



SHIRE OF KONDININ
AUDIT, RISK & IMPROVEMENT COMMITTEE

MEETING MINUTES
AUDIT, RISK & IMPROVEMENT COMMITTEE

Wednesday 10 December 2025

11 Gordon Street, KONDININ WA 6367 Tel (08) 98891006 Fax (08) 98891197
All communications to be addressed to the Chief Executive Officer
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Order of Business

1. DECLARATION OF OPENING

The Presiding Member welcomed those present and declared the meeting open at 10.06am.

2. RECORD OF ATTENDANCE / APOLOGIES

MEMBERS:

Independent Presiding Member:	Mrs. Catherine Mayfield
Independent Deputy Presiding Member:	Mrs. Tracey Utley
Council member	Cr B Gangell
Council member	Cr D Pool

STAFF:

Chief Executive Officer Mr B Wright
Manager Corporate Services Mr V Bugna

APOLOGIES:

Cr M James

3. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

3.1 Minutes of Audit Committee Meeting – 19th March 2025

RECOMMENDATION:

Moved: Cr Gangell Seconded: Cr Pool
That the minutes of the Audit Committee Meeting held on 19th March 2025 are received and noted.

For: Chair Mayfield, D/Chair Utle, Cr Gangell, Cr Pool

Against: Nil

Carried: 4/0

4. ARIC TERMS OF REFERENCE & ANNUAL WORKPLAN

Author: Bruce Wright – Chief Executive Officer

Authorising Officer: Bruce Wright – Chief Executive Officer

Date: 4 December 2025

Disclosure of Interest: Nil

Date:	7 December 2020
Disclosure of Interest:	Nil
Attachments:	1. Terms of Reference – Audit Risk & Improvement Committee 2. Draft Annual Workplan – Audit Risk & Improvement Committee

2. Draft Annual Workplan – Audit Risk & Improvement Committee

OFFICER'S RECOMMENDATION:

Moved: D/Chair Utley
Seconded: Cr Gangell

That the Audit Committee receives, endorses and approves the:

1. Terms of Reference for the Shire of Kondinin Audit, Risk & Improvement Committee.
2. Draft Annual Workplan for the Shire of Kondinin Audit, Risk & Improvement Committee.

For: Chair Mayfield, D/Chair Utley, Cr Gangell, Cr Pool

Against: Nil

Carried: 4/0

SUMMARY

The purpose of this report is to present the Terms of Reference (ToR) for the Audit and Risk Committee (ARIC) and to introduce the Draft Annual Workplan for consideration and endorsement.

The ToR and Workplan have been developed to ensure full compliance with the *Local Government Act 1995*, *Local Government (Audit) Regulations 1996*, and recognised best practice principles for public-sector audit and risk governance.

BACKGROUND

Under the provisions of Section 7.1A of the Local Government Act 1995, the local government is empowered to establish an Audit Committee. The Local Government (Audit) Regulations 1996 outline the statutory responsibilities of the Audit Committee, including but not limited to:

- Reg. 16 - Functions of the Audit Committee.
- Reg. 17 - CEO review of risk management, internal control and legislative compliance.
- Reg. 17A - Financial management systems and procedures review.
- Reg. 5 - Financial management responsibilities.

In addition, the Local Government Amendment Act 2023 (yet to be implemented) introduced significant governance reforms, strengthening requirements relating to the:

- Transparency of financial and performance reporting
- Oversight of audit and risk functions
- Enhanced accountability measures for CEO performance and reporting
- Improved community access to information
- More consistent compliance across the sector

These reforms further elevate the strategic importance of the Audit and Risk Committee as a key governance mechanism supporting Council in meeting its enhanced obligations under the amended legislation.

Contemporary audit and risk committees also support broader governance responsibilities, including enterprise risk management, internal audit, integrity frameworks, fraud and corruption prevention, and business continuity.

The Terms of Reference establish the role, authority, responsibilities and operating framework of the Committee. Key components include, but are not limited to:

- Purpose of the Committee
- Responsibilities
- Authority
- Membership & Meetings
- Reporting

The proposed Annual Workplan ensures that the Committee discharges all statutory functions while adopting a structured and proactive approach to overseeing audit, risk and governance activities.

