



**MINUTES OF THE AUDIT COMMITTEE MEETING  
TO BE HELD IN THE COMMITTEE ROOM, MIDLAND TOWN HALL  
ON MONDAY 23 OCTOBER 2006 COMMENCING AT 6.00PM  
MEETING NO. 01 FY06/07**

**OPENING PROCEDURES**

**1. OPENING**

The Chairman, Cr Jones, opened the meeting at 6.01pm.

**2. ATTENDANCE AND APOLOGIES**

Councillors: Cr T Jones Ellenbrook Ward  
Cr M Congerton Ballajura Ward  
Cr J Marino Midland Ward  
Cr J Holmes Midland Ward

Independent Members:  
Mr P Willemse

Staff (Observers): Mr M Foley Chief Executive Officer  
Mr G Poepjes Executive Manager Corporate Services  
Mrs A Liew Program Manager Internal Audit  
Mr S Downing Chief Financial Officer

Visitors: Mr T Macri External Auditors - Barrett & Partners-  
DFK  
Mr S Menon External Auditors - Barrett & Partners-  
DFK

Leave of Absence: Mrs L Barker Independent Member

Apologies: Nil

**3. DECLARATION OF FINANCIAL INTERESTS & INTERESTS AFFECTING IMPARTIALITY**

Cr T Jones declared a financial interest in Item 8.3.2 (Major Law Suits) by virtue of a client of his employer having an interest in this matter.

**4. LEAVE OF ABSENCE**

Cr T Jones 11 November - 15 November 2006  
Cr J Marino 11 November - 15 November 2006  
Cr M Congerton 11 November - 19 November 2006  
Mr P Willemse 01 December - 31 January 2006  
(Cr Holmes/Cr Congerton)

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**5. CONFIRMATION OF MINUTES**

Minutes of the Audit Committee meeting held on 20 June 2006 were submitted to and received by Council at its meeting held on 5 July 2006.

**RESOLVED UNANIMOUSLY** that the Minutes of the Audit Committee meeting held on 20 June 2006 be confirmed.

(Mr Willemse/Cr Jones)

**6. MEMBERS QUESTIONS OF WHICH DUE NOTICE HAS BEEN GIVEN WITHOUT NOTICE**

Nil.

**7. MEMBERS QUESTIONS OF WHICH DUE NOTICE HAS NOT BEEN GIVEN WITHOUT NOTICE**

Nil.

**8. REPORTS AND PRESENTATIONS**

**8.1 Internal Audit Reports**

**8.1.1 Internal Audit Register of Open Items - Progress Report/Update**

**RECOMMENDATION** that the Audit Committee recommend to Council to resolve to:

- 1) Note and accept the Program Manager, Internal Audit progress report on the Internal Audit Register of Open Items.
- 2) Record the remedied action item on the Internal Audit Register of Open Items - Closed Cases.

**MOTION** that the Recommendation be adopted.

(Cr Marino/Cr Congerton)

**RESOLVED UNANIMOUSLY** that the Audit Committee recommend to Council to:

- 1) Note and accept the Program Manager, Internal Audit progress report on the Internal Audit Register of Open Items.
- 2) Record the remedied action item on the Internal Audit Register of Open Items - Closed Cases.

### **8.1.2 Internal Audit Annual Report for FY 05/06**

**RECOMMENDATION** that the Audit Committee recommend to Council to resolve to:

- 1) Receive the Internal Audit Annual Report for the financial year ended 30 June 2006.

**MOTION** that the Recommendation be adopted subject to the addition of point 2) to read:

- 2) Request the Program Manager Internal Audit to prepare a progress report on the Strategic Audit Plan for discussion at the next Audit Committee Meeting of 28 November 2006. As part of this progress report, request the CEO to consider resources for the Internal Audit business unit.  
(Cr Jones/Cr Congerton)

**RESOLVED UNANIMOUSLY** that the Audit Committee recommend to Council to:

- 1) Receive the Internal Audit Annual Report for the financial year ended 30 June 2006.
- 2) Request the Program Manager Internal Audit prepare a progress report on the Strategic Audit Plan for discussion at the next Audit Committee Meeting of 28 November 2006. As part of this progress report, request the CEO to consider resources for the Internal Audit business unit.

## **8.2 External Audit Reports**

### **8.2.1 Interim External Audit Visit for Year Ended 30 June 2006**

**RECOMMENDATION** that the Audit Committee recommend to Council to resolve to:

- 1) Accept the report entitled 'Interim Audit Visit for the Year Ended 30 June 2006' by Barrett & Partners-DFK.
- 2) Include all outstanding findings within the report on the External Audit Register of Open Items.

