPERANNUATION FOR THE MONTH OF JULY 2018 | \$21,233.30 | |
| EFT14754c | SHIRE OF DONNYBROOK BALINGUP | TUIA LODGE - SUPERANNUATION FOR THE MONTH OF AUGUST 2018 | \$22,930.25 | |
| EFT14754d | WESTNET PTY LTD | BALINGUP LIBRARY - NBN WIRELESS SERVICE - SEPT 2018 | \$64.90 | |

**SHIRE OF DONNYBROOK/BALINGUP
LOCAL GOVERNMENT ACT 1995**

**LIST OF ACCOUNTS AUTHORISED AND PAID BY THE CHIEF EXECUTIVE OFFICER
IN ACCORDANCE WITH DELEGATION NO. 3.2 AND PRESENTED TO
COUNCIL ON 26 SEPTEMBER 2018**

MANUAL/AUTO CHEQUES

| Chq/EFT | Name | Description | Municipal | Trust |
|-----------|--------------------------------|---|--------------|--------------|
| EFT14754e | SHIRE OF DONNYBROOK BALINGUP | TUIA LODGE - PAYROLL FOR PERIOD ENDING 12/09/2018 | \$63,701.39 | |
| EFT14754f | SHIRE OF DONNYBROOK BALINGUP | PAYROLL FOR PERIOD ENDING 12/09/2018 | \$118,089.84 | |
| EFT14755 | RADKO BOGOYEV | REFUND BDCF, MTF & DAP - TUIA LODGE FEES | \$2,651.43 | |
| EFT14755a | DEPARTMENT OF TRANSPORT | REFUND LICENSING AGENCY COLLECTIONS FOR AUGUST 2018 | | \$109,522.30 |
| EFT14755b | SHIRE OF DONNYBROOK BALINGUP | TUIA LODGE - PAYROLL CORRECTION | \$118.00 | |
| 53064 | AUST COMMS & MEDIA AUTHORITY | LAND MOBILE SYSTEM ANNUAL RENEWAL 2018/19 | \$345.00 | |
| 53065 | BBY MUFFLER & TOW BAR CENTRE | RANGERS - REPLACE BROKEN LOCK ON CANOPY ON DB92 | \$340.00 | |
| 53066 | DONNYBROOK NEWSAGENCY | TUIA LODGE - STATIONERY SUPPLIES | \$106.69 | |
| 53067 | DONNYBROOK HARDWARE & GARDEN | VARIOUS SHIRE DEPTS - HARDWARE ACCOUNT JULY 2018 | \$471.98 | |
| 53068 | SUPA IGA DONNYBROOK | TUIA LODGE - GROCERIES FOR JULY 2018 | \$4,775.02 | |
| 53069 | SUPA IGA DONNYBROOK | SES & ADMIN - GROCERIES & CLEANING SUPPLIES JULY 2018 | \$799.97 | |
| 53070 | KIRUP HALL ASSOCIATION | BRAZIER/KIRUP BFB - ELECTRICITY EXPENSES 11/2017 - 06/2018 | \$98.60 | |
| 53071 | SHIRE OF DONNYBROOK BALINGUP | ADMIN PETTY CASH RECOUP | \$254.90 | |
| 53072 | SHIRE OF DONNYBROOK BALINGUP | TUIA LODGE - PETTY CASH RECOUP | \$142.85 | |
| 53073 | OFFICE OF STATE REVENUE | REFUND OF PAID PENSIONER REBATE 2016/17 | \$700.34 | |
| 53074 | TELSTRA | VARIOUS SHIRE SITES - TELEPHONE EXPENSES - JULY 2018 | \$638.71 | |
| 53075 | WATER CORPORATION | DONNYBROOK SES - WATER SUPPLY MAY - JUNE 2018 | \$7.17 | |
| 53076 | SYNERGY | VARIOUS SHIRE SITES - ELECTRICITY EXPENSES - JUNE - JULY 2018 | \$2,861.35 | |
| 53077 | WEST AUSTRALIAN NEWSPAPERS LTD | TUIA LODGE - WEST AUST NEWSPAPER DELIVERY - AUG 2018 | \$21.12 | |
| 53078 | WESTNET PTY LTD | TUIA LODGE - DONNYBROOK-TUIA BUSINESS NBN BOOST VALUE | \$268.70 | |
| 53079 | CITY OF BUNBURY | CONTRIB REGIONAL TOURISM MARKETING INITIATIVE/MANAGER 18/19 | \$5,500.00 | |
| 53080 | CHELSEA MAREE BLAKERS | 2018/2019 COMMUNITY GRANT FUNDING SCHEME DONATION | \$150.00 | |
| 53081 | TELSTRA | VARIOUS SHIRE SITES - TELEPHONE EXPENSES - JULY 2018 | \$1,749.36 | |

**SHIRE OF DONNYBROOK/BALINGUP
LOCAL GOVERNMENT ACT 1995**

**LIST OF ACCOUNTS AUTHORISED AND PAID BY THE CHIEF EXECUTIVE OFFICER
IN ACCORDANCE WITH DELEGATION NO. 3.2 AND PRESENTED TO
COUNCIL ON 26 SEPTEMBER 2018**

