



SHIRE OF DERBY/WEST KIMBERLEY

COMPLIANCE AND STRATEGIC REVIEW COMMITTEE MEETING

**THURSDAY 14 DECEMBER 2017
AT THE COUNCIL CHAMBERS
CLARENDON ST, DERBY**

MINUTES



SHIRE OF DERBY/WEST KIMBERLEY

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**COMPLIANCE AND STRATEGIC REVIEW COMMITTEE MEETING
14 DECEMBER 2017
MINUTES**

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The meeting was opened at 4:10pm by the Shire President

2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

Committee Members:

Cr Geoff Haerewa	Councillor
Cr Andrew Twaddle	Councillor
Cr Paul White	Councillor
Cr Chris Kloss	Councillor

Councillors:

Cr Denise Andrews (via telephone)
Cr Peter McCumstie
Cr Iris Prouse
Cr Geoff Davis
Cr Peter Coggins

Staff:

Wayne Neate	Director Technical and Development Services
Ross Sullivan	Manager Administration and Governance

Auditor:

Nil

Apologies:

Mr Martin Cuthbert, DCCS
Mr Stephen Gash, Chief Executive Officer

Leave of Absence:

Nil

Absent:

Nil

3.0 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

COMMITTEE DECISION: MINUTE NO. CSR022/2017

Moved: Cr A Twaddle

Seconded: Cr P White

That the Minutes of the Compliance and Strategic Review Committee Meeting held 17 August 2017 be confirmed.

CARRIED 4/0

4.0 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION

Nil

5.0 DECLARATIONS OF INTEREST

Section 5.65 and 5.70 of the *Local Government Act 1995* requires an Elected Member or Officer who has an interest in any matter to be discussed at a Committee/Council Meeting that will be attended by the Elected Member or Officer must disclose the nature of the interest in a written notice given to the Chief Executive Officer before the meeting; or at the meeting before the matter is discussed.

An Elected Member who makes a disclosure under section 5.65 or 5.70 must not preside at the part of the meeting relating to the matter; or participate in; or be present during, any discussion or decision making procedure relating to the matter, unless allowed by the Committee/Council. If Committee/Council allow an Elected Member to speak, the extent of the interest must also be stated.

5.1 DECLARATIONS OF FINANCIAL INTERESTS

Nil

5.2 DECLARATIONS OF PROXIMITY INTERESTS

Nil

5.3 DECLARATIONS OF IMPARTIALITY INTERESTS

Nil

6.0 REPORTS

6.1 ACCEPTANCE OF 2016-17 ANNUAL FINANCIAL REPORT

Location/Address:	N/A
Name of Applicant:	Shire of Derby/West Kimberley
File Reference:	5151 – Financial Reports – Annual SDWK
Author:	Martin Cuthbert, Director Corporate and Community Services
Responsible Officer:	Stephen Gash, Chief Executive Officer
Disclosure of any Interest:	Nil
Date of Report:	7 December 2017
Attachments:	1. 2016-17 Annual Financial Report 2. 2016-17 Audit Report 3. Auditors Report to the Compliance and Strategic Review Committee (Management Report)
Authority/Discretion:	Executive

SUMMARY:

For the Compliance and Strategic Review Committee to consider and accept the 2016-17 Annual Financial Report and Auditor's Report and recommend adoption by Council.

BACKGROUND:

As per the Terms of Reference adopted 25 March 2015, one of the principle objectives of the Compliance and Strategic Review Committee is to accept responsibility for the annual external audit and to liaise with the Auditor so that Council can be satisfied with the performance of the Local Government in managing its financial affairs. The Committee's duties and responsibilities in relation to the Annual Financial Report and the external audit are clearly outlined in the Terms of Reference, specifically item (k) which requires the Committee to consider and recommend adoption of the Annual Financial Report to Council.

The Annual Financial Report for the period ending 30 June 2017 is presented to the Compliance and Strategic Review Committee for consideration and recommend adoption by Council. Shire staff and Moore Stephens have been working collectively to prepare the statements ready for presentation to the auditors. The finalised set of the financial statements and accompanying letters will be received by Shire staff the week commencing 11 December 2017.

