



AUDIT COMMITTEE MEETING

MINUTES

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.*

A Meeting of the Audit Committee was held in the
Committee Room, Lowood Road, Mount Barker WA 6324,
at 9.30am Tuesday 27 May 2014.

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

9.35am The Presiding Member declared the meeting open.

2 RECORD OF ATTENDANCE / APOLOGIESMembers Present

Cr K Clements (Presiding Member)
Cr L Handasyde
Cr C Pavlovich

Apologies

Cr J Moir

Staff

Rob Stewart - Chief Executive Officer
John Fathers - Deputy Chief Executive Officer

3 CONFIRMATION OF MINUTES

Minutes, as circulated, of the meeting of the Audit Committee held on 1 April 2014.

Moved Cr L Handasyde, seconded Cr C Pavlovich:

That the Minutes of the Meeting of the Audit Committee, held on 1 April 2014 as circulated, be taken as read and adopted as a correct record.

CARRIED

4 DECLARATION OF MEMBERS' INTERESTSCr C Pavlovich

Item: 6.1

Type: Closely Associated Person (S5.62 LGA) and Code of Conduct Disclosure (S5.103 LGA/ Reg 34C Local Government (Administration) Regulations - Perceived interests (Clause 2.3 Code of Conduct)

Nature: Closely associated person

Extent: Working relationship with Shire of Plantagenet supplier

5 REPORTS OF COMMITTEE MEMBERS AND OFFICERS

5.1 INTERNAL CONTROL POLICY (C/IC/1) - ADOPTION

File No: N30394
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 27 May 2014

PURPOSE

The purpose of this report is to adopt a new Internal Control Policy – C/IC/1.

BACKGROUND

In February 2013, a new regulation (Section 17) of the Local Government (Audit) Regulations was promulgated. This regulation requires a review of the appropriateness and effectiveness of systems and procedures in relation to risk management, internal control and legislative compliance at least once every two calendar years and to report to the Audit Committee the results of that review. This report deals with internal control.

STATUTORY ENVIRONMENT

Local Government (Audit) Regulations 1996. Regulation 17 states as follows:

- ‘(1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to —*
- (a) risk management; and*
 - (b) internal control; and*
 - (c) legislative compliance.*
- (2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review at least once every 2 calendar years.*
- (3) The CEO is to report to the audit committee the results of that review.’*

Local Government (Financial Management) Regulations 1996. Regulation 5 states (in part) as follows:

- ‘(1) Efficient systems and procedures are to be established by the CEO of a local government —*
- (a) for the proper collection of all money owing to the local government; and*
 - (b) for the safe custody and security of all money collected or held by the local government; and*
 - (c) for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process);*
and
 - (d) to ensure proper accounting for municipal or trust —*
-

- (i) *revenue received or receivable; and*
 - (ii) *expenses paid or payable; and*
 - (iii) *assets and liabilities;*
 - and*
 - (e) *to ensure proper authorisation for the incurring of liabilities and the making of payments; and*
 - (f) *for the maintenance of payroll, stock control and costing records; and*
 - (g) *to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.*
- (2) *The CEO is to —*
- (a) *ensure that the resources of the local government are effectively and efficiently managed;'*

FINANCIAL IMPLICATIONS

There are no direct financial implications for this report.

POLICY IMPLICATIONS

This report will recommend the adoption of a new policy.

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.'

OFFICER COMMENT

It is important to note the following underlined words in the new regulation: *The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures.*

In terms of appropriateness, the Chief Executive Officer is to decide what processes, systems and controls are appropriate in the context of risk appetite, the internal / external environment and what is suitable for the Shire's size and operations. Effectiveness is assessed through monitoring events and testing controls. For systems and procedures to be effective, they must exist.

Local governments are entrusted with a substantial amount of public assets. Ensuring these assets are safe from loss due to fraud and mismanagement is fundamental to good governance.

A number of systems and processes have been developed in order to fulfil the statutory obligations under the Local Government (Financial Management) Regulations 1996. In order to be able to review and assess internal control, adoption of a policy and additional internal procedures will be required.

The following are considered to be fundamental characteristics of a good internal control system:

Staffing and segregation of duties

Ideally, the following three basic functions should be undertaken by different individuals:

- authorisation of transactions;
- recording of transactions; and
- custody of assets (money and other property).

If these duties are not separated then errors are more likely to go undiscovered, fraud is also much easier to conceal and mistakes are more likely to occur.

In small local governments it is not always practical to maintain a strict separation of duties due to resource constraints. These circumstances require a greater degree of compensatory controls to be put in place.