MANUAL/AUTO CHEQUES

| Chg/EFT | Name | Description | Municipal | Trust |
|----------------|--------------------------------|---|------------------|--------------|
| 53082 | SYNERGY | VARIOUS SHIRE SITES - ELECTRICITY EXPENSES - JUNE - JULY 2018 | \$16,629.10 | |
| 53083 | WEST AUSTRALIAN NEWSPAPERS LTD | TUIA LODGE - WEST AUST NEWSPAPER DELIVERY - SEPT 2018 | \$21.12 | |
| 53084 | SHIRE OF DONNYBROOK/BALINGUP | TUIA LODGE - PAYROLL DEDUCTIONS | \$775.00 | |
| 53085 | SHIRE OF DONNYBROOK/BALINGUP | TUIA LODGE - PETTY CASH RECOUP | \$136.70 | |
| DD23284.1 | WA SUPER | PAYROLL DEDUCTIONS | \$16,331.18 | |
| DD23284.2 | DILLON FAMILY SUPERFUND | PAYROLL DEDUCTIONS | \$315.23 | |
| DD23284.3 | BT SUPER FOR LIFE | PAYROLL DEDUCTIONS | \$223.83 | |
| DD23284.4 | FIRSTCHOICE PERSONAL SUPER | PAYROLL DEDUCTIONS | \$48.48 | |
| DD23284.5 | AUSTRALIAN SUPER | PAYROLL DEDUCTIONS | \$721.91 | |
| DD23284.6 | BENDIGO SMARTSTART SUPER | PAYROLL DEDUCTIONS | \$446.38 | |
| DD23284.7 | MACQUARIE SUPERANNUATION PLAN | PAYROLL DEDUCTIONS | \$162.19 | |
| DD23284.8 | COMM BANK GROUP SUPER | PAYROLL DEDUCTIONS | \$181.52 | |
| DD23284.9 | Q SUPER | PAYROLL DEDUCTIONS | \$278.78 | |
| DD23284.10 | NORTH | PAYROLL DEDUCTIONS | \$163.59 | |
| DD23284.11 | PLUM SUPERANNUATION FUND | PAYROLL DEDUCTIONS | \$139.37 | |
| DD23317.1 | SPECTRUM SUPER | PAYROLL DEDUCTIONS | \$48.27 | |
| DD23317.2 | AUSTRALIAN SUPER | PAYROLL DEDUCTIONS | \$718.61 | |
| DD23317.3 | PLUM SUPERANNUATION FUND | PAYROLL DEDUCTIONS | \$139.37 | |
| DD23317.4 | DILLON FAMILY SUPERFUND | PAYROLL DEDUCTIONS | \$315.23 | |
| DD23317.5 | BT SUPER FOR LIFE | PAYROLL DEDUCTIONS | \$223.74 | |
| DD23317.6 | WA SUPER | PAYROLL DEDUCTIONS | \$16,538.39 | |
| DD23317.7 | FIRSTCHOICE PERSONAL SUPER | PAYROLL DEDUCTIONS | \$6.19 | |
| DD23317.8 | MLC NOMINEES PTY LTD | PAYROLL DEDUCTIONS | \$52.86 | |

**SHIRE OF DONNYBROOK/BALINGUP
LOCAL GOVERNMENT ACT 1995**

**LIST OF ACCOUNTS AUTHORISED AND PAID BY THE CHIEF EXECUTIVE OFFICER
IN ACCORDANCE WITH DELEGATION NO. 3.2 AND PRESENTED TO
COUNCIL ON 26 SEPTEMBER 2018**

MANUAL/AUTO CHEQUES

| Chq/EFT Name | Description | Municipal | Trust |
|--|--------------------|-----------------------|------------------------------|
| DD23317.9 BENDIGO SMARTSTART SUPER | PAYROLL DEDUCTIONS | \$280.34 | |
| DD23317.10 MACQUARIE SUPERANNUATION PLAN | PAYROLL DEDUCTIONS | \$162.19 | |
| DD23317.11 COMM BANK GROUP SUPER | PAYROLL DEDUCTIONS | \$181.52 | |
| DD23317.12 Q SUPER | PAYROLL DEDUCTIONS | \$258.93 | |
| DD23317.13 NORTH | PAYROLL DEDUCTIONS | \$174.87 | |
| | | <u>\$1,193,349.14</u> | <u>\$ 193,753.07</u> |
| | | | <u><u>\$1,387,102.21</u></u> |

SHIRE OF DONNYBROOK/BALINGUP
LOCAL GOVERNMENT ACT 1995

**LIST OF ACCOUNTS AUTHORISED AND PAID BY THE
 CHIEF EXECUTIVE OFFICER IN ACCORDANCE WITH
 DELEGATION NO. 3.2 AND PRESENTED TO COUNCIL
 ON 26 SEPTEMBER 2018**

SUMMARY:

| <i>Bank</i> | <i>Cheque Number</i> | <i>Amount</i> |
|------------------------------|---|------------------------------|
| Municipal | CCP3319-CCP3325, EFT14596a-EFT14755b, 53064 - 53085, DD23284.1- DD23284.11, DD23317.1- DD23317.13 | \$1,193,349.14 |
| Trust | 3653 - 3662, EFT14755a | \$193,753.07 |
| <i>Monthly Cheque Totals</i> | | <u><u>\$1,387,102.21</u></u> |

CERTIFICATION OF MANAGER OF FINANCE & ADMINISTRATION

This schedule of accounts paid under delegated authority (No 3.1) covering cheques numbered from CCP3319-CCP3325, EFT14596a-EFT14755b, 53064 - 53085, DD23284.1-DD23284.11, DD23317.1-DD23317.13 Trust 3653 - 3662, EFT14755a totalling \$1,387,102.21 is herewith presented to Council. The payments have been checked and are fully supported by vouchers and invoices which have been duly certified as to the goods and the rendition of services, prices and computations and the amounts shown were due for payment.



 MANAGER OF FINANCE & ADMINISTRATION

 20/9/18

 DATE



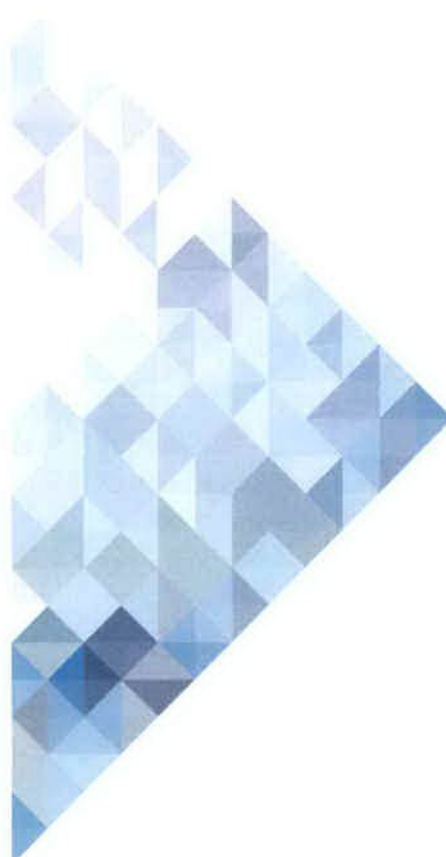
Government of **Western Australia**
Department of **Local Government and Communities**

Local Government Operational Guidelines

Number 09 – Revised September 2013

Audit in Local Government

The appointment, function
and responsibilities of
Audit Committees



1. Introduction

The *Local Government Act 1995* (the Act) requires that all local governments establish an audit committee. An audit committee plays a key role in assisting a local government to fulfil its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems, legislative compliance, ethical accountability and the internal and external audit functions.

