



SHIRE
of
DANDARAGAN

MINUTES

for

AUDIT COMMITTEE MEETING

to be held at the

COUNCIL CHAMBERS, JURIEN BAY

on

TUESDAY, 16 DECEMBER 2025

COMMENCING AT 3.30PM

<p>MINUTES OF AUDIT COMMITTEE MEETING HELD MONDAY 15 DECEMBER 2025</p>

1. DECLARATION OF OPENING

The Presiding Member declared the meeting open at 3.34pm and welcomed those present.

2. RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

Members Councillor S Johnson
Councillor A O’Gorman
Councillor S Young

Staff Mrs R Pink (Acting Chief Executive Officer)
Mrs K Dean (Administration Officer)

Apologies
Councillor G Lethlean

Observers
Brad Pepper (Executive Manager Infrastructure)

Leave of Absence
Nil

3. CONFIRMATION OF MINUTES

3.1 MINUTES OF THE AUDIT COMMITTEE MEETING HELD 27 MARCH 2025

AUDIT COMMITTEE DECISION

Moved Cr O’Gorman, seconded Cr Young

That the Minutes of the Audit Committee Meeting held 27 March 2025 be confirmed.

CARRIED 3 / 0

4. MATTERS FOR DISCUSSION

4.1 AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2025

Location:	N/A
Applicant:	N/A
File Reference:	SODR-1034602345-11896
Disclosure of Interest:	None
Date:	8 December 2025
Author:	Rebecca Pink, Executive Manager Corporate Services
Senior Officer:	Brent Bailey, Chief Executive Officer

PROPOSAL

That the Independent Audit Report for the 2024 / 2025 financial year be received.

BACKGROUND

Circulated with the agenda is a copy of the Office of the Auditor General Independent Audit Reports. The opinion of Carly Meagher, Acting Senior Director Financial Audit as the delegate of the Auditor General for Western Australia, is as follows;

"I have audited the financial report of the Shire of Dandaragan (Shire) which comprises:

- *the Statement of Financial Position as at 30 June 2025, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity for the year then ended*
- *notes comprising a summary of significant accounting policies and other explanatory information.*

In my opinion, the financial report:

- *is based on proper accounts and records*
- *presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2025 and its financial position at the end of that period*
- *in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.*

COMMENT

The "Independent Auditor's Report" as attached is unqualified. There are no matters that in the auditor's opinion would indicate any significant adverse trends. In addition to the audit report, the transmittal letter from the Office of the Auditor General does not identify any management control issues.

The report and letter are included within the attachments of this item for the committee to review and discuss further should they wish to.

CONSULTATION

- Executive Manager Corporate Services
- Office of the Auditor General

STATUTORY ENVIRONMENT*Local Government Act 1995***7.12A. Duties of local government with respect to audits**

- (1) *A local government is to do everything in its power to —*
- (a) *assist the auditor of the local government to conduct an audit and carry out the auditor's other duties under this Act in respect of the local government; and*
 - (b) *ensure that audits are conducted successfully and expeditiously.*
- (2) *Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.*
- (3) *A local government must —*
- (aa) *examine an audit report received by the local government; and*
 - (a) *determine if any matters raised by the audit report, require action to be taken by the local government; and*
 - (b) *ensure that appropriate action is taken in respect of those matters.*
- (4) *A local government must —*
- (a) *prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and*
 - (b) *give a copy of that report to the Minister within 3 months after the audit report is received by the local government.*
- (5) *Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.*

*Local Government (Financial Management) Regulations 1996**Part 2 — General financial management — s. 6.10*

CEO's duties as to financial management (1) Efficient systems and procedures are to be established by the CEO of a local government —

- (a) *for the proper collection of all money owing to the local government; and*
- (b) *for the safe custody and security of all money collected or held by the local government; and*
- (c) *for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process); and*
- (d) *to ensure proper accounting for municipal or trust —*
 - (i) *revenue received or receivable; and*
 - (ii) *expenses paid or payable; and*
 - (iii) *assets and liabilities; and*
- (e) *to ensure proper authorisation for the incurring of liabilities and the making of payments; and*
- (f) *for the maintenance of payroll, stock control and costing records; and*
- (g) *to assist in the*

MINUTES OF AUDIT COMMITTEE MEETING HELD MONDAY 15 DECEMBER 2025

preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.

The CEO is to — (a) ensure that the resources of the local government are effectively and efficiently managed; and (b) assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year); and (c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.

POLICY IMPLICATIONS

There are no policy implications relevant to this item.

FINANCIAL IMPLICATIONS

There are no financial implications relevant to this item.

STRATEGIC IMPLICATIONS

There are no strategic implications relevant to this item.

ATTACHMENTS

Circulated with the agenda are the following items relevant to this report:

- Shire of Dandaragan Financial Report (Doc Id: SODR-1034602345-11891)
- Independent Auditor's Report (Doc Id: SODR-1034602345-11890)
- Transmittal letter from Office of Auditor General (Doc Id: SODR-1034602345-11889)

(Marked 4.1)

VOTING REQUIREMENT

Simple majority

OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Cr Young, seconded Cr Johnson

That the Audit Committee receives the Independent Audit Report and the audited financial statements for the year ended 30 June 2025 and recommends they are presented to Council for adoption.