STATUTORY ENVIRONMENT:

Local Government (Financial Management) Regulations 1996

51. Annual financial report to be signed etc. by CEO and given to Department

- (1) After the annual financial report has been audited in accordance with the Act the CEO is to sign and append to the report a declaration in the form of Form 1.*
- (2) A copy of the annual financial report of a local government is to be submitted to the Departmental CEO within 30 days of the receipt by the local government's CEO of the auditor's report on that financial report.*

Local Government Act 1995

5.53. Annual reports

- (1) The local government is to prepare an annual report for each financial year.*
- (2) The annual report is to contain —*
 - (f) the financial report for the financial year;*

5.54. Acceptance of annual reports

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.*

** Absolute majority required.*

- (2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.*

Division 3 — Reporting on activities and finance

6.4. Financial report

- (1) A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.*
- (2) The financial report is to —*
 - (a) be prepared and presented in the manner and form prescribed; and*
 - (b) contain the prescribed information.*
- (3) By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —*
 - (a) the accounts of the local government, balanced up to the last day of the preceding financial year; and*
 - (b) the annual financial report of the local government for the preceding financial year.*

POLICY IMPLICATIONS:

There are no policy implications that relate to this report.

FINANCIAL IMPLICATIONS:

The Annual Financial Statements set out the operating results for the Shire for the year ended 30 June 2017 and the assets and liabilities as at that date, together with other relevant financial information.

STRATEGIC IMPLICATIONS:

GOAL	OUTCOME	STRATEGY
4: Good governance and an effective organisation Leadership that provides strategic direction for the community, supported by efficient and effective service delivery	4.1: Effective governance and leadership	4.1.3: Strengthen the governance role of Councillors by informing, resourcing, skilling and supporting their role
4: Good governance and an effective organisation Leadership that provides strategic direction for the community, supported by efficient and effective service delivery	4.1: Effective governance and leadership	4.1.4: Ensure governance policies and procedures are in accordance with legislative requirements

RISK MANAGEMENT CONSIDERATIONS:

RISK	LIKELIHOOD	CONSEQUENCE	RISK ANALYSIS	MITIGATION
Legal and Compliance: Failure to prepare and adopt the Annual Financial Report would result in non-compliance with its statutory responsibilities under the <i>Local Government Act 1995</i>	Rare	Moderate	Low	Accept officer recommendation

CONSULTATION:

Moore Stephens (WA) Pty Ltd

Shire Staff

There is no legislative requirement to consult on the preparation of the Annual Financial Report, but the *Local Government Act 1995* requires a General Meeting of Electors to be held and the Shire's Annual Report, incorporating the Annual Financial Report, to be made available publicly.

COMMENT:

Moore Stephens (WA) Pty Ltd have completed their audit of Council's affairs for the financial year ended 30 June 2017 and the Audit Report and Management Report will be provided under separate cover.

VOTING REQUIREMENT:

Absolute majority

COMMITTEE DECISION: MINUTE No. CSR023/2017

Moved: Cr P White

Seconded: Cr A Twaddle

That the Compliance and Strategic Review Committee BY AN ABSOLUTE MAJORITY:

- 1. ENDORSES the 2016-17 Annual Financial Report of the Shire of Derby/West Kimberley and the accompanying 2016-17 Audit Report, as attached to this report, and recommends adoption by Council;**
- 2. NOTES the Auditor's Management Report to the Compliance and Strategic Review Committee for the year ended 30 June 2017 supplied by Council's Auditor, Mr David Tomasi of Moore Stephens (WA) Pty Ltd.**
- 3. NOTES the response from management to the items raised in the auditors Management Report.**

CARRIED 4/0

7.0 TABLING OF INFORMATION

8.0 DATE OF NEXT MEETING

To be determined.

9.0 CLOSURE OF MEETING

The Presiding Member closed the meeting at 4:26pm.

<p>These Minutes were confirmed at a Meeting on</p> <p>.....</p> <p>Signed:</p> <p>Presiding Person at the Meeting at which these Minutes were confirmed.</p> <p>Date:</p>
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