The purpose of this guideline is to assist local governments to establish and operate an effective audit committee. Clear and comprehensive terms of reference, setting out the committee's roles and responsibilities, are essential and a model terms of reference for an audit committee is provided with this guideline. Matters such as the governing legislation, membership, primary roles and responsibilities of the committee and ancillary functions are also addressed. Guidance is provided to the committee as it approaches its task of appointing an external auditor through provision of a minimum standard audit specification and as it forms an opinion of the local government's internal audit requirements.

2. Audit Requirements, Committees and Functions

The relevant parts of the Act and regulations that relate to audit requirements, audit committees and their functions are listed below.

Financial Management

In relation to financial management under Part 6 of the Act, a local government is to –

- a) prepare and adopt an annual budget in the form and manner prescribed (section 6.2). A copy of the budget is to be sent to the Department within 30 days of adoption.
- b) prepare an annual financial report and such other financial reports as prescribed. The accounts of the local government and annual financial report are to be submitted to the auditor for audit by 30 September (section 6.4).
- c) have a municipal fund and a separate and distinct trust fund (section 6.6).
- d) establish and maintain reserve funds for the holding of monies set aside for future use (section 6.11).

Audit Requirements for Local Governments

Part 7 of the Act and the *Local Government (Audit) Regulations 1996* (the Regulations) address the situation of audit. In relation to the duties of the local government with respect to audits –

- a) the local government is to do everything in its power to –
 - i. assist the auditor to conduct an audit and carry out his or her other duties under the Act; and

- ii. ensure that audits are conducted successfully and expeditiously;
- b) a local government is to meet with its auditor at least once in every year;
- c) a local government is to examine the report of the auditor and is to –
 - i. determine if any matters raised require action to be taken by the local government; and
 - ii. ensure that appropriate action is taken in respect of those matters;
- d) a local government is to –
 - i. prepare a report on any actions taken in respect of any matters raised in the report of the auditor; and
 - ii. forward a copy of that report to the Minister by the end of the next financial year, or six months after the last report prepared by the auditor is received by the local government, whichever is the latest in time.

Establishment of the Audit Committee

The Act and Regulations provide that:

In relation to the establishment of an audit committee –

- a) each local government is to establish an audit committee consisting of three or more persons to exercise the powers and discharge the duties conferred on it;
- b) members of the committee are to be appointed by an absolute majority decision of Council. At least three of the members, and the majority of the members, are to be elected members;
- c) the Chief Executive Officer (CEO) is not to be a member of the committee and may not nominate a person to be a member or have a person to represent him or her as a member of the committee;
- d) an employee is not to be a member of the committee;

- e) the only powers and duties that can be delegated to a committee are any of the powers and duties of the local government under Part 7 of the Act; that is, those relating to audit. The committee cannot on-delegate the powers and duties delegated to it;
- f) an audit committee with a member who is a person that is not an elected member can be delegated powers and duties referred to in (e); and
- g) a decision of the committee is to be made by simple majority.

Audit Committee Functions

The Regulations state that an audit committee –

- (a) is to provide guidance and assistance to the local government –
 - (i) as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act;
 - (ii) as to the development of a process to be used to select and appoint a person to be an auditor;
- (b) may provide guidance and assistance to the local government as to –
 - (i) matters to be audited;
 - (ii) the scope of audits;
 - (iii) its functions under Part 6 of the Act;
 - (iv) the carrying out of its functions relating to other audits and other matters related to financial management;
- (c) is to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to –
 - (i) report to the council the results of that review;
 - (ii) give a copy of the CEO's report to the council;

- (d) review the annual Compliance Audit Return and report to the council the results of that review, and
- (e) consider the CEO's biennial reviews of the appropriateness and effectiveness of the local government's systems and procedures in regard to risk management, internal control and legislative compliance and report to the council the results of those reviews.

3. Operation of Audit Committees

Role and Responsibilities

The role of the audit committee is to support Council in fulfilling its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems, internal and external audit functions and ethical accountability.

The audit committee should critically examine the audit and management reports provided by the external auditor. The committee would then determine if matters raised in the reports require action to be taken by the local government and ensure that appropriate action is implemented.

A further role for the audit committee would be to receive and authorise the report relating to the audit prepared by the CEO that is to be sent to the Minister.

This report would outline any actions the local government has taken or intends to take in relation to the matters identified by the auditor.

While a formal internal audit function could be considered to be an operational function and therefore the responsibility of the CEO, it is desirable for an internal auditor to have a direct line of communication to the Audit Committee.

The Audit Committee needs to form an opinion of the local government's internal audit requirements and recommend a course of action that ensures that any internal audit processes adopted are appropriate, accountable and transparent. The role of the external auditor in this regard can be established at the time of appointment.

Please note that an audit committee (or any other committee) cannot be given a management task where the Act and Regulations make the CEO specifically responsible. Where the local government is assigned the function through the legislation, the audit committee may have a role unless the function has been delegated to the CEO by the Council.

The deliberations and recommendations of the committee must be independent and autonomous. Therefore, the Act prohibits the CEO being a member of the committee. However, it is essential that the CEO be given every opportunity to provide his/her expert advice to the committee as he/she does with full Council and other committees.

A model terms of reference is attached as Appendix 1 to assist local governments to define an appropriate role for its audit committee. When considering the model, local governments need to remember it is a guide and they can delete or modify any matters they believe not applicable.

It is important to note that the legislation gives the audit committee a specific role in appointing the auditor. It is to recommend to the Council who should be appointed as the auditor. Attached as Appendix 2 is a model 'Minimum Standard Audit Specification' that local governments can use when developing a process to be used to select and appoint a person to be the auditor.

Local governments can amend the document to suit their individual requirements. Any scope adopted must meet, as a minimum, the legislative requirements, as outlined in the Act and the Regulations.

The legislation specifies that a local government is required to meet with its auditor at least once in every year. The term "local government" in this context means the Council. If Council so resolved via a formal delegation, a meeting between the audit committee and the auditor would satisfy this requirement.

It is acknowledged that the requirement to meet at least once per year may incur a significant financial burden for the more remote local governments. In such circumstances the meeting can be conducted by telephone or video conference. The Council or audit committee should resolve how the meeting with the auditor will be conducted and for the record of the meeting to show that the auditor was involved and the matters discussed. It would be inappropriate for Council representatives to meet with the auditor in their offices unless they were members of the Audit Committee or a significant majority of the members are present.

The committee may need to liaise regularly with the external auditor to discuss the audit plan, results of the audit and implementation of any recommendations for action emerging from the audit. How communication and liaison between auditor and committee is to occur should be addressed in the agreement of appointment.

