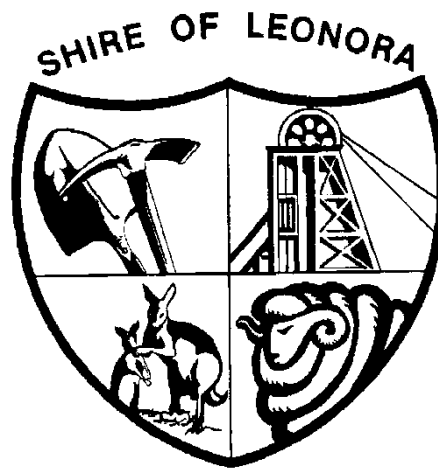


SHIRE OF LEONORA



**MINUTES OF AUDIT AND RISK COMMITTEE MEETING
HELD IN COUNCIL CHAMBERS, LEONORA
ON TUESDAY 20TH SEPTEMBER, 2022
COMMENCING AT 11:16AM.**

SHIRE OF LEONORA
ORDER OF BUSINESS FOR MEETING HELD
TUESDAY 20TH SEPTEMBER, 2022.

1	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS / FINANCIAL INTEREST DISCLOSURES	3
2	RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE	3
	2.1 ATTENDANCE	3
	2.2 APOLOGIES	3
	2.3 LEAVE OF ABSENCE	3
	2.4 APPLICATIONS FOR LEAVE OF ABSENCE	3
3	CONFIRMATION OF MINUTES FROM PREVIOUS MEETING	3
4	REPORTS	4
	4.1 CHIEF EXECUTIVE OFFICER REPORTS	3
	4.2 DEPUTY CHIEF EXECUTIVE OFFICER REPORTS	4
	(A) Related Party Transactions and Disclosures	4
5	NEXT MEETING	6
6	CLOSURE OF MEETING	6

1.0 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS / FINANCIAL INTEREST DISCLOSURES

1.1 The Shire President, Cr PJ Craig declared the meeting open at 11:16am.

1.2 Visitors or members of the public in attendance
Nil

1.3 Financial/Other Interest Disclosures
Nil

2.0 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE**2.1 Attendance**

President (Chairperson)	PJ Craig
Deputy President	RA Norrie
Councillors	RM Cotterill
	AM Moore
	LR Petersen
	AE Taylor
Chief Executive Officer	JG Epis
Deputy Chief Executive Officer	L Trevenen

2.2 Apologies
Councillor

F Harris

2.3 Leave of Absence
Nil

2.4 Applications for Leave of Absence
Nil

3.0 CONFIRMATION OF MINUTES FROM PREVIOUS MEETING**COMMITTEE DECISION**

Moved: Cr LR Petersen

Seconder: Cr RA Norrie

That the minutes of the Audit and Risk Committee Meeting held on 21 June, 2022 be confirmed.

CARRIED (6 VOTES TO 0)

4.0 REPORTS

4.1 CHIEF EXECUTIVE OFFICER REPORTS
Nil

4.0 REPORTS**4.2 DEPUTY CHIEF EXECUTIVE OFFICER REPORTS****4.2.(A) RELATED PARTY TRANSACTIONS AND DISCLOSURES**

SUBMISSION TO:	Audit and Risk Committee Meeting Meeting Date: 20th September 2022
AGENDA REFERENCE:	4.2.(A) SEP 22
SUBJECT:	Related Party Transactions and Disclosures
LOCATION/ADDRESS:	Leonora
NAME OF APPLICANT:	N/A
FILE REFERENCE:	1.8
AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT	
NAME:	Lee-Anne Trevenen
OFFICER:	Deputy Chief Executive Officer
INTEREST DISCLOSURE:	Nil
DATE:	15th September 2022
SUPPORTING DOCUMENTS:	Nil

BACKGROUND

In accordance with AASB 124 *Related Party Disclosures*, local governments must disclose in the annual financial statements related party relationships, transactions and outstanding balances (including commitments) from 1 July 2016. Related parties include Key Management Personnel (KMP), which in the Shire of Leonora's case will include all elected members and executive staff, their close family members and any entities that they control or jointly control. The disclosure requires any transactions with these parties, whether monetary or not, to be identified and assessed whether disclosure is required or not. A disclosure may be in aggregate and will only occur where a transaction has occurred.

Regarding the disclosures, the following approach was developed in a workshop held at the June 2017 Audit and Risk Committee Meeting to ensure that management can properly address the requirements of the accounting standard:

- A procedure / guide for related party disclosures to be established, which includes the updating of returns quarterly through the Audit and Risk Committee Meetings
- Establishment of a system to identify and record related parties of KMPs
- Establishment of a system to identify and record related party relationships of KMPs
- Establishment of a system to identify and record related party transactions
- Identify 'Ordinary Citizen Transactions' (OCTs) that will not be disclosed by Council
- Create declaration forms to be completed by KMPs
- Set a materiality threshold for management to apply when assessing transactions for inclusion in the financial statements
- Identified the need for a separate workshop to be scheduled for newly elected members and
- For the Audit and Risk Committee to recommend any changes required to the above processes

STATUTORY ENVIRONMENT

Disclosures were required from Local Government entities from 1 July 2016 in accordance with AASB 124 *Related Party Disclosures*, with the first disclosures made in the Financial Statements for the year ended 30 June 2017.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendation of this report.

FINANCIAL IMPLICATIONS

There are no financial implications resulting from the recommendation of this report that will have any detrimental effect on the Shire's finances.

STRATEGIC IMPLICATIONS

Strategic References within the Shire of Leonora Strategic Community Plan 2017-2027 demonstrate connections between services and the desired outcomes and community vision for the Shire of Leonora, particularly in relation to Governance services in this instance such as 4.1 Efficient service offerings to the community, 4.2 Effective and open engagement with all sections of the community, 4.5 Strong leadership and planning.

RECOMMENDATIONS

That the Audit and Risk Committee note the approach taken and the systems established by management with regard to addressing the requirements of *AASB 124 Related Party Disclosures*.

VOTING REQUIREMENT

Simple Majority

COMMITTEE DECISION

Moved: Cr RA Norrie

Seconded: Cr AM Moore

That the Audit and Risk Committee note the approach taken and the systems established by management with regard to addressing the requirements of *AASB 124 Related Party Disclosures*.

CARRIED (6 VOTES TO 0)

5.0 NEXT MEETING

Tuesday 20th December 2022

6.0 CLOSURE OF MEETING

There being no further business, the Chairperson, Shire President, Cr PJ Craig declared the meeting closed at 11:24am.