The level of experience and qualification held by staff has a substantial impact on the effectiveness of internal controls. Experienced staff who know the processes and systems are more likely to identify errors and mistakes before they have a detrimental impact.

High levels of staff turnover leading to inexperienced staff will place additional pressure on internal controls and reduce their reliability. At these times increased staff training is vital to reduce the risk of failure in documented internal controls. High staff turnover can also lead to a fall in staff recruitment standards resulting in false qualifications and experience levels going undetected.

Information Technology (IT) Controls

As with other controls there are two types of controls which exist within the IT environment:

- General IT Controls - These are controls over the wider IT environment of the local government. They include such items as virus protection, backups, system password and access controls.
- Application IT Controls - These are controls within the specific IT applications and include such items as application password and access controls, data field validations, processing restrictions and reporting restrictions.

The extensive use of IT to record, validate, collate and report financial transactions makes it important to implement a number of financial process or application controls. However application controls may be significantly undermined by a lack of appropriate general controls.

Granting IT administrators administration rights to all applications, a lack of appropriate backups or the ability of someone to 'hack' into the IT system are all examples of general IT control risks which will undermine the effectiveness of the best application controls.

Documented procedures and processes covering the recording, reporting and authorisation of transactions

Documented procedures also support the rotation of duties which in turn reduces the potential for fraud. It is important the judgments made about appropriate internal controls are documented and evidenced in procedures. For example, if circumstances prevent the full segregation of duties then the alternate actions taken to lessen risk should be evidenced. If staff clearly understand what is expected of them and what they are required to do to maintain control, less errors are likely to occur.

Ideally, a risk analysis is undertaken by identifying each business activity and applying a risk matrix that identifies the risk rating of the events and the actions to be taken to reduce the chance of occurrence.

One important point to remember in developing controls and procedures is that the cost of the control should not exceed the expected benefit to be derived from it. The level of controls instigated by management is a matter of judgement with effective internal control providing a reasonable, not absolute, degree of assurance that assets will be safeguarded.

Monitoring performance and adherence

A fully documented system, experienced staff and full segregation of duties will not result in an effective internal control system unless there is ongoing monitoring of adherence. Management also needs to clearly demonstrate to staff that the control systems are important and must be followed.

While adoption of a policy is appropriate, the details are of an operational nature and should be determined by the Chief Executive Officer.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Cr C Pavlovich, seconded Cr L Handasyde:

That it be a recommendation to the Council:

That new Internal Control Policy C/IC/1, as follows:

‘OBJECTIVE

To ensure that appropriate internal controls are implemented in order to:

- 1. Fulfil the statutory obligations under the Local Government (Financial Management) Regulations 1996 and Local Government (Audit) Regulations 1996; and**
- 2. Ensure that the Shire’s assets are safe from loss due to fraud and mismanagement.**

POLICY

The Council will, through the CEO, ensure that appropriate and efficient internal controls are in place covering:

- 1. Staffing and segregation of duties;**
- 2. Information technology;**
- 3. Documented procedures and processes covering the recording, reporting and authorisation of transactions; and**
- 4. Monitoring performance and adherence.’**

be adopted.

CARRIED

5.2 CREDIT CARD POLICY (F/FM/14) - ADOPTION

File No: N30391
Responsible Officer: John Fathers
Deputy Chief Executive Officer
Author: Emma Gardner
Accounts Officer
Proposed Meeting Date: 27 May 2014

PURPOSE

The purpose of this report is to adopt a new Credit Card Policy F/FM/14.

BACKGROUND

In March 2014, a Financial Management Review of the Shire was carried out by a representative of Lincolns Accountants and Business Advisors. The auditor found that the Council does not have a Credit Card Policy. It was recommended that a policy be adopted and cardholders acknowledge their responsibilities under the policy upon receipt of their card.

STATUTORY ENVIRONMENT

Local Government Act 1995

Local Government (Financial Management) Regulations 1996.

The use of Corporate Credit Cards is not specifically mentioned in the Local Government Act 1995. However the impacts of the use and control of corporate credit cards are related to the following sections of the Local Government Act 1995:

1. Section 2.7(2)(a) and (b) requires the council to oversee the allocation of the local government's finances and resources and determine the local government policies.
2. Section 6.5(a) requires the CEO to ensure that there are kept, in accordance with regulations, proper accounts and records of the transactions and affairs of the local government.

