



# CONFIRMED MINUTES

Audit Risk and Improvement Committee Meeting



Meeting held in Council Chambers at  
15 Maddock Street, Mukinbudin  
Commencing at 1.30pm Tuesday 22nd July 2025

\*\*\*\* DISCLAIMER \*\*\*\*

The Shire of Mukinbudin assumes no responsibility for any act, omission, statement, or implication arising during Council or Committee meetings. The Shire of Mukinbudin explicitly disclaims any liability for any loss incurred as a result of reliance on such acts, omissions, statements, or implications by any individual or legal entity. Any person or legal entity who chooses to act or refrain from acting based on statements, acts, or omissions made during Council or Committee meetings does so at their own risk.

Please note that all meetings are audio recorded and published on the Shire's website for public access.

In particular, it should be noted that in discussions pertaining to planning applications or license applications, any statements or implications of approval made by members or officers of the Shire of Mukinbudin during meetings should not be construed as official notice of approval from the Shire of Mukinbudin. The Shire of Mukinbudin advises that individuals with pending applications must obtain written confirmation of the application's outcome and should only rely on such written confirmation, including any attached conditions determined by the Shire of Mukinbudin.

Ethical Decision Making and Conflicts of Interest:

Council adheres to a code of conduct and ensures that all decisions are based on an honest assessment of the matter, ethical decision-making, and personal integrity. Councillors and staff members comply with statutory requirements to disclose financial, proximity, and impartiality interests. Once declared, they abide by the relevant legislation.



Tanika McLennan  
**CHIEF EXECUTIVE OFFICER**

7.1B. Delegation of some powers and duties to audit committees

- (1) Despite section 5.16, the only powers and duties that a local government may delegate\* to its audit committee are any of its powers and duties under this Part other than this power of delegation.

*\* Absolute majority required.*

- (2) A delegation to an audit committee is not subject to section 5.17.

*[Section 7.1B inserted by No. 49 of 2004 s. 5.]*

7.1C. Decisions of audit committees

Despite section 5.20, a decision of an audit committee is to be made by a simple majority.

*[Section 7.1C inserted by No. 49 of 2004 s. 5.]*

## Table of Contents

- 1. Declaration of Opening**
  - 1.1 Declaration of Opening
- 2. Record of Attendance, Apologies, Approved leave of Absence**
  - 2.1 Present
  - 2.2 Staff
  - 2.3 Apologies
  - 2.5 Visitors
  - 2.6 Gallery
- 3. Confirmation of minutes of previous meetings**
  - 3.1 Confirmation of Minutes of Audit Committee Meeting held 18<sup>th</sup> February 2025.
- 4. Matters for which the meeting may be closed**
  - 4.1 Nil
- 5. Reports of Committees and Officers**
  - 5.1 Report on findings of the 2024/25 Interim Audit
- 5. Closure of Meeting**

**1. Declaration of Opening**

1.1 The Shire President declared the Meeting open at 1.30 pm.

**2. Record of attendance, apologies and approved leave of absence**

2.1 Present:  
Cr Gary Shadbolt      President  
Cr Abi Farina          Deputy President

Cr G Bent  
Cr C McGlashan  
Cr S Ventris  
Cr A Walker

2.2 Staff:  
Tanika McLennan      Chief Executive Officer

2.3 Apologies:  
Nil

2.5 Visitors:  
Nil

2.6 Gallery:  
Nil

**3. Confirmation of the Minutes of previous meetings**

3.1 Confirmation of Minutes for the Audit Committee Meeting of Council held on 18<sup>th</sup> February 2025.

**Voting Requirement**

Simple Majority

**OFFICER RECOMMENDATION**

**Council Decision Number – 01 07 2025**

**Moved: Cr Walker**

**Seconded: Cr McGlashan**

**That the Minutes of the Audit Committee Meeting of Council held on 18<sup>th</sup> February 2025 be accepted as a true and correct record of proceedings.**

**Carried 6/0**

#### 4. Matters for which the meeting may be closed

Nil

#### 5. Reports of Committees and Officers

5.1 Report on findings of the 2024/25 Interim Audit	
Location:	Mukinbudin
File Ref:	ADM 289
Applicant:	Tanika McLennan – Chief Executive Officer
Date:	7 <sup>th</sup> July 2025
Disclosure of Interest:	Nil
Responsible Officer	Tanika McLennan – Chief Executive Officer
Author:	Tanika McLennan – Chief Executive Officer
Voting Requirements	Simple Majority
Documents Attached	1. <a href="#">Interim Management Letter to CEO</a> 2. <a href="#">Interim Management Letter Attachment</a>
Documents Tabled	Nil

**If Councillors have any questions regarding the findings, please direct them to the Manager of Corporate Services to allow time for a researched and informed response to be provided.**

#### **Summary**

The purpose of this report is to present to the Audit, Risk and Improvement Committee the findings from the 2024/2025 Interim Audit conducted by the Shire's external auditors, Dry Kirkness, on behalf of the Office of the Auditor General (OAG).