**MOTION** that the Recommendation be adopted.  
(Cr Marino/Cr Congerton)

**RESOLVED UNANIMOUSLY** that the Audit Committee recommend to Council to:

- 1) Accept the report entitled 'Interim Audit Visit for the Year Ended 30 June 2006' by Barrett & Partners-DFK.
- 2) Include all outstanding findings within the report on the External Audit Register of Open Items.

### **8.2.2 Draft 2005/06 Annual Report and Financial Statements**

**RECOMMENDATION** that the Audit Committee recommend to Council to resolve to:

- 1) Adopt the Draft Annual Report and Financial Statements for the year ended 30 June 2006.

**MOTION** that the Recommendation be adopted.  
(Cr Congerton/Cr Holmes)

**RESOLVED UNANIMOUSLY** that the Audit Committee recommend to Council to:

- 1) Adopt the Draft Annual Report and Financial Statements for the year ended 30 June 2006.

### **8.3 Legal and Compliance Matters**

#### **8.3.1 Legal and Compliance Register of Open Items - Progress Report/Update**

**RECOMMENDATION** that the Audit Committee recommend to Council to resolve to:

- 1) Note and accept the Program Manager, Internal Audit progress report on the Legal & Compliance Register of Open Items.
- 2) Record the remedied action items on the Legal & Compliance Register of Open Items - Closed Cases.

**MOTION** that the Recommendation be adopted.  
(Cr Holmes/Mr Willemse)

**RESOLVED UNANIMOUSLY** that the Audit Committee recommend to Council to:

- 1) Note and accept the Program Manager, Internal Audit progress report on the Legal & Compliance Register of Open Items.
- 2) Record the remedied action items on the Legal & Compliance Register of Open Items - Closed Cases.

Cr Jones declared a financial interest in Item 8.3.2 by virtue of a client of his employer having an interest in this matter. Cr Jones left the Chamber at 6.32pm, vacated the Chair and was absent during the whole of the debate on Item 8.3.2 and did not speak or otherwise participate in the decision making process.

**MOTION** that Mr Willemse be elected Chairman in the absence of Cr Jones.

(Cr Marino/Cr Congerton)

**RESOLVED UNANIMOUSLY** that Mr Willemse be elected Chairman.

Mr Willemse assumed the Chair.

#### **8.3.2 Major Law Suits**

**RECOMMENDATION** that the Audit Committee recommend to Council to resolve to:

- 1) Receive the Major Law Suits Status Report.

**MOTION** that the Recommendation be adopted, subject to the addition of point 2) to read:

- 2) Request the CEO to notify the Audit Committee of new issues as they arise.

(Cr Congerton/Cr Marino)

**RESOLVED UNANIMOUSLY** that the Audit Committee recommend to Council to:

- 1) Receive the Major Law Suits Status Report.
- 2) Request the CEO to notify the Audit Committee of new issues as they arise.

Cr Jones returned to the Chamber at 6.34pm and resumed the Chair.

#### **8.4 Other**

##### **8.4.1 Proposed Dates for Audit Committee Meetings in 2007**

**RECOMMENDATION** that the Audit Committee recommend to Council to resolve to:

- 1) Endorse the Audit Committee's schedule of meeting dates for 2007 as follows:-

Tuesday 13 February 2007

Tuesday 29 May 2007

Tuesday 10 July 2007

Tuesday 2 October 2007

**MOTION** that the Recommendation be adopted.

(Cr Congerton/Cr Holmes)

Audit Committee Meeting  
23 October 2006

**RESOLVED UNANIMOUSLY** that the Audit Committee recommend to Council to resolve to:

- 1) Endorse the Audit Committee's schedule of meeting dates for 2007 as follows:-

Tuesday 13 February 2007

Tuesday 29 May 2007

Tuesday 10 July 2007

Tuesday 2 October 2007

**9. OTHER BUSINESS**

Nil.

**10. CONFIDENTIAL ITEMS**

Nil.

**11. NEXT MEETING AND CLOSURE**

The next meeting of the Audit Committee is scheduled for Tuesday 28 November 2006.

There being no further business, the Chairman declared the meeting closed at 6.52pm.

Confirmed as a true and accurate record of the Audit Committee meeting held on 23 October 2006.

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Chairman of the Audit Committee