CARRIED 3 / 0

MINUTES OF AUDIT COMMITTEE MEETING HELD MONDAY 15 DECEMBER 2025

4.2 FIRST BIENNIAL RISK REPORT FOR THE 2025 / 26 FINANCIAL YEAR

Location:	Shire of Dandaragan
Applicant:	Not Applicable
File Reference:	SODR-1034602345-11895
Disclosure of Interest:	Nil
Date:	8 December 2025
Author:	Rebecca Pink, Executive Manager Corporate Services
Senior Officer:	Brent Bailey, Chief Executive Officer

PROPOSAL

The purpose of this report is for the Audit and Risk Committee to receive the first Biannual Risk Report for the 2025 / 26 financial year.

BACKGROUND

On 27 June 2024, Council endorsed updates to the Shire's Risk Management Framework and Policy.

The Risk Management Framework specifies that the Shire must submit a risk report to the Audit and Risk Committee biannually to communicate risk management activities and outcomes and provide information for decision-making.

The last Biannual Risk Report was received by Council in February 2025, being the second iteration for the 2024 / 2025 financial year.

COMMENT

The first Biannual Risk Report for the 2025 / 2026 financial year (the Risk Report) outlines the measure of consequence and likelihood for each risk theme (theme) endorsed in the Risk Management Framework. These measures are then applied to the Shire's Risk Matrix to provide an overall risk rating for each theme.

Across the 13 themes:

- 3 are rated as high.
- 9 are rated as moderate.
- 1 is rated as low.

Since February 2025, one change has occurred: the Management of Facilities, Venues and Events risk moved from low to high due to issues at the Jurien Bay Jetty. The ratings as follows:

Risk Theme	Measure of Consequence	Measure of Likelihood	Overall Risk Rating
Asset Sustainability	Moderate	Possible	Moderate
Business and Community Disruption	Moderate	Possible	Moderate
Community Engagement	Moderate	Rare	Low
Compliance	Major	Unlikely	Moderate
Document Management	Moderate	Unlikely	Moderate
Employment Practices	Moderate	Unlikely	Moderate

MINUTES OF AUDIT COMMITTEE MEETING HELD MONDAY 15 DECEMBER 2025

Environment	Major	Possible	High
External Theft and Fraud	Moderate	Unlikely	Moderate
Management of Facilities, Venues and Events	Major	Unlikely	High
IT, Communication Systems and Infrastructure	Moderate	Possible	Moderate
Misconduct	Moderate	Unlikely	Moderate
Safety and Security Practices	Major	Possible	High
Supplier and Contract Management	Moderate	Possible	Moderate

The Risk Report also outlines the controls for each theme and provides an overall control rating with relevant actions. Since February 2025, the following actions have been undertaken:

- Skytrust program implemented and rolled out amongst all staff
- Review of the Shire's IT network was completed in May 2025 and work has begun on the recommendations for improvement
- Completion of the new DAIP into new Community Development Plan.
- Coastal Tracks Masterplan completed and implementation underway

Since February 2025, there have also been some actions which have had their due date pushed back due to various reasons including staff changeover, periods of leave and competing priorities. These are outlined in the table below:

Action	Original Due Date	New Due Date
Develop a standard building inspection checklist to ensure annual works are budgeted and completed.	30 June 2025	30 December 2025
Complete the review of the Municipal Heritage Inventory	30 June 2025	30 June 2026
Update Business Continuity Plan with latest staff information, role alignment and document the significant changes made to our IT network.	30 June 2025	30 June 2026
Complete the review of the Social Media Posting Map	30 June 2025	30 June 2026
Develop procedures and checklist for website content management to ensure compliance with legislation. Website currently being updated.	30 June 2025	30 June 2026
Develop an archive storage facility procedure	30 June 2025	30 June 2026
Update the Portable and Attractive Assets register and associated procedures.	30 June 2025	30 June 2026

CONSULTATION

Nil

STATUTORY ENVIRONMENT

MINUTES OF AUDIT COMMITTEE MEETING HELD MONDAY 15 DECEMBER 2025

Nil

POLICY IMPLICATIONS

There are no policy implications relevant to this item.

FINANCIAL IMPLICATIONS

There are no financial implications relevant to this item.

STRATEGIC IMPLICATIONS

There are no strategic implications relevant to this item.

ATTACHMENTS

Circulated with the agenda is the following item relevant to this report:

- Risk Register November 2025 (Doc Id: SODR-878193511-11673)

(Marked 4.2)

VOTING REQUIREMENT

Simple Majority

OFFICER RECOMMENDATION

Moved Cr Young, seconded Cr Johnson

That the Audit and Risk Committee:

- 1. Receive the first Biannual Risk Report for the 2025 / 2026 financial year and;**
- 2. Determine that there are no matters raised in the report that require immediate action.**

CARRIED 3 / 0

5. CLOSURE OF MEETING

The Presiding Member declared the Meeting closed at 3.42pm.

These Minutes were confirmed at a Meeting on

Signed

Presiding Person at the Meeting at which the Minutes were confirmed

Date