

# TOWN OF COTTESLOE



## AUDIT COMMITTEE

# AGENDA

**AUDIT COMMITTEE  
TO BE HELD IN THE  
Mayor's Parlour, Cottesloe Civic Centre  
109 Broome Street, Cottesloe  
5:00 PM Friday, 7 February 2025**

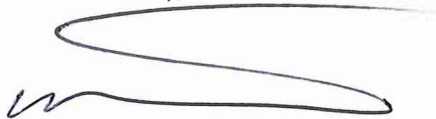
# Town of Cottesloe

## AUDIT COMMITTEE MEETING

Notice is hereby given that the next Audit Committee Meeting will be held in the Mayor's Parlour, Cottesloe Civic Centre, 109 Broome Street, Cottesloe on **7 February 2025** commencing at **5:00 PM**.

The business to be transacted is shown on the Agenda hereunder.

Yours faithfully,



William Matthew Scott  
**Chief Executive Officer**

06 February 2025

## DISCLAIMER

No responsibility whatsoever is implied or accepted by the Town for any act, omission, statement or intimation occurring during committee or council meetings.

The Town of Cottesloe disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, statement or intimation occurring during committee or council meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a council meeting does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or intimation of approval made by any member or officer of the Town of Cottesloe during the course of any meeting is not intended to be and is not taken as notice of approval from the Town.

The Town of Cottesloe wishes to advise that any plans or documents contained within the agenda or minutes may be subject to copyright law provisions (*Copyright Act 1968*, as amended) and that the express permission of the copyright owner(s) should be sought prior to their reproduction.

Members of the public should note that no action should be taken on any application or item discussed at a committee or council meeting prior to written advice on the resolution of council being received.

Agenda and minutes are available on the Town's website [www.cottesloe.wa.gov.au](http://www.cottesloe.wa.gov.au)

## PURPOSE

The purpose of the Audit Committee is to:

- Guide and assist the local government in carrying out its financial management and audit functions.
- Monitor and advise the Chief Executive Officer in reviews conducted into financial management and audit systems and procedures.
- Oversee the implementation of any resulting Council recommendations so as to support better decision-making, greater accountability to the community and ensure a more efficient and effective Local Government.

## TERMS OF REFERENCE

Under section 16 of the *Local Government (Audit) Regulations 1996*, an audit committee has the following functions —

- (a) *to guide and assist the local government in carrying out —*
  - (i) *its functions under Part 6 of the Act; and*
  - (ii) *its functions relating to other audits and other matters related to financial management;*
- (b) *to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act;*
- (c) *to review a report given to it by the CEO under regulation 17(3) (the **CEO's report**) and is to —*
  - (i) *report to the council the results of that review; and*
  - (ii) *give a copy of the CEO's report to the council;*
- (d) *to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under —*
  - (i) *regulation 17(1); and*
  - (ii) *the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);*
- (e) *to support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;*
- (f) *to oversee the implementation of any action that the local government —*
  - (i) *is required to take by section 7.12A(3); and*
  - (ii) *has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and*
  - (iii) *has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and*
  - (iv) *has accepted should be taken following receipt of a report of a review conducted under the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);*
- (g) *to perform any other function conferred on the audit committee by these regulations or another written law.*

Under section 14(3A) of the Regulations, the Audit Committee:

- (3A) *The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.*

---

## TABLE OF CONTENTS

---

ITEM	SUBJECT	PAGE NO
1	DECLARATION OF MEETING OPENING/ANNOUNCEMENT OF VISITORS .....	2
2	DISCLAIMER .....	2
3	ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION.....	2
4	ATTENDANCE .....	2
5	DECLARATION OF INTERESTS .....	3
6	CONFIRMATION OF MINUTES .....	3
7	PRESENTATIONS .....	3
8	REPORTS .....	4
8.1	REPORTS OF OFFICERS .....	4
8.1.1	2023/24 ANNUAL FINANCIAL STATEMENTS AND AUDIT REPORT .....	4
8.1.2	MEETINGS DATES 2025 .....	7
8.2	ITEMS FOR DISCUSSION .....	8
8.2.1	AUDIT COMMITTEE RESOLUTION DATABASE .....	8
8.2.2	COMPLIANCE CALENDAR .....	9
9	GENERAL BUSINESS.....	10
10	MEETING CLOSED TO PUBLIC .....	10
10.1	MATTERS FOR WHICH THE MEETING MAY BE CLOSED .....	10
11	NEXT MEETING .....	10
12	MEETING CLOSURE .....	10

