

# AGENDA

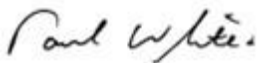
## Audit and Governance Committee Meeting Wednesday 11 June 2025

### NOTICE OF MEETING

Dear Committee Member

The next meeting of the Audit and Governance Committee will be held at 5:30 pm on Wednesday 11 June 2025, in the Council Chamber, Administration Building, 48 Old Perth Road, Bassendean.

Please note, that parts of this meeting may be closed to the public, as the agenda contains confidential attachments which may be discussed by Council behind closed doors, in accordance with s5.23 (2)(c) of the *Local Government Act 1995*.



Paul White  
**ACTING CHIEF EXECUTIVE OFFICER**

6 JUNE 2025

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## **1 Declaration Of Opening; Acknowledgment of Country; Acknowledgment of Visitors; Disclaimer**

### **Acknowledgement of Country**

The Town of Bassendean acknowledges the Whadjuk people of the Noongar Nation as the Traditional Custodians of this land. We pay our respects to Elders past and present, and acknowledge their continuing culture and the contribution they make to the region.

## **2 Announcements by the Presiding Member without Discussion**

### **3 Attendances, Apologies and Leave of Absence Committee Members**

Ms Sasha Rademakers (Presiding Member) (Community Member)  
Cr Kathryn Hamilton, Mayor  
Cr Jamayne Burke

#### Officers

Mr Paul White, Director Corporate Services  
Ms Joanne Burges, Manager Governance & Strategy  
Ms Waruni De Silva, Manager Financial Services  
Mr Tristan Loney, Manager Information and Technology

#### Advisor to the Committee

Mr Ron Back

#### Guests

Ms Caitlin McGowan, Office of the Auditor General  
Mr Cameron Palassis, Executive Director, Paxon  
Mr Ian Ekins, Associate Director, Paxon

#### Public

## **4 Declarations of Interest**

## **5 Presentations or Deputations**

Nil.

## **6 Questions and Statements from Members of the Public**

Nil.

## 7 Confirmation of Minutes

7.1 Confirmation of Minutes – 12 March 2025	
<b>Attachments</b>	1. Audit and Governance Committee 12 March 2025 Confirmed Minutes [7.1.1 - 19 pages]

### **Officer Recommendation – Item 7.1**

That the minutes of the Audit and Governance Committee meeting held on 12 March 2025 be received and confirmed as a true and correct record.

**Voting requirements: Simple Majority**

## 8 Business Deferred from Previous Meeting

Nil.

## 9 Reports

<b>9.1 Annual Audit of the Financial Report for 2024/25 - Audit Planning Summary</b>	
<b>Property Address</b>	N/A
<b>Landowner/Applicant</b>	N/A
<b>File Reference</b>	FINM/AUD/8
<b>Department</b>	Office of the CEO,
<b>Previous Reports</b>	
<b>Authority/Discretion</b>	<b>Information</b> For the Council/Committee to note.
<b>Attachments</b>	1. Annual Financial Audit Planning Summary - Town of Bassendean - 30 June 2025 [9.1.1 - 19 pages]

### Purpose

The purpose of this report is to provide the Audit Planning Summary (APS) for the audit of the Town's Financial Report for 2024/25 to the Committee.

### Background

The primary purpose of the APS is to brief the Town on the proposed approach by the Office of the Auditor General (OAG), to audit the financial report of the Town for the year ending 30 June 2025.

### Proposal

For the Audit and Governance Committee to receive the APS.

### Communication and Engagement

The OAG liaised with Town staff in the preparation of the APS, which was presented to the Mayor and Committee Chair for discussion at the Entrance Meeting on 27 May.

### Strategic Implications

#### Performance Area 5: Performance

9.1 Continuously improve operational performance and service delivery.

## Comment

Following the audit, a final audit findings meeting will be held with Town management and the OAG to discuss any significant accounting issues and findings noted during the final audit. If there are significant, unresolved matters, then a meeting will also be held with the Committee and the CEO.

The Final Audit Exit Meeting with the Committee is expected to be held on 10 December 2025 and will cover the presentation and discussion of the audit closing report, which will outline any significant audit related matters concerning the financial report, management letters and improvement suggestions for future audits.

## Statutory Requirements

### Local Government Act 1995

#### 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.

### Local Government (Financial Management) Regulations 1996

The Regulations specify the required content of the annual financial report prepared under section 6.4 of the *Local Government Act 1995*.

### Local Government Act 1995

#### 7.12AB. Conducting a financial audit

The auditor must audit the accounts and annual financial report of a local government at least once in respect of each financial year.

#### 7.12AD. Reporting on a financial audit

1. The auditor must prepare and sign a report on a financial audit.

2. The auditor must give the report to —
  - (a) the mayor, president or chairperson of the local government; and
  - (b) the CEO of the local government; and
  - (c) the Minister.

Local Government (Audit) Regulations 1996

**10. Report by auditor**

1. An auditor's report is to be forwarded to the persons specified in section 7.9(1) within 30 days of completing the audit.
2. The report is to give the auditor's opinion on —
  - (a) the financial position of the local government; and
  - (b) the results of the operations of the local government.
3. The report is to include —
  - (a) any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the local government; and
  - (b) any matters indicating non-compliance with Part 6 of the Act, the Local Government (Financial Management) Regulations 1996 or applicable financial controls in any other written law; and
  - (c) details of whether information and explanations were obtained by the auditor; and
  - (d) a report on the conduct of the audit.
4. Where it is considered by the auditor to be appropriate to do so, the auditor is to prepare a management report to accompany the auditor's report and to forward a copy of the management report to the persons specified in section 7.9(1) with the auditor's report.