Advice from the auditor may address issues such as –

- (i) an assessment of accounting procedures;
- (ii) an assessment of internal controls;
- (iii) an assessment of risk;
- (iv) compliance with the Act and associated regulations;
- (v) compliance with Council policies;
- (vi) performance assessments on the efficiency and effectiveness of operations;
- (vii) processes of the internal audit;
- (viii) outcomes of the external audit prior to issue of management and audit reports; and
- (ix) changes to accounting standards and legislation and the impact on the local government.

Membership

The Act requires that an audit committee is to consist of a minimum of 3 members and in that situation all must be council members. Where a committee consists of more than 3 members then a majority of those members must be council members. Local governments may decide to appoint a committee involving only elected members or they may appoint one or more persons who are external to the Council. If a Council considers it appropriate, the whole Council can be appointed to the audit committee.

If the local government wishes to appoint one or more persons other than elected members to the committee, which is recommended, it should ensure that they have the requisite knowledge and skills to provide benefit to the committee.

Operation of the Committee

Irrespective of the membership of the committee, all legislative requirements relating to committee meetings such as advertising meeting dates, notice of meeting and keeping minutes of meetings need to be complied with.

The legislation prevents a meeting fee being paid to an external person but it is permissible for a payment to be made as a reimbursement of expenses, commensurate with the expertise and knowledge such people bring to the committee. The Council will need to determine whether payment will be offered and the level of that reimbursement payment.

Members of the committee should be encouraged to attend appropriate courses to keep them up to date with legislation, accounting and other relevant issues.

Other Responsibilities

Local governments are required by legislation to complete a statutory compliance return (Compliance Audit Return or CAR) annually and have the return adopted by Council. The return is a checklist of a local government's compliance with the requirements of the Act and its Regulations, concentrating on areas of compliance considered "high risk."

The Audit Committee is to review the annual CAR and report to the Council the results of that review, prior to adoption of the return by Council. After adoption, the return is to be signed by the Mayor or President and the CEO prior to it being forwarded to the Department.

The Audit Committee is to consider the CEO's biennial reviews (see Regulation 17.) of the appropriateness and effectiveness of the local government's systems and procedures in regard to risk management, internal control and legislative compliance and report to the council the results of those reviews.

Attached as Appendix 3 is information to assist in determining what falls within the terms 'risk management,' 'internal control' and 'legislative compliance.'

The audit committee could also consider proposals from the CEO as to whether the compliance audit, and the biennial reviews of risk management, internal control and legislative compliance, are undertaken internally or an external party is contracted to undertake the task. In the case of an external party the audit committee would have responsibility to receive the review report from the CEO and make recommendations on it to full Council.

4. The External Audit

Appointment of the Auditor

The Act and Regulations provide that –

- a) on the recommendation of the audit committee a local government is to from time to time appoint, by absolute majority, a person to be its auditor;
- b) the local government may appoint one or more persons as its auditor;
- c) the local government's auditor is to be a person who is –
 - a. a registered company auditor; or
 - b. an auditor approved by the Minister;
- d) a person may not be appointed as a local government auditor if that person is –
 - a. a councillor or employee of the local government;
 - b. in debt to the local government for more than \$5,000;
 - c. a councillor or employee of a regional local government in which the local government is a participant;
 - d. a member of an incorporated association formed by the local government; or
 - e. a class of persons as prescribed in the Regulations;
- e) an auditor is not to be appointed for more than five years; and
- f) the appointment of a person as an auditor is to be made by agreement in writing and is to include –
 - i. the objectives of the audit;
 - ii. the scope of the audit;
 - iii. a plan for the audit;
 - iv. details of the remuneration and expenses to be paid to the auditor; and
 - v. the method to be used by the local government to communicate with, and supply information to, the auditor.

The committee should undertake a proper selection and appointment process as part of appointing, or reappointing an auditor. If reappointment is being considered, the process should include the review of key issues as in i. to v. above.

It is important to realise that the Act specifies that it is a named person(s) that is appointed as auditor, not the company, or 'the partners' of the company which employs the person. Therefore, when the audit report is received it must be signed by the person(s) appointed as the auditor; it cannot be the generic signature identifying the firm.

Conduct of the Audit

The Act and Regulations provide that –

- a) the auditor is required by 31 December next following the financial year to which the audit relates, to examine the accounts and annual financial report submitted for audit;
- b) the auditor is to form an opinion as to whether –
 - i. the accounts are properly kept; and
 - ii. the annual financial report –
 - is prepared in accordance with the financial records; and
 - represents fairly the results of the operations of the local government and its financial position at 30 June;
- c) the auditor is to prepare a report on the audit and within 30 days of completing the audit forward a copy to –
 - i. the mayor or president;
 - ii. the CEO of the local government; and
 - iii. the Minister;

- d) the report is to give the auditor's opinion on –
- i. the financial position of the local government; and
 - ii. the results of the operation of the local government;
- e) the report is to include –
- i. any material matters that indicate significant adverse trends in the financial position or the financial management practices of the local government;
 - ii. any matters indicating non-compliance with financial management requirements of the Act, Regulations and any other written law;
 - iii. details of whether information and explanations were obtained;
 - iv. a report on the conduct of the audit; and
 - v. the opinion of the auditor as to whether or not the specific financial ratios reported are supported by verifiable information and reasonable assumptions;
- f) where it is considered appropriate to do so the auditor is to prepare a management report to accompany the auditor's report;
- g) where the auditor considers that –
- i. there is any error or deficiency in an account or financial report;
 - ii. any money paid from, or due to the local government has been, or may have been misapplied; or
 - iii. there is a matter arising from the audit that needs to be addressed by the local government; details are to be included in the report to the Minister; and

- h) the auditor has a right of access at all reasonable times to such books, accounts, documents and assets of the local government as are in the opinion of the auditor necessary to allow the audit to be conducted.

Scope of the Audit

The Act and Regulations prescribe the scope of the external audit of the annual financial statements of a local government.

The scope details are going to vary between local governments but as an aid a model minimum standard audit specification is attached as Appendix 2 to this guideline. Individual local governments can amend that document to suit their particular needs.

Reporting by the Auditor

Regulations require the auditor, where appropriate, to prepare a management report to accompany the auditor's report. Although there is no legislative requirement for the auditor to prepare a management report unless he or she deems it appropriate, local government may wish to require the auditor to prepare a report on all issues identified during the audit.