**1 DECLARATION OF MEETING OPENING/ANNOUNCEMENT OF VISITORS****1.1 ACKNOWLEDGEMENT OF COUNTRY**

I would like to begin by acknowledging the Whadjuk Nyoongar people, Traditional Custodians of the land on which we meet today, and pay my respects to their Elders past and present. I extend that respect to Aboriginal and Torres Strait Islander peoples here today.

**2 DISCLAIMER**

Refer to the Disclaimer on the inside of the cover page

**3 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**

The meeting will be recorded, solely for the purpose of confirming the correctness of the Minutes.

**4 ATTENDANCE****Members**

Mayor Lorraine Young	Elected Member
Cr Helen Sadler	Elected Member
Cr Sonja Heath	Elected Member
Cr Jeffrey Irvine	Elected Member
Mr Andrew Dimsey	Community Representative
Mr Nathan Hart	Community Representative
Mr Ian McKenzie	Community Representative

**Officers**

Mr Matthew Scott	Chief Executive Officer
Ms Vicki Cobby	Director Corporate and Community Services
Ms Sheryl Teoh	Finance Manager
Ms Magda Domanska	Executive Services Officer

**Visitors****Apologies**

At the close of the agenda no apologies had been received.

**5        DECLARATION OF INTERESTS**

**6        CONFIRMATION OF MINUTES**

That the Minutes of the Audit Committee Meeting held on Thursday 19 December 2024 be confirmed as a true and accurate record.

**7        PRESENTATIONS**

**8 REPORTS****8.1 REPORTS OF OFFICERS****8.1.1 2023/24 ANNUAL FINANCIAL STATEMENTS AND AUDIT REPORT**

**Directorate:** Corporate and Community Services  
**Author(s):** Vicki Cobby, Director Corporate and Community Services  
**Authoriser(s):** William Matthew Scott, Chief Executive Officer  
**File Reference:** D25/4525  
**Applicant(s):**  
**Applicant(s) Proponents:**  
**Author Disclosure of Interest:** Nil

---

**SUMMARY**

The 2023/24 Annual Financial Statements have been completed and audited by the Town's Auditor and the Office of the Auditor General. The Audit Report has subsequently been completed and is submitted to the Audit Committee for information prior to be submitted to Council.

**OFFICER RECOMMENDATION IN BRIEF**

That the Audit Committee note the 2023/24 Annual Financial Statements and Audit Report as presented.

**BACKGROUND**

The Annual Financial Statements for a local government must be submitted for Audit by 30 September each year. This year the Town sought an extension from the Department of Local Government, Sport and Cultural Industries to extend the deadline to 31 October 2024. The Town's 2023/24 Annual Financial Statements were submitted to the Town's Auditor on the evening of 31 October 2024.

**OFFICER COMMENT**

The Annual Financial Statements and Audit Report have been completed and are presented to the Audit Committee prior to being incorporated into the Town's Annual Report which is then submitted to Council.

The draft Annual Financial Statements were distributed to Audit Committee Members on 3 December 2024 for their review and feedback, in preparation for the Town's audit exit meeting with the Office of the Auditor General (OAG) and the Town's auditors, originally scheduled for 19 December 2024 at 8:00 AM. However, the OAG postponed this meeting due to additional inquiries regarding the revaluation of the Grove Library conducted in the 2022/23 financial year. These inquiries necessitated a restatement of the financial statements, which have now been completed. Details on this adjustment are provided in Note 30 (page 44).