COMMENT

The Terms of Reference and draft Annual Workplan establish a strong governance foundation for the Committee; that ensures compliance with legislative requirements while adopting best practice in audit and risk oversight. The adoption of the Terms of Reference and Annual Work Plan will enhance transparency, strengthen internal controls, and support continuous improvement across the Shire.

STATUTORY REQUIREMENTS

Section 7.1A of the Local Government Act 1995
Regulation 5, 16, 17 & 17A Local Government (Audit) Regulations 1996

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

This action supports the following sections of the Shire's Strategic Community Plan 2022-2032:
*"Goal 4: Civic Leadership
We are a compliant and resourced Local Government"*

5. ADOPTION OF AUDITED ANNUAL FINANCIAL REPORT 2024/25

Author: V Bugna, Manager Corporate Services
Authorising Officer: B Wright, Chief Executive Officer
Date: 4th December 2025
Disclosure of Interest: Nil
Attachments:
1. Shire of Kondinin – Annual Financial Report 2025 (Audited)
2. OAG's Independent Auditor's Report 2025
3. MOORE, Contractor Auditor – Audit Concluding Report
4. Findings Identified During the Final Audit
5. Findings Identified During the Interim Audit

OFFICER'S RECOMMENDATION:

Moved: Cr Pool

Seconded: Cr Gangell

That the Audit Committee receives and endorses the:

1. Shire of Kondinin - Audited Annual Financial Report for the year ended 30 June 2025;
2. Auditor General Independent Audit Report for the year ended 30 June 2025;
3. Audit Concluding Report for the year ended 30 June 2025;
4. Final Management Letter Attachment – Findings Identified During the Final Audit; and
5. Interim Management Letter Attachment – Findings Identified During the Interim Audit.

For: Chair Mayfield, D/Chair Utley, Cr Gangell, Cr Pool
Against: Nil

Carried:4/0

SUMMARY

To present to the Audit, Risk and Improvement Committee the Shire of Kondinin's audited Annual Financial Report for the year ended 30 June 2025.

BACKGROUND

The Office of the Auditor General (OAG) and MOORE Australia, auditors have completed their audits of the Shire's financial statements for the financial year ended 30 June 2025. Following their audits, the auditors have concluded that the Shire's annual financial report gives a true and fair representation of the Shire's financial records.

The Shire's audited Annual Financial Report for the year ended 2025 and the Auditor General Independent opinion 2025 on the report are shown as attachments 1 and 2.

COMMENT

The Shire of Kondinin has again received an unqualified or "clean" audit opinion from the Office of the Auditor General (OAG).

MOORE Australia, OAG's contractor auditor provided the Shire with an Audit Concluding Report containing Significant and Accounting Issues and Other Key Matters as part of their audit procedures. A copy of this report is shown as attachment 3.

The Management Letters issued by the auditors include findings identified during the interim and final audits of which mostly IT security and compliance in nature. Management provided comments with target completion dates to resolve those issues. Copies of the reports are shown as attachments 4 and 5.

STATUTORY REQUIREMENTS

Section 6.4 Local Government Act 1995 Financial Report

Section 5.54 Local Government Act 1995 Acceptance of Annual Reports

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

This action supports the following sections of the Shire's Strategic Community Plan 2022-2032:

"Goal 4: Civic Leadership

We are a compliant and resourced Local Government"

6. GENERAL BUSINESS

Schedule of Meetings:

February, 2026 – Tuesday 10th, 9am. Schedule of meetings to be discussed during the February 2026 meeting.

Reporting Themes:

*Budget report
Business continuity plan
Risk controls
Cyber risk assessments*

Chair requested that the CEO is to develop a draft reporting document.

Internal Checklists:

In lieu of retention of an external auditor. Endorsed by the Committee for quarterly reporting.

7. CLOSURE

Being no further business, the meeting was closed at 10.49am.