

# TOWN OF BASSENDEAN

## MINUTES

### AUDIT AND GOVERNANCE COMMITTEE

HELD IN THE COUNCIL CHAMBER, 48 OLD PERTH ROAD, BASSENDEAN  
ON WEDNESDAY 27 NOVEMBER 2019, AT 5.30PM

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#### 1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member opened the meeting, welcomed all those in attendance and conducted an Acknowledgement of Country.

#### 2.0 ATTENDANCES, APOLOGIES AND APPLICATIONS FOR LEAVE OF ABSENCE

##### Present

Cr Hilary MacWilliam, Presiding Member  
Cr Renee McLennan  
Cr Kathryn Hamilton  
Ian Walters  
Tom Klaassen

##### Staff/Consultants

Paul White, Director Corporate Services  
Natalie Ong, Manager Strategy & Governance  
Diane Depiazz, Manager Finance  
Tony Macri, Macri Partners  
Suren Herathmudalige, Macri Partners  
Liang Wong, Office of the Auditor General  
Ron Back, Financial Advisor  
Amy Holmes, Minute Secretary

#### 3.0 DEPUTATIONS

Nil

#### **4.0 CONFIRMATION OF MINUTES**

##### **4.1 Audit and Governance Committee Meeting held on 13 November 2019**

###### **COMMITTEE/OFFICER RECOMMENDATION – ITEM 4.1**

MOVED Cr Hamilton, Seconded Ian Walters, that the minutes of the Audit and Governance Committee meeting held on 13 November 2019, be confirmed as a true record.

**CARRIED UNANIMOUSLY 5/0**

#### **5.0 ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION**

Nil

#### **6.0 DECLARATIONS OF INTEREST**

Nil

#### **7.0 BUSINESS DEFERRED FROM PREVIOUS MEETING**

Nil

#### **8.0 REPORTS**

##### **8.1 Audited Annual Financial Statements for the Year Ended 30 June 2019 (Ref: FINM/AUD/7 – Paul White, Director Corporate Services)**

###### **APPLICATION**

The purpose of this report is to submit for review the Audited Annual Financial Statements for the year ended 30 June 2019.

###### **ATTACHMENTS**

###### **Attachment No. 1:**

<https://www.bassendean.wa.gov.au/council-meetings/audit-and-governance-committee/357>

## BACKGROUND

The 2018/19 Audited Annual Financial Statements have been completed and the Committee was requested to adopt the document.

## RELEVANT LAW

Section 6.4 of the Local Government Act states:

### 6.4 Financial report

- (1) *A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.*
- (2) *The financial report is to —*
  - (a) *be prepared and presented in the manner and form prescribed; and*
  - (b) *contain the prescribed information.*
- (3) *By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —*
  - (a) *the accounts of the local government, balanced up to the last day of the preceding financial year; and*
  - (b) *the annual financial report of the local government for the preceding financial year.*

## STRATEGIC IMPLICATIONS

### Good Governance

5.1 Enhance organisational accountability	5.1.1 Enhance the capability of our people
	5.1.2 Ensure financial sustainability
	5.1.3 Strengthen governance, risk management and compliance
	5.1.4 Improve efficiency and effectiveness of planning and services
	5.1.5 Ensure optimal management of assets

## COMMENT

The audit for the 2018/19 financial year has been completed and provides an overview of the financial activities of the Town of Bassendean for the 2018/19 year.

The auditor has requested that the 2018/19 and Draft Independent Auditor's Report and Audit Completion Report be received by the Audit and Governance Committee prior to the auditor providing the final version of the audit report.

### **2018/19 Closing Surplus**

The estimated closing budget surplus at 30 June 2019 was anticipated to be \$21,614. Following the conclusion of the financial year and the completion of the Annual Audit, the actual closing surplus for the 2018/19 financial year was \$1,432,345. The closing surplus includes an amount of \$280,000 that relates to rates paid in advance. The amount has been included as income in accordance with current audit requirements.

A list of the major variances between the 2018/19 Budget and Actual amounts are included as an attachment to the Agenda.

### **COMMITTEE/OFFICER RECOMMENDATION – ITEM 8.1**

**AGC-1/11/19**

MOVED Tom Klaassen, Seconded Ian Walters, that the Committee recommends that Council:

1. Acknowledges the 2018/19 Independent Auditor's Report and Audit Completion Report; and
2. Adopts the 2018/19 Audited Annual Financial Statements.

**CARRIED UNANIMOUSLY 5/0**

### **8.2 Audit and Governance Committee – Meeting Dates for 2020**

The Audit and Governance Committee meeting dates for 2020 are to be set prior to advertising to fill vacant positions on the Committee, which expire at the end of 2019.

The following meeting dates are proposed for 2020, in line with the Committee's Instrument of Appointment and Delegation, which states that the Committee shall meet every three months or more regularly, as required, at the discretion of the Presiding Member of the Committee, the Mayor or the CEO:

11 March, 3 June, 5 August and 4 November.

These dates are to be endorsed by Council, so that Officers can commence advertising for vacant positions on the Committee.

It is recommended that advertising commence as soon as possible, so that the appointments of external independent members and community members can be endorsed by Council in February 2020. This will then enable the Committee to have a full membership to hold its meeting in March 2020.

**COMMITTEE/OFFICER RECOMMENDATION – ITEM 8.2**

**AGC-2/11/19**

MOVED Cr McLennan, Seconded Tom Klaassen, that:

1. Council endorses the following 2020 meeting dates of the Audit and Governance Committee to be held on a Wednesday commencing at 5.30pm to be held in the Council Chambers, 48 Old Perth Road, Bassendean:

11 March, 3 June, 5 August and 4 November;

2. The Audit and Governance Committee meeting dates and the calling of nominations for members be advertised in 2019, and considered by Council at its Ordinary meeting to be held 25 February 2020.

CARRIED UNANIMOUSLY 5/0

**9.0 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**10.0 ANNOUNCEMENTS OF NOTICES OF MOTION FOR THE NEXT MEETING**

Nil

**11.0 CONFIDENTIAL BUSINESS**

Nil

**12.0**                      **CLOSURE**

The next meeting is to be advised.

There being no further business, the Presiding Member closed the meeting at 6.10pm.