The auditor, after completing the audit, is to forward a copy of his or her audit and management report to –

- the Mayor or President;
- the CEO of the local government; and
- the Minister via the Department.

It is the CEO's responsibility to ensure that the external audit report is provided to the audit committee. In considering the audit and management reports presented to the audit committee, the CEO should:

- a) examine any critical matters raised in the reports that affect the financial position of the local government; and
- b) provide comment on any critical matters raised and action proposed to be taken to address those matters.

Once Council has addressed matters raised, or accepted the CEO's planned remedial action on matters raised in the audit and management reports, the CEO should provide feedback to the Department on those matters.

Appendix 1

Model Terms of Reference – Audit Committees

Important: The following Model Terms of Reference contains clauses that may not be applicable to each local government. Local governments will need to consider each clause and only adopt those that are applicable to the roles and responsibilities and delegated powers and functions that will apply to their audit committee.

The clauses that may be considered optional have been asterisked (*).

Objectives of Audit Committees

The primary objective of the audit committee is to accept responsibility for the annual external audit and liaise with the local government's auditor so that Council can be satisfied with the performance of the local government in managing its financial affairs.

Reports from the committee will assist Council in discharging its legislative responsibilities of controlling the local government's affairs, determining the local government's policies and overseeing the allocation of the local government's finances and resources. The committee will ensure openness in the local government's financial reporting and will liaise with the CEO to ensure the effective and efficient management of the local government's financial accounting systems and compliance with legislation.

The committee is to facilitate –

- the enhancement of the credibility and objectivity of *internal and external financial reporting;

- *effective management of financial and other risks and the protection of Council assets;
- compliance with laws and regulations as well as use of best practice guidelines relative to audit, risk management, internal control and legislative compliance;
- *the coordination of the internal audit function with the external audit; and
- the provision of an effective means of communication between the external auditor, *internal auditor, the CEO and the Council.

Powers of the Audit Committee

The Audit committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its term of reference. This is in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the local government that have not been delegated to the CEO.

The committee is a formally appointed committee of council and is responsible to that body. The committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The committee does not have any management functions and cannot involve itself in management processes or procedures.

Membership

The committee will consist of *four members with three elected and *one external person. All members shall have full voting rights.

*External persons appointed to the

committee will have business or financial management/reporting knowledge and experience, and be conversant with financial and other reporting requirements.

*Appointment of external persons shall be made by Council by way of a public advertisement and be for a maximum term of two years. The terms of the appointment should be arranged to ensure an orderly rotation and continuity of membership despite changes to Council's elected representatives.

*Reimbursement of approved expenses will be paid to each external person who is a member of the committee.

The CEO and employees are not members of the committee.

The CEO or his/her nominee is to be available to attend meetings to provide advice and guidance to the committee.

The local government shall provide secretarial and administrative support to the committee.

Meetings

The committee shall meet at least *quarterly.

Additional meetings shall be convened at the discretion of the presiding person.

Reporting

Reports and recommendations of each committee meeting shall be presented to the next ordinary meeting of the Council.

*The committee shall report annually to the Council summarising its activities during the previous financial year.

Duties and Responsibilities

The duties and responsibilities of the committee will be –

- a) Provide guidance and assistance to Council as to the carrying out the functions of the local government in relation to audits;
- b) Develop and recommend to Council an appropriate process for the selection and appointment of a person as the local government's auditor;
- c) Develop and recommend to Council –
- a list of those matters to be audited; and
 - the scope of the audit to be undertaken;
- d) Recommend to Council the person or persons to be appointed as auditor;
- e) Develop and recommend to Council a written agreement for the appointment of the external auditor. The agreement is to include –
- the objectives of the audit;
 - the scope of the audit;
 - a plan of the audit;
 - details of the remuneration and expenses to be paid to the auditor; and
 - the method to be used by the local government to communicate with, and supply information to, the auditor;
- f) Meet with the auditor once in each year and provide a report to Council on the matters discussed and outcome of those discussions;
- g) Liaise with the CEO to ensure that the local government does everything in its power to –
- assist the auditor to conduct the audit and carry out his or her other duties under the *Local Government Act 1995*; and
 - ensure that audits are conducted successfully and expeditiously;
- h) Examine the reports of the auditor after receiving a report from the CEO on the matters to –
- determine if any matters raised require action to be taken by the local government; and
 - ensure that appropriate action is taken in respect of those matters;
- i) Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and presenting the report to Council for adoption prior to the end of the next financial year or 6 months after the last report prepared by the auditor is received, whichever is the latest in time;
- j) Review the scope of the audit plan and program and its effectiveness;
- k) *Review the appropriateness of special internal audit assignments undertaken by internal audit at the request of Council or CEO (see reference to internal audit page 14);
- l) *Review the level of resources allocated to internal audit and the scope of its authority;
- m) *Review reports of internal audits, monitor the implementation of recommendations made by the audit and review the extent to which Council and management reacts to matters raised;
- n) *Facilitate liaison between the internal and external auditor to promote compatibility, to the extent appropriate, between their audit programs;
- o) *Review the local government's draft annual financial report, focusing on –
- accounting policies and practices;
 - changes to accounting policies and practices;
 - the process used in making significant accounting estimates;
 - significant adjustments to the financial report (if any) arising from the audit process;

- compliance with accounting standards and other reporting requirements; and
 - significant variances from prior years;
- p) *Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the annual financial report is signed;
- q) *Address issues brought to the attention of the committee, including responding to requests from Council for advice that are within the parameters of the committee's terms of reference;
- r) Seek information or obtain expert advice through the CEO on matters of concern within the scope of the committee's terms of reference following authorisation from the Council;
- s) Review the annual Compliance Audit Return and report to the council the results of that review, and
- t) Consider the CEO's biennial reviews of the appropriateness and effectiveness of the local government's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the committee, and report to the council the results of those reviews.

Internal Audit

Many local governments have recognised the need to improve their internal auditing processes, and have moved to either employ an internal auditor or contract out the internal audit function.

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an

organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The scope of an internal audit would be determined by the Audit committee, with input from the CEO, based on the size of the local government's internal operations and the level of compliance to be achieved. The role differs from that of the external auditor who is appointed by council on the recommendation of the Audit Committee, to report independently to it, through the mayor/president and the CEO, on the annual financial statements. The external auditor's primary role is to decide whether the annual financial statements of a local government are free of material misstatement.

There are certain functions of the internal audit that complement the external auditor's role. As the external auditor plans for an effective audit they need to assess and determine whether to include the scope, procedures and outcomes of the internal audit. The CEO must refer all internal audit reports to the Audit Committee for consideration.

