



AUDIT AND RISK MANAGEMENT COMMITTEE MEETING

AGENDA

SECTION 5.9(2)(a) LGA 1995

Committee Brief

1. *Provide guidance and assistance to the local government -*
 - a) *as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and*
 - b) *as to the development of a process to be used to select and appoint a person to be an auditor; and*
2. *May provide guidance and assistance to the local government as to -*
 - a) *matters to be audited; and*
 - b) *the scope of audits; and*
 - c) *its functions under Part 6 of the Act; and*
 - d) *the carrying out of its functions relating to other audits and other matters related to financial management; and*
3. *Is to review a report given to it by the CEO under Regulation 17(3) (the CEO's report) and is to -*
 - a) *report to the Council the results of that review; and*
 - b) *give a copy of the CEO's report to the Council.*

NOTICE IS HEREBY GIVEN that a Meeting of the Audit and Risk Management Committee will be held in the Committee Room, Lowood Road, Mount Barker WA 6324, at 10.00am Tuesday 23 June 2015.

Rob Stewart
CHIEF EXECUTIVE OFFICER

Committee Members

Cr K Clements, Cr L Handasyde, Cr J Moir and Cr C Pavlovich (Council 244/13)

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1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

2 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

3 CONFIRMATION OF MINUTES

Minutes, as circulated, of the Ordinary Meeting of the Audit and Risk Management Committee Meeting held on 3 March 2015.

Officer Recommendation

That the Minutes of the Ordinary Meeting of the Audit and Risk Management Committee held on 3 March 2015 as circulated, be taken as read and adopted as a correct record.

4 DISCLOSURE OF INTEREST

Part 5 Division 6 Local Government Act 1995

5 REPORTS OF COMMITTEE MEMBERS AND OFFICERS

5.1 APPOINTMENT OF AUDITOR - 2014/2015

File Ref:	N34389
Responsible Officer:	Rob Stewart Chief Executive Officer
Author:	John Fathers Deputy Chief Executive Officer
Proposed Meeting Date:	23 June 2015

PURPOSE

The purpose of this report is to appoint an auditor for a further 12 month period.

BACKGROUND

At its meeting held on 14 July 2009, the Council resolved that Mr Russell Harrison (Registered Company Auditor Number 14152) of Lincolns Accountants and Business Advisors be appointed as the Council's auditor for the five year period 1 July 2009 to 30 June 2014 in accordance with the document 'Quotation for the Provision of Audit Services' dated 23 June 2009.

STATUTORY ENVIRONMENT

Section 7.3 of the Local Government Act 1995 states:

'7.3 Appointment of auditors

- (1) *A local government is to, from time to time whenever such an appointment is necessary or expedient, appoint* a person, on the recommendation of the audit committee, to be its auditor.*
- (2) *The local government may appoint one or more persons as its auditor.*
- (3) *The local government's auditor is to be a person who is -*
 - (a) *a registered company auditor; or*
 - (b) *an approved auditor.'*

EXTERNAL CONSULTATION

Mr Harrison has agreed to an appointment for a further 12 months.

FINANCIAL IMPLICATIONS

The fee advised by Lincolns Accountants is a base fee of \$18,000.00 (excluding GST), which equates to the current fee being increased by Perth CPI.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet Strategic Community Plan 2013-2023 provides at Outcome 4.6 (Effective and efficient corporate and administrative services) the following Strategy:

Strategy 4.6.1:

'Provide a full range of financial services to support Shire's operations and to meet planning, reporting and accountability requirements'

Accordingly, the recommended outcome for this report aligns with the Strategic Community Plan.

OFFICER COMMENT

Mr Harrison from Lincolns Accountants and Business Advisors is the Shire's current auditor. Lincolns is situated in Albany and has many years experience with local governments in the Great Southern Region. The firm is extremely thorough and professional, but is very 'approachable' and easy to talk to about auditing matters.

It is intended to appoint Lincolns for a further 12 month period. Following that, quotations will be sought from audit firms for a further five year period.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION

That it be a recommendation to the Council:

That Mr Russell Harrison (Registered Company Auditor Number 14152) of Lincolns Accountants and Business Advisors be appointed as the Council's auditor for the 2014/2015 financial year.

6 ORGANISATIONAL RISK MANAGEMENT

In line with a previous Committee request, this item is listed as a permanent fixture on the agenda. The current Organisational Risk Register is attached for information.

7 GENERAL BUSINESS**8 NEXT MEETING**

To be advised.

9 CLOSURE OF MEETING