#### **Background Information**

In accordance with the *Local Government Act 1995* and the *Local Government (Audit) Regulations 1996*, the OAG undertakes annual financial and performance audits of all local governments in Western Australia.

The interim audit reviews the Shire's internal control environment and financial systems to identify any issues ahead of the final audit. The interim audit was conducted in April 2025 and the Interim Audit Management Letter was received 30 June 2025.

The interim audit assessed internal controls, compliance with legislative requirements, and risk management processes relevant to financial reporting and governance.

#### **Officer Comment**

The interim audit identified two findings, which have been classified by the auditors as either significant, moderate, or minor. A summary of the findings is provided in the attachment to this report, along with management's responses and proposed actions.

No significant control weaknesses were reported. The findings were both rated moderate and relate to the Risk Register not being maintained and the Asset Management Plan being due for review. Management is committed to addressing the issues raised and implementing the recommended improvements in 2025/26.

#### **Strategic & Social Implications**

Integrated Strategic Plan 2025–2035

Pillar 4: Civic Leadership

- Outcome 11 – Compliant governance and responsible financial management
  - Strategy 11.1 – Ensure compliance with statutory requirements

- Strategy 11.3 – Decision-making of Council is supported by up-to-date and clear policies and procedures
- Strategy 11.6 – Promote a culture of continuous improvement and integrity

### **Consultation**

Dry Kirkness

Office of the Auditor General

Lucia Scari – Manager Corporate Services

Juliet Nixon – Finance Officer

### **Statutory Environment**

#### **Local Government Act 1995 – Section 7.9**

This section mandates that an auditor must examine the accounts and annual financial report submitted for audit and by 31 December following the financial year to which the accounts and report relate (or a later prescribed date), prepare a report and forward copies to the mayor or president, the CEO and the Minister.

#### **Local Government (Audit) Regulations 1996 – Regulation 10**

This regulation requires that an auditor's report be forwarded to the persons specified in section 7.9(1) within 30 days of completing the audit. The report must provide the auditor's opinion on the financial position and results of operations of the local government and may include a management report if deemed appropriate by the auditor.

#### **Local Government (Audit) Regulations 1996 – Regulation 16**

This regulation outlines the functions of the audit committee, including guiding and assisting the local government in carrying out its functions under Part 6 of the Act, reviewing reports provided by the CEO, monitoring and advising the CEO on reviews of systems and procedures, supporting the auditor in conducting audits and overseeing the implementation of actions required by section 7.12A.

#### **Auditor General Act 2006 – Section 18**

This section empowers the Auditor General to conduct examinations and investigations into any matter relating to the accounts, financial transactions, or management practices of an agency, including local governments.

### **Policy Implications**

Nil

### **Financial Implications**

Audit costs are included in the Annual Budget.

The cost associated with reviewing the Asset Management Plan is included in the draft 2025/26 Annual Budget. The implementation of the Risk Management Plan is an internal procedure and does not require specific budget allocation.

## **OFFICER RECOMMENDATION**

**Council Decision Number – 02 07 2025**

**Moved: Cr Ventris**

**Seconded: Cr Bent**

**That the Audit, Risk & Improvement Committee:**

- 1. Receives the 2024/2025 Interim Audit Management Letter from the Office of the Auditor General; and**
- 2. Notes management's responses and the proposed corrective actions.**

**Carried 6/0**

**6. Closure of Meeting**

The Chairperson thanked Elected Members and Staff for attending and declared the meeting closed at 1.35 pm.



## DECLARATION

I declare that these minutes of the Audit, Risk and Improvement Committee Meeting held on the 22nd July 2025 were confirmed at the Audit, Risk and Improvement Committee Meeting held on the 19th August 2025.

Signed: \_\_\_\_\_

Being the person presiding at the meeting at which these minutes were confirmed.

Date: \_\_\_\_\_