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Shire of Perenjori

MINUTES

Audit Committee Meeting

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Held in the Shire of Perenjori Council Chambers, Fowler Street, Perenjori on **20<sup>th</sup> June 2013,**  
**to commenced at 10.20am**

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**13061 PRELIMINARIES**

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Cr L Butler officially opened the meeting at 10.23 am.

**13061.1 RECORD OF ATTENDANCE AND APOLOGIES**

Cr LC Butler  
Cr CR King – Observer  
Cr JH Hirsch  
CR J Cunningham  
Cr RP Desmond  
Ali Mills –CEO  
Carla Sanderson – Executive Assistant

**Apologies**

Cr LJ Smith  
Cr HC Wass

**13061.2 CONFIRMATION OF MINUTES**

Minutes of the Audit Committee meeting held 16<sup>th</sup> May 2013 are attached.

**Moved: Cr R Desmond**

**Seconded: Cr J Hirsch**

**That the minutes of Audit Committee Meeting held Friday 16<sup>th</sup> May 2013 be seen as a true and accurate record.**

**Carried: 6/0**

**13062 APPOINTMENT OF AUDITOR**

<b>APPLICANT:</b>	<b>SHIRE OF PERENJORI</b>
<b>FILE:</b>	<b>0</b>
<b>DISCLOSURE OF INTEREST:</b>	<b>0</b>
<b>AUTHOR:</b>	<b>ALI MILLS - CEO</b>
<b>RESPONSIBLE OFFICER</b>	<b>ALI MILLS - CEO</b>
<b>REPORT DATE:</b>	<b>20<sup>th</sup> June 2013</b>
<b>ATTACHMENTS</b>	<b>Quotation's for the Provision of Audit Services</b>

**Executive Summary**

The contract with the Shire's Auditors will expire this financial year, and the Audit Committee is required to make a recommendation to Council on the appointment of an Auditor.

**Background**

The appointment of the auditor is a matter for the Audit Committee. The Act does not allow the CEO or any other staff member to be appointed to the Audit committee.

UHY Haines Norton has been supplying audit services to the Shire of Perenjori since 1999.

Quotes have been sought with two companies providing written quotes, being UHY Haines Norton and RSM Bird Cameron. Both Companies are experienced and competent in providing such services for Local Government, meeting the requirements of the Local Government Act, and Financial Regulations. The following presents details of their quotes:

<b>COMPANY</b>	<b>YEAR</b>	<b>FEE</b>	<b>GST</b>	<b>TOTAL (GST INC)</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>
UHY HAINES NORTON	2014	17,500	1,875	19,375
RSM BIRD CAMERON	2014	17,971	1,797	19,768
UHY HAINES NORTON	2015	18,500	1,980	21,780
RSM BIRD CAMERON	2015	18,880	1,888	20,768
UHY HAINES NORTON	2016	19,500	2,085	22,935
RSM BIRD CAMERON	2016	19,835	1,984	21,819

Both companies will provide the same service and have similar rates in relation to any additional or extra assistance required.

### **Statutory Environment**

*Local Government Act 1995 S7.3* states as follows:

#### **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.*

*\* Absolute majority required.*

- (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.*

### **Policy Implications**

Nil

### **Financial Implications**

The fees will need to be included in Council's annual budgeting processes.

### **Strategic Implications**

#### **Area 5: Investing in Councils Capacity – Our Leadership**

**Goal:** Strengthen the Shire's position as an innovative, independent local Government providing excellence in all areas of governance, management and leadership.

### **Consultation**

RSM Bird Cameron

UHY Haines Norton

Shire of Mingenew

Shire of Yalgoo

### **Comment**

Both companies have very good reputations amongst local Government authorities and thus would be considered very competent and capable of meeting our needs and the compliance requirements set out by the Department. The options available to the audit committee are:

To appoint either Company for three years

Appoint either Company for one year and review the following year.

### **Voting Requirements - Absolute Majority**

**Officers Recommendation – Item 13061.3**

Option 1:

That Council appoint UHY Haines Norton as the Auditor for the Shire of Perenjori for an additional three year period, from 2014 to 2016 inclusive.

Option 2:

That Council appoint RSM Bird Cameron as the Auditor for the Shire of Perenjori for a three year period, from 2014 to 2016 inclusive.

**COMMITTEE RECOMMENDATION – ITEM 13061.3**

Moved: Cr R Desmond

Seconded: Cr J Cunningham

Option 2:

That Council appoint RSM Bird Cameron as the Auditor for the Shire of Perenjori for a three year period, from 2014 to 2016 inclusive.

Carried: 4/0

**13063 OTHER BUSINESS**

None

**13063.1 DATE OF NEXT MEETING / MEETINGS****13063.2 CLOSURE**

Cr L Butler officially closed the meeting at 10.32 pm.

*I certify that this copy of the Minutes is a true and correct record of the meeting held on 20<sup>th</sup> June 2013.*

**Signed:** \_\_\_\_\_

*Presiding Elected Member*

**Date:** \_\_\_\_\_