An internal auditor's activities should typically include the following:

- (a) review of the internal control structure, monitoring the operations of the information system and internal controls and providing recommendations for improvements;
- (b) a risk assessment with the intention of minimising exposure to all forms of risk on the local government;
- (c) examination of financial and operating information that includes detailed testing of transactions, balances and procedures;

- (d) a review of the efficiency and effectiveness of operations and services including non-financial controls of a local government;
- (e) a review of compliance with management policies and directives and any other internal requirements;
- (f) review of the annual Compliance Audit Return;
- (g) assist in the CEO's biennial reviews of the appropriateness and effectiveness of the local government's systems and procedures in regard to risk management, internal control and legislative compliance; and
- (h) specific tasks requested by management.

For local government, the internal auditor should report functionally to the audit committee and administratively to the CEO. It should be remembered that pursuant to section 5.41 of the Act, the CEO is responsible for the day-to-day management of council activities including the direction of staff and implicitly the internal audit function. The CEO may choose to delegate this responsibility provided always that the delegation does not directly or indirectly interfere with the ability of the Internal Auditor to conduct an internal audit function free from interference.

A clear and properly defined reporting relationship ensures that the internal auditor is empowered to perform their role working with management. The direct reporting line to the audit committee also acts as an adequate safeguard in the event of a serious breakdown in internal controls or internal control culture at senior levels in the organisation.

While it is recognised that smaller councils may not be able to justify a

full-time internal auditor, a small size of operation does not justify forgoing internal audit altogether. If audit committee or management is of the view that the employment of an independent internal auditor either full-time or part-time is not warranted, it may request the council to have the internal audit function undertaken as necessary by an external contractor, or expand the role of its external auditor.

The external auditor or his or her professional company should only undertake internal audit functions that complement the external audit and do not cloud the objectivity and independence of the external audit. An external auditor must not audit information prepared by them or their accounting practice, as this is considered incompatible with the standard of independence.

Local governments that do not establish an internal audit process but require a review of the financial management systems and procedures, may decide to use the services of the external auditor for that purpose. Such reviews are to be undertaken every four years in accordance with regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*.

The review of financial management systems and procedures provides the external auditor with greater assurance of systems and procedures used to prepare the annual financial statements, and whether they provide information free of material misstatement.

Appendix 2

Model Minimum Standard Audit Specification

Important: The following Model Minimum Standard Audit Specification may be used as the basis for the calling of tenders or seeking of quotes for the appointment of an auditor. Local governments need to consider the Model to ensure that only those clauses applicable to its requirements are used. This applies, in particular, to the "Critical matters to be audited".

Introduction

This document is provided for the assistance of auditors who wish to apply for the role of auditor with the City/Town/Shire.

Auditors are required to address all of the matters outlined in the specification.

Auditors who submit an application may be asked to provide further information and/or make a presentation to the audit committee.

Objectives of the Audit

To provide an independent audit opinion of the accounts and annual financial reports of the local government for each financial year covered by the term of the audit appointment.

Term of Audit Appointment

For the financial years commencing 1 July through to 30 June..... (not more than 5 years)

Scope of the Audit

The auditor is to –

Carry out such work as is necessary to form an opinion as to whether –

- (a) the accounts are properly kept; and
- (b) the annual financial report –
 - (i) is prepared in accordance with the financial records; and
 - (ii) represents fairly the results of the operations of the local government and the financial position of the local government at 30 June in accordance with the Australian Accounting Standards, the *Local Government Act 1995* (as amended) (the Act), the *Local Government (Financial Management) Regulations 1996* (as amended) and other mandatory professional reporting requirements.

Give an opinion in his or her audit report on –

- (a) the financial position of the local government; and
- (b) the results of the operation of the local government.

Include in his or her audit report –

- (a) any material matters that indicate significant adverse trends in the financial position or the financial management practices of the local government;
- (b) any matters indicating non-compliance with financial management or control requirements of the Act, Regulations and any other written law;
- (c) details of whether information and explanations were obtained by the auditor;

- (d) a report on the conduct of the audit; and
- (e) the opinion of the auditor as to whether or not the specific financial ratios reported are supported by verifiable information and reasonable assumptions.

Audit Methodology and Approach

Other requirements of the Auditor –

- (a) The auditor is required to comply with the requirements of section 7.9 of the *Local Government Act 1995* and the *Local Government (Audit) Regulations 1996*;
- (b) An audit is to be carried out in accordance with accounting standards adopted from time to time by the Australian Government Auditing and Assurance Standards Board (AuASB);
- (c) The auditor is to provide the local government with a general outline of his/her methodology;
- (d) The auditor is to provide the local government with a plan for the audit including –
 - timing of interim audit visits;
 - final audit visit (within 30 days of being advised that the accounts and annual financial report are available for audit);
 - timing of the legislative requirement to meet with the local government and whether that meeting will be in person or by some other means;
 - the method to be used to communicate with, and provide advice and information to, the local government; and
- (e) The auditor is required to produce an audit report as required by section 7.9 of the *Local Government Act 1995* and, if considered appropriate by the auditor, a management report.

Critical Matters to be Audited

The auditor is to include in his or her application the extent to which the critical matters outlined below will be audited so as to form an opinion on the manner in which they have been maintained.

- (i) Revenue
 - Rates revenue
 - Government grants
 - User pays revenue
 - Profit on sale of non-current assets
 - Other income
- (ii) Expenditure
 - Salary and wage costs
 - Depreciation
 - Materials and contract expenditure
 - Loss on sale of non-current assets
 - Insurances
 - Bad debts
 - Other expenditure
- (iii) Current Assets
 - Bank and short term investments
 - Receivables and prepayments
 - Inventory
- (iv) Non-Current Assets
 - Property, plant, furniture and equipment
 - Infrastructure and depreciation
 - Other receivables
- (v) Liabilities (Current and non-current)
 - Creditors and accruals
 - Loan borrowings including new loans raised
 - Provision for annual and long service leave entitlements
- (vi) Reserve Funds
- (vii) Contingent Liabilities
- (viii) Capital Commitments
- (ix) Accounting Policies and Notes to the Financial Statements
- (x) Cash Flow Statement
- (xi) The financial ratios required by the *Local Government (Financial Management) Regulations 1996*

Hours, Fees and Expenditure

The auditor is to provide –

- estimate of the time to be spent on the audit;
- fees for completing the audit in accordance with this specification;
- nominated auditor(s) and registered company audit number(s); and
- experience of the nominated auditors in completing local government audits.