Local Government (Financial Management) Regulation 11(1) (a) requires local governments to develop procedures for the authorisation of, and the payment of, accounts to ensure that there is effective security for, and properly authorised use of cheques, credit cards, computer encryption devices and passwords, purchasing cards and any other devices or methods by which goods, services, money or other benefits may be obtained.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

This report will recommend the adoption of a new policy.

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.’

OFFICER COMMENT

Corporate credit cards are a routine aspect of the Council’s accounts payable and goods procurement functions. When used appropriately, credit cards provide benefits in the form of streamlined purchasing processes and better utilisation of resources.

However, the use of credit cards involves the potential risk of fraud and misuse. This policy establishes guidelines in order to protect Council funds and to maintain public confidence in the Council’s operations.

VOTING REQUIREMENTS

Simple Majority

During discussion, Members requested the administration to incorporate a suitable amendment into the Council’s Policy F/FM/7 - Purchasing and Tender Guide allowing credit card usage when reasonable circumstances permit.

OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Cr L Handasyde, seconded Cr C Pavlovich:

That it be a recommendation to the Council:

That new Credit Card Policy F/FM/14, as follows:

‘OBJECTIVE

To ensure that Council staff have access to efficient and alternative means of payment for approved expenses.

POLICY

1. The provision of a corporate credit card is a facility offered to officers occupying the positions of Chief Executive Officer and Deputy Chief Executive Officer.
2. The maximum credit limit for a corporate credit card shall be \$10,000.00.
3. Corporate credit cards must only be used for the payment of goods and services associated with Council business, in accordance with the Council’s Purchasing and Tender Guide Policy - F/FM/7.
4. A purchase order and credit card authorisation form is to be completed for every purchase and forwarded with the receipt or other evidence of purchase to the Accounts Officer within five days of the purchase.
5. Corporate Credit Card expenditures are to be reconciled on a monthly basis.

6. All corporate credit card holders are to acknowledge receipt of the corporate card and acknowledge their responsibilities under this policy upon receipt of their card.'

be adopted.

CARRIED

5.3 FINANCIAL MANAGEMENT REVIEW

File No:	N30378
Attachments:	Financial Management Review Report – April 2014
Responsible Officer:	Rob Stewart Chief Executive Officer
Author:	John Fathers Deputy Chief Executive Officer
Proposed Meeting Date:	27 May 2014

PURPOSE

The purpose of this report is to consider the report from the Council's auditors, Lincolns Accountants and Business Advisors, in relation to their investigation of the Council's financial management systems and procedures.

BACKGROUND

In March 2014, a Financial Management Review of the Shire was carried out by a representative of Lincolns Accountants and Business Advisors. This review is designed to test the financial management systems of the Shire and to report on the appropriateness and effectiveness of the control environment within as required by Local Government (Financial Management) Regulation 5(2)(c).

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulations 1996

Section 5(2)(c) states:

'(2) The CEO is to –

(c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 4 financial years) and report to the local government the results of those reviews.'

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

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.'

OFFICER COMMENT

A copy of the Financial Management Review has been enclosed and overall the result is very good. Responses to the adverse findings made within the report are as follows:

Area of Financial Management	Summary Review Findings	Management Comment
Long Term Financial Plan	Long Term Financial Plan has been adopted by Council and reviewed by the Department of Local Government. With noted improving trends of debt service ratio, own source revenue coverage, although the current ratio and operating surplus ratios forecast fail to meet the target benchmarks.	<p>The Current Ratio target of greater than or equal to 1 is below benchmark throughout the plan but the LTFP estimates that this will generally improve over time to after 2017/2018. The relatively low ratio is a reflection of the degree of current liabilities associated with leave entitlements. The improvement mainly results from gradual reduction of current loan liabilities.</p> <p>The target of an Operating Surplus is not achieved throughout the period of the LTFP, indicating that surplus funds are not available for capital works over the longer term. However, this situation generally improves throughout the period of the plan. This ratio is largely dependent on accurate depreciation figures, in particular depreciation on major plant items.</p> <p>It is anticipated that future LTFPs will contain more accurate asset depreciation figures and confidence in the accuracy of these ratios will increase. LTFPs will also focus on what will be required to eventually meet the benchmark figures.</p>
Trust Fund	The Trust Fund includes unidentified receipts dating back several years. We recommend that, if the payer of this money cannot be identified, then the amounts be forwarded to the Registrar of Unclaimed Money.	The funds cannot be identified and therefore will be returned to the Registrar of Unclaimed Money.
Receipts and Receivables	Council has no debt collection procedures policy. We recommend that a Policy be adopted which outlines debt collection steps and procedures.	An appropriate policy will be prepared for consideration.
Rates	Rates have been raised in accordance with budget and resolution of Council. Council has a draft rates collection procedures policy. We recommend that a Policy be adopted which outlines rates debt collection steps and procedures.	An appropriate policy will be prepared for consideration.
Credit Card Procedures	Council does not have a Credit Card Procedures Policy. We recommend that a policy be adopted and cardholders acknowledge their responsibilities under the policy upon receipt of their card.	An appropriate policy has been prepared for consideration.