**Financial Considerations**

The estimated cost for the audit of the Town's annual Financial Report for 2024/25 is \$64,050, which is included in the annual budget for 2025/26 to be presented to Council.

**Risk Management Implications**

No Risks Identified

The annual audit of the Town's Financial Report is an important part of the Town's approach to identifying, assessing and treating risks. While audits are not an absolute guarantee of the accuracy or reliability of the Town's information and may not identify

all matters of significance, the audit is likely to highlight any significant risks and weaknesses in controls for risk mitigation by the Town.

### **Declaration of Conflicts of Interest**

All officers involved in the preparation of this report have considered and determined that they do not have a conflict of interest in the matter.

### **Officer Recommendation – Item 9.1**

That the Audit and Governance Committee receives the Office of the Auditor General Audit Planning Summary for the audit of the Town's Financial Report for 2024/25, attached to this report.

**Voting requirements: Simple Majority**

<b>9.2 Office of the Auditor General (OAG) - Update</b>	
<b>Property Address</b>	N/A
<b>Landowner/Applicant</b>	N/A
<b>File Reference</b>	FINM/AUD/14
<b>Department</b>	Office of the CEO,
<b>Previous Reports</b>	
<b>Authority/Discretion</b>	<b>Information</b> For the Council/Committee to note.
<b>Attachments</b>	1. TOB Audit and Governance Committee - OAG Standing Agenda Item (06-25) [9.2.1 - 10 pages]

### **Purpose**

The purpose of this report is for Council to note the update received from the Office of the Auditor General (OAG).

### **Background**

The Office of the Auditor General (OAG) periodically provides updates to local governments on matters relating to financial audits, accounting and auditing standards, and other sector-relevant issues.

### **Communication and Engagement**

Nil.

### **Strategic Implications**

#### **Performance Area 5: Performance**

9.1 Continuously improve operational performance and service delivery.

### **Comment**

The update from the Office of the Auditor General is provided as a standing item for the Committee's information. While no specific action is required, the report offers ongoing insights into sector-wide developments and audit-related matters.

### **Statutory Requirements**

Nil.

### **Financial Considerations**

Nil.

## **Risk Management Implications**

### Compliance

Low

### Environmental

Low

### Financial Risk

Low

### Reputational

Low

## **Declaration of Conflicts of Interest**

All officers involved in the preparation of this report have considered and determined that they do not have a conflict of interest in the matter.

## **Officer Recommendation – Item 9.2**

That the Committee notes the update from the Office of the Auditor General as provided in Attachment 9.2.1.

## **Voting requirements: Simple Majority**

<b>9.3 Audit Findings Log</b>	
<b>Property Address</b>	N/A
<b>Landowner/Applicant</b>	N/A
<b>File Reference</b>	GOVN/CCLMEET/1
<b>Department</b>	Office of the CEO,
<b>Previous Reports</b>	March 2025
<b>Authority/Discretion</b>	<b>Executive</b> The substantial direction setting and oversight role of the Council.
<b>Attachments</b>	1. CONFIDENTIAL - June 2025 Audit Findings Log [9.3.1 - 6 pages]

### **Reason for this Item to be discussed behind closed doors:**

*This matter is to be considered with members of the public excluded from the Chamber under Clause 5.23(h) of the Local Government Act as the officer report discusses information which is the subject of a direction given under section 23 (1a) of the Parliamentary Commissioner Act 1971 and such other matters as may be prescribed.*

### **Purpose**

The purpose of this report is to provide the Audit and Governance Committee with the Town's Audit Findings Log, with updated actions since the meeting of the Committee on 12 March 2025.

### **Background**

The Audit Findings Log presents a summary of the audit findings and recommendations made in recent internal and external audit reports relating to the Town.

The Audit Findings Log includes information about the source of the findings and recommendations, and proposed timeframes to address the recommendations by management.

### **Proposal**

For the Audit and Governance Committee to receive and review the Audit Findings Log and consider the action taken or proposed to be taken to address the audit recommendations.

## Communication and Engagement

Nil.

## Strategic Implications

### Performance Area 5: Performance

9.1 Continuously improve operational performance and service delivery.

### Comment

The Audit Findings Log has been updated to include the findings and recommendations from the completed Regulation 5 and Regulation 17 Internal Audits undertaken by Paxon, tabled at the 12 March 2025 meeting of the Committee, with additional management comments on action taken or proposed to address the recommendations.

### Statutory Requirements

The Audit and Governance Committee meets at least four times each year to carry out the functions under its Charter, which specifies the authority, objectives and responsibilities of the Committee and governs its membership and meeting requirements.

Regulation 16 of the *Local Government (Audit) Regulations 1996* specifies the functions of audit committees.

### Financial Considerations

Implementation of some audit recommendations may require additional funds and will be the subject of separate budget submissions as and when required. The Town's Purchasing Policy and Procurement Framework will govern any required Engagements.

### Risk Management Implications

#### Compliance

Medium

#### Financial Risk

Low

#### Reputational

Medium

## **Declaration of Conflicts of Interest**

All officers involved in the preparation of this report have considered and determined that they do not have a conflict of interest in the matter.

## **Officer Recommendation – Item 9.3**

That the Audit and Governance Committee receives the Audit Findings Log, and notes the action taken or proposed to be taken, to address the recommendations.

**Voting requirements: Simple Majority**

## **10 Motions of Which Previous Notice Has Been Given**

Nil.

## **11 Announcements of Notices of Motion for the Next Meeting**

Nil.

## **12 Confidential Business**

Nil.

## **13 Closure**

The next Audit and Governance Committee will be held on Wednesday 10 September commencing at 5.30pm.