The auditor is to provide a fee for any additional audit requested by Council.

Terms

Conditions to be noted by auditors –

- the auditor shall not sub contract to a third party;
- the auditor shall not, and has no right to, assign the audit contract to third parties;
- the auditor shall not be engaged by the local government to undertake any financial consultancy with the local government that requires the preparation of financial information that will be the subject of the annual audit; and
- the auditor shall confirm that he or she has, and will maintain during the duration of the audit term, professional indemnity insurance covering the legal liability arising out of any neglect, default, error, or omission.

Termination of Appointment

The appointment as auditor is terminated if –

- (a) the auditor ceases to be a registered company auditor;
- (b) the auditor ceases to be an approved auditor under Section 7.5 of the *Local Government Act 1995*;
- (c) the auditor is a disqualified person under Section 7.4(2) of the *Local Government Act 1995*;
- (d) the auditor resigns by notice in writing to Council; or
- (e) Council serves notice in writing to the auditor terminating the appointment.

Appendix 3

Issues that should be considered for inclusion in the CEO's Review of Risk Management, Internal Control and Legislative Compliance

Please note: Section 7 of the Department's Western Australian Local Government Accounting Manual provides a comprehensive internal control framework related to internal control and risk management.

Risk Management

Internal control and risk management systems and programs are a key expression of a local government's attitude to effective controls. Good audit committee practices in monitoring internal control and risk management programs typically include:

- Reviewing whether the local government has an effective risk management system and that material operating risks to the local government are appropriately considered;
- Reviewing whether the local government has a current and effective business continuity plan (including disaster recovery) which is tested from time to time;
- Assessing the internal processes for determining and managing material operating risks in accordance with the local government's identified tolerance for risk, particularly in the following areas;
 - potential non-compliance with legislation, regulations and standards and local government's policies;
 - important accounting judgements or estimates that prove to be wrong;
- litigation and claims;
- misconduct, fraud and theft;
- significant business risks, recognising responsibility for general or specific risk areas, for example, environmental risk, occupational health and safety, and how they are managed by the local government;
- Obtaining regular risk reports, which identify key risks, the status and the effectiveness of the risk management systems, to ensure that identified risks are monitored and new risks are identified, mitigated and reported;
- Assessing the adequacy of local government processes to manage insurable risks and ensure the adequacy of insurance cover, and if applicable, the level of self-insurance;
- Reviewing the effectiveness of the local government's internal control system with management and the internal and external auditors;
- Assessing whether management has controls in place for unusual types of transactions and/or any potential transactions that might carry more than an acceptable degree of risk;
- Assessing the local government's procurement framework with a focus on the probity and transparency of policies and procedures/processes and whether these are being applied;
- Should the need arise, meeting periodically with key management, internal and external auditors, and compliance staff, to understand and discuss any changes in the local government's control environment;
- Ascertaining whether fraud and misconduct risks have been identified, analysed, evaluated, have an appropriate treatment plan which has been implemented, communicated,

monitored and there is regular reporting and ongoing management of fraud and misconduct risks.

Internal Control

Internal control is a key component of a sound governance framework, in addition to leadership, long-term planning, compliance, resource allocation, accountability and transparency. Strategies to maintain sound internal controls are based on risk analysis of the internal operations of a local government.

An effective and transparent internal control environment is built on the following key areas:

- integrity and ethics;
- policies and delegated authority;
- levels of responsibilities and authorities;
- audit practices;
- information system access and security;
- management operating style; and
- human resource management and practices.

Internal control systems involve policies and procedures that safeguard assets, ensure accurate and reliable financial reporting, promote compliance with legislation and achieve effective and efficient operations and may vary depending on the size and nature of the local government.

Aspects of an effective control framework will include:

- delegation of authority;
- documented policies and procedures;
- trained and qualified employees;
- system controls;
- effective policy and process review;
- regular internal audits;
- documentation of risk identification and assessment; and

- regular liaison with auditor and legal advisors.

The following are examples of controls that are typically reviewed:

- separation of roles and functions, processing and authorisation;
- control of approval of documents, letters and financial records;
- comparison of internal data with other or external sources of information;
- limit of direct physical access to assets and records;
- control of computer applications and information system standards;
- limit access to make changes in data files and systems;
- regular maintenance and review of financial control accounts and trial balances;
- comparison and analysis of financial results with budgeted amounts;
- the arithmetical accuracy and content of records;
- report, review and approval of financial payments and reconciliations; and
- comparison of the result of physical cash and inventory counts with accounting records.

Legislative Compliance

The compliance programs of a local government are a strong indication of attitude towards meeting legislative requirements. Audit committee practices in regard to monitoring compliance programs typically include:

- Monitoring compliance with legislation and regulations;
- Reviewing the annual Compliance Audit Return and reporting to Council the results of that review;
- Staying informed about how management is monitoring the

- effectiveness of its compliance and making recommendations for change as necessary;
- Reviewing whether the local government has procedures for it to receive, retain and treat complaints, including confidential and anonymous employee complaints;
 - Obtaining assurance that adverse trends are identified and review management's plans to deal with these;
 - Reviewing management disclosures in financial reports of the effect of significant compliance issues;
 - Reviewing whether the internal and/or external auditors have regard to compliance and ethics risks in the development of their audit plan and in the conduct of audit projects, and report compliance and ethics issues to the audit committee;
 - Considering the internal auditor's role in assessing compliance and ethics risks in their plan;
 - Monitoring the local government's compliance frameworks dealing with relevant external legislation and regulatory requirements; and
 - Complying with legislative and regulatory requirements imposed on audit committee members, including not misusing their position to gain an advantage for themselves or another or to cause detriment to the local government and disclosing conflicts of interest.

These guidelines are also available on the Department's website at www.dlgc.wa.gov.au



About the Guideline series

This document and others in the series are intended as a guide to good practice and should not be taken as a compliance requirement. The content is based on Department officer knowledge, understanding, observation of, and appropriate consultation on contemporary good practice in local government. Guidelines may also involve the Department's views on the intent and interpretation of relevant legislation.

All guidelines are subject to review, amendment and re-publishing as required. Therefore, comments on any aspect of the guideline are welcome. Advice of methods of improvement in the area of the guideline topic that can be reported to other local governments will be especially beneficial.