General Journal Entries	The register of journal entries posted to the general ledger is not kept up to date. Whilst password access restricts posting of journal entries to senior experienced staff, we recommend that the register of journals posted be sequenced in numerical/date order, signed by the journal originator, and counter signed by a reviewer.	The register of journals has been brought up to date, with two responsible officers signing them off.
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VOTING REQUIREMENTS

Simple Majority

During discussion, Members requested the administration to consider and provide advice to the Committee on an appropriate way to monitor prepaid services, deposits on goods, airline credits and the like.

OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Cr C Pavlovich, seconded Cr L Handasyde:

That it be a recommendation to the Council:

That the results of the review of the appropriateness and effectiveness of the financial management systems and procedures of the Shire of Plantagenet, pursuant to Section 5(2)(c) of the Local Government (Financial Management) Regulations 1996, be noted.

CARRIED

5.4 REVIEW OF 2012/2013 ANNUAL FINANCIAL REPORT

File No:	N30378
Attachments:	Letter from Department of Local Government and Communities dated 29 April 2014
Responsible Officer:	Rob Stewart Chief Executive Officer
Author:	John Fathers Deputy Chief Executive Officer
Proposed Meeting Date:	27 May 2014

PURPOSE

The purpose of this report is to consider the results of a review of the Shire of Plantagenet's 2012/2013 Annual Report, undertaken by the Department of Local Government and Communities.

BACKGROUND

At its meeting held on 10 December 2013, the Council accepted the Annual Report for the year ended 30 June 2013. The Department of Local Government and Communities has now reviewed the Annual Report and has sought feedback from the Audit Committee on matters raised.

STATUTORY ENVIRONMENT

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

FINANCIAL IMPLICATIONS

There are no direct financial implications for this report, assuming the Audit Committee supports the approach suggested.

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.'

OFFICER COMMENT*Revaluation Increments and Decrements*

The Department has identified that a property, plant and equipment increment of \$471,415.00 has been netted off against a plant and equipment decrement of \$26,182.00 in the Statement of Comprehensive Income (shown as \$445,233.00). They should have been treated separately as Other Comprehensive Income (\$471,415.00) and a sum of \$26,182.00 recognised in profit and loss. Also, a carry forward

revaluation surplus of \$79,200.00 for bushfire equipment should have been listed separately from the other plant and equipment in Note 13.

The administration and the auditor agree with this assessment and appropriate changes will be considered when preparing the 2013/2014 annual financial report.

Surplus / Deficit

The Department noted that the Shire has excluded from the surplus/deficit the full current leave provision amount of \$747,466.00, but only has a leave reserve of \$12,067.00. It notes that this would not be expected to be an accurate calculation unless the full provision is covered by cash reserve and/or budget allocation.

In April 2013, the Department wrote to the Shire about the methodology for calculating surplus/deficit. This methodology was tested in the draft budget spreadsheet for 2013/2014. This brought to notice that adopting this methodology will cause an approximately \$700,000.00 lower balance carried forward for the next financial year.

This was obviously a concern and the initial thought was that the Shire would have to adopt a maximum deficit budget, with a view to gradually increasing the employee benefits reserve over several years, which would enable the deficit to be gradually reduced.

Phone calls with the Department indicated this was not the intention, but appeared to be the unintended consequence. Apart from the difficulty in balancing a budget in the next six or seven years, this would tie up a lot of capital in a reserve which would probably never be used.

The Department advised that a certain amount of the current leave provisions could be added back. The advice was:

'Deciding what portion of leave provisions to 'add back' should be carefully considered in terms of what is already funded in the budget or can be funded from a cash reserve.

Consideration would need to be given to:

- Whether annual leave is funded through 52 weeks of budget for salaries and wages for each employee and the extent to which periods of extended leave are funded;*
- Whether relief staff are engaged and how that cost is funded;*
- The likelihood of large leave accruals being paid out on termination.*

Long service leave provision is calculated in accordance with AASB 119; a calculation based on the present value of probable future cash flows relevant to each employee. The provision includes a calculation for employees with less than 7 years continuous service and who would have no legal claim to leave until after that period of service is achieved. The accumulated value of this portion of the provision would not require funding.