The Audit Committee are invited to attend the Town’s Audit Exit Meeting, chaired by the Office of the Auditor General. This meeting, to be held immediately before the Audit Committee Meeting on Friday 7 February 2025 gives the audit committee the opportunity to discuss any elements of the audit or annual financial report with both staff, Grant Thornton auditors and the Office of the Auditor General.

The audit report will be presented and spoken to by the Office of the Auditor General in the Audit Exit Meeting.

The Annual Financial Statements and the Management Representation Letter will be signed at the conclusion of the Audit Exit Meeting on 7 February. At the time of writing this report, the Audit Opinion had not been received from the auditors. This will be provided before the audit exit meeting. It is anticipated that an unqualified audit opinion will be issued by the Office of the Auditor General.

Extracted from the Statement of Financial Position as at 30 June 2024, the following is highlighted for the Committee:

	<b>2023/24</b>	<b>2022/23</b>	<b>Difference</b>
Net Current Asset Position	\$9,863,836	\$9,558,236	\$305,600
Total Debt	\$2,108,097	\$2,460,557	(\$352,460)
Total Reserves	\$7,839,029	\$8,283,426	(\$444,397)
Total Equity	\$152,795,094	\$149,591,993	\$3,203,101

While these four items are not presented in any statutory manner they do provide a brief snapshot of some of the key financial data currently in the Statements. The positive figures in the difference column show gains from the previous financial year. The negative amounts indicate a reduction in debt and in Reserves. The Total Equity has increased by \$3.2 million, this is a good result for the Town.

**ATTACHMENTS**

- 8.1.1(a) Annual Financial Statements for the period ended 30 June 2024 [under separate cover]**

**CONSULTATION**

Grant Thornton Auditors  
Office of the Auditor General

**STATUTORY IMPLICATIONS**

*Local Government Act 1995*

**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 perceived Policy implications arising from the officer's recommendation.

**STRATEGIC IMPLICATIONS**

This report is consistent with the Town's *Council Plan 2023 – 2033*.

Priority Area 6: Providing open and accountable local governance

Major Strategy 6.2: Continue to deliver high quality governance, administration, resource management and professional development.

**RESOURCE IMPLICATIONS**

Resource requirements are in accordance with the existing budgetary allocation.

**ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS**

There are no perceived sustainability implications arising from the officer's recommendation.

**VOTING REQUIREMENT**

Simple Majority

**OFFICER RECOMMENDATION**

**THAT the Audit Committee note the 2023/24 Annual Financial Statements and Audit Report as presented.**

**8.1.2 MEETINGS DATES 2025****Attachments: Nil**

The proposed Audit Committee meeting dates for 2025 are listed below:

- Monday, 17 March 2025 4.30-6.00pm
- Monday, 26 May 2025 4.30-6.00pm
- Monday, 8 September 2025 4.30-6.00pm
- Monday, 8 December 2025 4.30-6.00pm

**THAT the Audit Committee RECOMMENDS that the Council ADOPTS these Audit Committee Meetings dates for 2025.**

**8.2 ITEMS FOR DISCUSSION**

**8.2.1 AUDIT COMMITTEE RESOLUTION DATABASE**

**Attachments: 8.2.1(a) Audit Committee Resolution Database - November 2024 [under separate cover]**

The Audit Committee Resolution Database provides an update on Council resolutions put forward by the Audit Committee since the previous meeting and resolutions linked to their Charter. This is provided for information.

**8.2.2 COMPLIANCE CALENDAR**

**Attachments: 8.2.2(a) Audit Compliance Calendar - December 2024 [under separate cover]**

The Compliance Calendar has been adapted specifically for the Town of Cottesloe from the WALGA model to govern best practices across the calendar year.

The Compliance Calendar is provided for the information of the Audit Committee.

**9 GENERAL BUSINESS**

**9.1 COMMITTEE MEMBERS**

**9.2 OFFICERS**

**10 MEETING CLOSED TO PUBLIC**

**10.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED**

**11 NEXT MEETING**

**12 MEETING CLOSURE**