



## AUDIT COMMITTEE MEETING

# MINUTES

### Committee Brief

*The duties of the Audit Committee be to:*

- *Recommend the appointment of the auditor to the Council;*
- *Assist the auditor to ensure audits are conducted successfully and timely;*
- *Examine the audit report and ensure appropriate action is taken;*
- *Prepare reports on actions taken and forward to the Minister;*
- *Meet with the auditor at least once a year; and*
- *Review enhanced scope of audit.*

An Ordinary Meeting of the Audit Committee was held in the Committee Room, Lowood Road, Mount Barker WA 6324, 9.15am Tuesday 8 April 2008.

**Rob Stewart**  
**CHIEF EXECUTIVE OFFICER**

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**Chairperson:**

Cr M Skinner

**Membership**

Cr K Forbes - Rocky Gully / West Ward - Shire President

Cr J Mark - Town Ward

Cr M Skinner - East Ward

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## 1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

9.17am The Chairperson declared the meeting open.

## 2 RECORD OF ATTENDANCE / APOLOGIES

### Members Present

Cr M Skinner (Chairperson)

Cr K Forbes

Cr J Mark

### Staff

Rob Stewart

John Fathers

Cherie Delmage

### Visitor

Mr D Tomasi

## 3 CONFIRMATION OF MINUTES

*Minutes, as circulated, of the Ordinary Meeting of the Audit, held on 12 February 2008.*

***Moved by: Cr J Mark***

***Seconded by: Cr K Forbes***

***THAT the Minutes of the Ordinary Meeting of the Audit, held on 12 February 2008 as circulated, be taken as read and adopted as a correct record.***

**CARRIED**

## **4 REPORTS OF COMMITTEE MEMBERS AND OFFICERS**

### **4.1 GENERAL**

The Council's Auditor Mr David Tomasi from UHY Haines Norton Chartered Accountants was in attendance at the meeting.

The Chief Executive Officer, Rob Stewart advised that there is a statutory requirement for the Audit Committee to meet the auditor every year. He called upon Mr Tomasi to give an overview of how he thought the Shire of Plantagenet was performing.

Mr Tomasi advised that he considered such meetings to be very useful for the industry. His company had issued some tough reports in the last 12 months, which is representative of the staffing problems faced by local government.

Mr Tomasi advised that the formal opinion issued by him is based largely on the Council's financial statements, however there is also other areas where which can be investigated for non-compliance. He was aware that the Council had engaged consultant Ron Back for some guidance on how to read and what to get out of annual reports and financial statements.

In terms of the Council's financial position the short term current ratio is very low however there are some compensating factors. The other ratios are acceptable. A lot of local governments are currently facing relatively high borrowings on refurbishment and replacement of 1960's infrastructure and auditors are conscious of the balancing act faced by Councils.

Mr Tomasi confirmed that his main area of concern related to a key financial management position, which has been previously discussed and there will be some problems going forward as a result. He felt confident that these problems had been largely resolved, however that would be confirmed in the April interim audit.

Discussion ensued in relation to the benefits of having a long term forward financial plan and the planned release of a local government accounting manual.

**5 NEXT MEETING**

**6 MEETING CLOSURE**

10.03am The Chairperson declared the meeting closed.

**CONFIRMED: CHAIRPERSON** \_\_\_\_\_ **DATE:** \_\_\_\_ / \_\_\_\_ / \_\_\_\_