It is stressed that if this is not assessed correctly, a funding shortfall may occur or the calculated budget deficiency may be incorrect.'

In regard to annual leave, it can be assumed that the current provision is included in the following year's budget allocation.

However, as indicated by the Department, the provision for long service leave includes a calculation for employees with more than 7 years continuous service. So effectively the provision (and therefore rates to be raised) assumes that all Shire staff who have served more than 7 years continuous service may all leave the Shire in the same year.

Statistically, the chance of this happening is virtually zero and therefore the Shire would be raising significantly more rates than would ever be required for staff payouts.

At its meeting held on 25 June 2013, this matter was included in a report relating to a review of all reserve funds. In that report it was advised that *'this reserve was thought to be sufficient at \$10,000.00. Recently, the amount of the Council's current provision for annual leave and long service leave (approximately \$700,000.00) has highlighted that it would be prudent to change the purpose of this reserve to include unplanned payments of annual leave and long service leave liabilities. It is considered that the level of this reserve should be gradually increased to \$100,000.00.'*

This approach will cover any likely scenario except if, for example, some of the senior staff left as part of a restructure or amalgamation. In this instance, the costs would need to be met from other sources, possibly other reserve funds. The current draft 2014/2015 budget includes a sum of \$25,000.00 being transferred to the Employee Reserve. A capital project or projects would probably need to be delayed (or deficit budgeting employed) in order to increase this figure.

The intention is therefore to gradually build up the Employee Reserve to \$100,000.00, the purpose of which is to fund sick, annual and long service leave entitlements for former staff called upon by other local governments and unplanned payments of annual leave and long service leave liabilities (current balance is now \$37,067.00). For the purpose of future budgets and annual reports, it will be assumed that this reserve fund together with budgeted amounts will cover any predicted staff payouts of long service leave.

Verbal advice from the audit firm supports this approach.

Current Ratio

The Department found a variance with its calculation of the current ratio against the Shire's calculation. The Shire's calculation subtracted an unspent loan of \$298,903.00 which was considered to be a liability associated with restricted current assets. The auditor considers that this calculation is debatable and therefore an appropriate change will be made when preparing the 2013/2014 annual financial report.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Cr L Handasyde, seconded Cr C Pavlovich:

That the following approach being taken by the Chief Executive Officer in regard to the review of the Shire of Plantagenet's 2012/2013 Annual Report, undertaken by the Department of Local Government and Communities be noted and endorsed:

- 1. An appropriate change will be made to reflect corrections to property, plant and equipment increment being netted off against a plant and equipment decrement the when preparing the 2013/2014 annual financial report.**

2. The intention is to gradually build up the Employee Reserve to \$100,000.00, the purpose of which is to fund sick, annual and long service leave entitlements for former staff called upon by other local governments and unplanned payments of annual leave and long service leave liabilities. For the purpose of future budgets and annual reports, it will be assumed that this reserve fund together with budgeted amounts will cover any predicted staff payouts of long service leave.
3. An appropriate change will be made to reflect the correct current ratio when preparing the 2013/2014 annual financial report.

CARRIED

6 GENERAL BUSINESS

6.1 CARBON AUDIT REPORT

Cr C Pavlovich

Item: 6.1

Type: Closely Associated Person (S5.62 LGA) and Code of Conduct Disclosure (S5.103 LGA/ Reg 34C Local Government (Administration) Regulations - Perceived interests (Clause 2.3 Code of Conduct)

Nature: Closely associated person

Extent: Working relationship with Shire of Plantagenet supplier

10.18am Cr C Pavlovich withdrew from the meeting.

It was brought to the Committee's attention that a report had not yet been received from Carbon IQ in regard to the carbon offset emission project, for which a deposit had been paid some time ago.

Moved Cr K Clements, seconded Cr L Handasyde:

That Carbon IQ be requested to either provide an appropriate report as specified in the project plan for the carbon offset emission project or return the deposit by 30 June 2014.

CARRIED

10.20am Cr C Pavlovich returned to the meeting.

6.2 COMMITTEE NAME CHANGE

The Committee considered that, given the higher profile of risk management, that the Audit Committee should be renamed Audit and Risk Committee. The administration was requested to prepare a report for consideration by the Council.

7 NEXT MEETING

8 MEETING CLOSURE

10.21am The Presiding Member declared the meeting closed.

CONFIRMED: PRESIDING MEMBER _____ **DATE:** ____/____/____