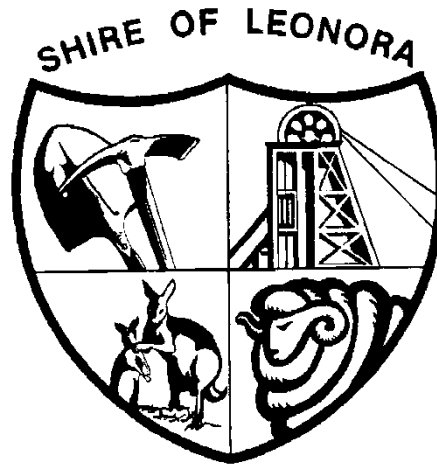


SHIRE OF LEONORA



AUDIT AND RISK COMMITTEE MEETING

TO BE HELD 15 DECEMBER 2015, AT 12:34PM.

JG EPIS
CHIEF EXECUTIVE OFFICER

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

Chairperson, Cr PJ Craig, declared the meeting open at 12:34pm.

2.0 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

2.1 Present

President

Deputy President

Councillors

PJ Craig

MWV Taylor

RM Cotterill

RA Norrie

AE Taylor

LR Petersen

GW Baker

JG Epis

TM Browning

SG Butson

Chief Executive Officer

Deputy Chief Executive Officer

Manager Community Services

2.2 Apologies

Nil

3.0 CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETING

Draft motion: That the Minutes of the Ordinary Meeting held on 15th September, 2015 be confirmed as a true and accurate record.

Moved Cr LR Petersen, Seconded Cr RA Norrie that the minutes of the Audit and Risk Committee Meeting held on the 15th September, 2015 be confirmed as a true and accurate record.

CARRIED (7 VOTES TO 0)

4.0 REPORTS OF OFFICERS**4.1 CHIEF EXECUTIVE OFFICER****4.1(A) TENDER – AUDIT CONTRACT**

SUBMISSION TO: Meeting of Audit & Risk Committee
Meeting Date: 15th December 2015

AGENDA REFERENCE: 4.1 (A) DEC 15

SUBJECT: Tender – Audit Contract

LOCATION / ADDRESS: Leonora

NAME OF APPLICANT: Not Applicable

FILE REFERENCE: Audits – Reports and Minutes 1.10

AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT

NAME: James Gregory Epis

OFFICER: Chief Executive Officer

INTEREST DISCLOSURE: Nil

DATE: 8th December 2015

BACKGROUND

The audit contract awarded to Butler Settineri expires 30th June, 2016. As a consequence, a new agreement needs to be considered for continued audit services to the Shire of Leonora.

Interested firms in preparing their quotation will need to provide detail in regards the following:

- objectives of the audit;
- the scope of the audit;
- a plan for the audit;
- detailed remuneration and expenses to be paid for their services;
- the method Council is to use when communicating and supplying information to the auditor; and
- details in regards their proven performance.

A draft information sheet for audit firms responding to the advertisement that will be placed is attached for information.

STATUTORY ENVIRONMENT

In accordance with Section 7.2 to 7.13 of the Local Government Act 1995 and Local Government Audit Regulations 4 to 8.

Section 7.3 of the Local Government Act 1995 states:

1. A Local Government is to, from time to time whenever such an appointment is necessary or expedient, appoint a person to be its auditors.
2. The Local Government may appoint one or more persons as its auditors.
3. The Local Government's auditors is to be a person who is:
 - (a) a registered company auditor; or
 - (b) an approved auditor.

The following delegation exists to the Audit Committee, which also sets out the responsibilities of the committee:

01 DELEGATIONS TO COMMITTEES

Audit Committee

Membership: As determined by the Council's resolution.

Role: To fulfill Council's statutory requirements pursuant to the Local Government (Audit) Regulations.

Delegated Duties and Responsibilities

The following Duties and Responsibilities are delegated to the Audit Committee by the Council:-

1. Provide guidance and assistance to the Council as to the carrying out the functions of the local government in relation to audits;
2. Develop and recommend to Council an appropriate process for the selection and appointment of a person as the local government's auditor;
3. Develop and recommend to Council –
 - A list of those matters to be audited; and
 - The scope of the audit to be undertaken;
4. Recommend to the Council the person or persons to be appointed as auditor;
5. Develop and recommend to the 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;
6. 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;
7. 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 that appropriate action is taken in respect of those matters;
8. 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;
9. Review the scope of the audit plan and program and its effectiveness; and
10. 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.
11. To meet with the auditor at least once in every year in accordance with Section 7.12A (2) of the Local Government Act 1995.

POLICY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

The issue under review will not impact on Council's current finances and will have no major impact in future years.

STRATEGIC IMPLICATIONS

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

RECOMMENDATIONS

That expressions of interest be invited from Qualified Registered Company Auditors for the purpose of the Local Government Act 1995 to provide audit services to the Shire of Leonora for three (3) consecutive financial years with an option of a further two (2) consecutive financial years commencing 1st July, 2016.

VOTING REQUIREMENT

Simple majority required.

COMMITTEE DECISION

Moved Cr AE Taylor, Seconded Cr RA Norrie that expressions of interest be invited from Qualified Registered Company Auditors for the purpose of the Local Government Act 1995 to provide audit services to the Shire of Leonora for three (3) consecutive financial years with an option of a further two (2) consecutive financial years commencing 1st July, 2016.

CARRIED (7 VOTES TO 0)



**SHIRE OF LEONORA
EXPRESSIONS OF INTEREST
AUDIT SERVICES FOR YEARS ENDING 30 JUNE 2017 TO 30 JUNE 2019
(INC. OPTION TO EXTEND FOR A FURTHER TWO CONSECUTIVE YEARS)**

The Shire of Leonora is calling for expressions of interest from Qualified Registered Company Auditors or Approved Auditors for the purposes of the Local Government Act 1995 to provide audit services to the Shire of Leonora for three (3) consecutive financial years commencing 1st July 2016, with an option to extend for a further two consecutive financial years.

In preparation of expressions of interest, interested firms are requested to provide details in regards to the following:

- Objectives of the audit
- Scope of the audit
- Plan for the audit (including number of audit visits per annum, hours proposed onsite and offsite for each audit visit, and approximate timing of audit visits by month)
- Detailed remuneration and expenses to be paid for services per annum (including allowances, as well as costs to be met by Council etc). Please indicate whether inclusive or exclusive of GST.
- The method Council is to use when communicating and supplying information to the auditor (including expectation of timing of supply of information e.g. on arrival, prior to visit etc).
- Details in regards to experience for audit services to local government (including experience, qualifications of staff that will be conducting on site visits)
- Other information considered pertinent by interested firms.

Further information about regarding Council's financial accounting system and requirements can be obtained by contacting Tanya Browning, on 9037 6044.

Expressions of interest should be addressed to the undersigned and submitted by 4pm XXXX.

**J.G. Epis
Chief Executive Officer
Shire of Leonora
PO Box 56
LEONORA WA 6438
Ph: 08 9037 6044**

5.0 NEXT MEETING

15th March, 2016 following the conclusion of the Ordinary meeting of Council commencing at 9:30am.

6.0 CLOSURE OF MEETING

There being no further business, Chairperson Cr PJ Craig declared the meeting closed at 12:39pm.