For more information about this and other guidelines, contact the Local Government Regulation and Support Branch at:

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SHIRE OF DONNYBROOK-BALINGUP**AUDIT COMMITTEE****TERMS OF REFERENCE****1. Objectives of Audit Committee**

The primary objective of the Audit Committee is to accept responsibility for the annual external audit and liaise with the local government's auditor so that Council can be satisfied with the performance of the local government in managing its financial affairs.

Reports from the Committee will assist Council in discharging its legislative responsibilities of controlling the local government's affairs, determining the local government's policies and overseeing the allocation of the local government's finances and resources. The Committee will ensure openness in the local government's financial reporting and will liaise with the CEO to ensure the effective and efficient management of local government's financial accounting systems and compliance with legislation.

The Committee is to facilitate:

- the enhancement of the credibility and objectivity of internal and external financial reporting;
- effective management of financial and other risks and the protection of Council assets;
- compliance with laws and regulations as well as use of best practice *guidelines relative to audit, risk management, internal control and legislative compliance*;
- *the co-ordination of the internal audit function with the external audit; and*
- the provision of an effective means of communication between the external auditor, *internal auditor (if appointed)* the CEO and the Council.

2. Powers of the Audit Committee

The committee is a formally appointed Committee of Council and is responsible to that body.

The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The Committee does

not have any management functions and cannot involve itself in management processes or procedures.

The Committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its Terms of Reference in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the local government that have not been delegated to the CEO.

3. Membership

The Committee will consist of ~~[all elected members of Council]~~ **[three (3) Elected Members plus two (2) external members]**. All members shall have full voting rights.

External persons appointed to the committee will have business or financial management / reporting knowledge and experience, and be conversant with financial and other reporting requirements.

Appointment of external persons shall be made by Council by way of a public advertisement and be for a maximum term of two (2) years. The terms of the appointment shall be arranged to ensure an orderly rotation and continuity of membership despite changes to Council's elected representatives.

Reimbursement of approved expenses will be paid to each external person who is a member of the committee.

The CEO and employees are not members of the Committee.

The CEO ~~and the Manager, Finance and Administration~~ *or his/her nominee is to be available* is to attend all meetings to provide advice and guidance to the committee.

The local government shall provide secretarial and administrative support to the committee.

4. Meetings

The committee shall meet at least ~~twice per calendar year~~ *quarterly*. Additional meetings shall be convened at the discretion of the presiding person.

5. Reporting

Reports and recommendations of each Committee meeting shall be presented to the next ordinary meeting of the Council.

The Committee shall report annually to the Council summarising its activities during the previous financial year.

6. Duties and Responsibilities

The duties and responsibilities of the committee will be –

- a) Provide guidance and assistance to Council as to the carrying out the functions of the local government in relation to audits *and matters related to financial management.*
- b) ~~Develop and recommend to Council an appropriate process for the selection and appointment of a person as the local government's auditor.~~
- c) ~~Develop and recommend to Council –~~
 - ~~• a list of those matters to be audited; and~~
 - ~~• the scope of the audit to be undertaken.~~
- d) ~~Recommend to Council the person or persons to be appointed as auditor.~~
- e) ~~Develop and recommend to Council a written agreement for the appointment of the auditor. The agreement is to include –~~
 - ~~• the objectives of the audit;~~
 - ~~• the scope of the audit;~~
 - ~~• a plan of the audit;~~
 - ~~• details of the remuneration and expenses to be paid to the auditor; and~~
 - ~~• the method to be used by the local government to communicate with, and supply information to, the auditor.~~
- b) Meet with the auditor at least once in each year *and provide a report to Council on the matters discussed and outcome of those discussions.*
- c) Liaise with the CEO to ensure that the local government does everything in its power to –
 - assist the auditor to conduct the audit and carry out his or her other duties under the Local Government Act 1995; and
 - ensure that audits are conducted successfully and expeditiously.
- d) Examine the reports of the auditor after receiving a report from the CEO on the matters and –
 - determine if any matters raised require action to be taken by the local government; and

- ensure *the implementation of any action so determined* that appropriate action is taken in respect of those matters.
- e) Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and presenting the report to Council for adoption prior to the end of the next financial year or 6 months after the last report prepared by the auditor is received, whichever is the latest in time.
- f) Review the scope of the *any internal* audit plan and program and its effectiveness.
- g) *Review the appropriateness of special internal audit assignments undertaken by internal audit at the request of Council or the CEO.*
- h) *Review the level of resources allocated to internal audit and the scope of its authority.*
- i) *Review reports of internal audits, monitor* the implementation of recommendations made by the Auditor and reviewing the extent to which Council and management reacts to matters raised.
- j) *Facilitate liaison between the internal auditor (if appointed) and external auditor to promote compatibility, to the extent appropriate, between their audit programs.*
- ~~l) Address issues brought to the attention of the committee, including responding to requests from Council for advice that are within the parameters of the committee's terms of reference.~~
- k) *Review the local government's draft annual financial report, focusing on:*
 - *accounting policies and practices;*
 - *changes to accounting policies and practices;*
 - *the process used in making significant accounting estimates;*
 - *significant adjustments to the financial report (if any) arising from the audit process;*
 - *compliance with accounting standards and other reporting requirements; and*
 - *significant variances from prior years;*
- l) *Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the annual financial report is signed;*
- ~~m) Seek information or obtain expert advice through the CEO on matters of concern within the scope of the committee's terms of reference following authorisation from the Council.~~
- m) *Address issues brought to the attention of the Committee, including responding to requests from Council for advice that we are within the parameters of the Committee's Terms of Reference.*
- n) *Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's Terms of Reference following authorisation from the Council*

- o) Review the *Annual* Statutory Compliance Return and *report to Council on the results of that review. make a recommendation on its adoption to Council.*
- p) *Having regard to the culture and capability of the organisation, consider the CEO's reviews of the appropriateness and effectiveness of the local government's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the Committee, and report to the Council the results of those reviews.*
- q) *Monitor and advise the CEO when the CEO is carrying out functions in relation to a review of the appropriateness and effectiveness of the local government's system and procedures in regard to risk management, internal control and legislative compliance.*
- r) *Oversee the implementation of any action required following receipt of the review of the appropriateness and effectiveness of the local government's system and procedures in regard to risk management, internal control and legislative compliance.*
- s) *Monitor and advise the CEO when the CEO is carrying functions in relation to a review of the appropriateness and effectiveness of the financial management systems and procedures.*
- t) *Oversee the implementation of any action required following receipt of a review of the appropriateness and effectiveness of the financial management systems and procedures.*