



# A G E N D A

**OF CITY AUDIT COMMITTEE TO BE HELD IN THE COMMITTEE ROOM,  
ADMINISTRATION CENTRE, 7 ORCHARD AVENUE, ARMADALE ON TUESDAY, 3  
NOVEMBER 2009 AT 5:00 PM**

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**PRESENT:**

**APOLOGIES:**

**OBSERVERS:**

**IN ATTENDANCE:**

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**ELECTION OF CHAIR AND DEPUTY CHAIR**

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As this is the first meeting of the City Audit Committee since the October 2009 Elections, the first item of business is the Election of Committee Chair and Deputy Chair.

The Executive Director Corporate Services will call for nominations for the position of Chair and having elected the Chair, the Chair will then call for nominations for election of the Deputy Chair.

Note: Pursuant to the requirements of the *Local Government Act 1995*, nominations are to be in writing either before the meeting or at the meeting before the close of nominations. If an election is required for either of the positions, then the provisions of Schedule 2.3 and 4.1 of the *Local Government Act 1995* will apply as appropriate, i.e. committee members are to vote on the matter by secret ballot as if they were electors voting at an election and the votes cast will be counted on a “first past the post” basis.

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**DECLARATION OF MEMBERS' INTERESTS**

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**PUBLIC QUESTION TIME**

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**Note:**

Meetings of the City Audit Committee are closed to the public on the basis that matters to be dealt with by Committee will generally be of a sensitive and confidential nature which, if disclosed, could reasonably be expected to impair the effectiveness of the audit process – Council resolution CS18/2001 refers.

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**DEPUTATION**

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Nil

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**CONFIRMATION OF MINUTES**

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**RESOLVED**

**Minutes of the City Audit Committee Meeting held on 8 September 2009,  
be confirmed.**

**Moved CR \_\_\_\_\_**

**Motion Carried/Lost (    )**

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**2008-2009 FINANCIAL YEAR INDEPENDENT AUDIT REPORT**

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WARD ALL  
DATE 23<sup>rd</sup> October 2009  
REF AFM and NC  
RESPONSIBLE MANAGER EDCpS

**In Brief:**

This report presents matters arising from the Independent Audit conducted by Council's Auditor. It should be noted that no issues of inaccuracy or non-compliance with the City's Annual Financial Report for the year ended 30 June 2009 have been identified.

**Tabled Items**

Nil

**Officer Interest Declaration**

Nil

**Strategic Implications**

Effective governance and administration of the City's services.

**Legislation Implications**

Local Government Act 1995 (as amended) and associated Regulations  
Australian Accounting Standards  
International Financial Reporting Standards

**Council Policy/Local Law Implications**

Nil

**Budget/Financial Implications**

Nil

**Consultation**

Council's Auditor  
Chief Executive Officer

**BACKGROUND**

Each year, as part of Council's audit process, an Independent Audit is undertaken to assess Council's Annual Financial Report and the legitimacy and accuracy of Council's accounts. An Independent Audit Report is then produced by the Auditor and provided to the Chief Executive Officer, Mayor and the Minister / Department for Local Government and Regional Development. The Report is included in Council's Annual Report. Any issues arising from the Independent Audit Report are to be investigated and action taken to resolve those issues.

Council's Auditor, Mr Tony Macri, will also be in attendance at the meeting to speak to the Audit and take questions from Committee members.

**DETAILS OF PROPOSAL**

As part of Council's committee structure, the City Audit Committee has been established to review areas of an audit or compliance nature. The Independent Audit is presented at Attachment A-1 to this Report.

**COMMENT***Analysis*

The Independent Audit was undertaken in October 2009 (Refer to Attachment "A-1" – Summary of Attachments.) and highlights no areas of non-compliance with the Local Government Act 1995 (as amended).

*Conclusion*

The Independent Audit Report reports that the current systems in place at the City are financially sound and that the Annual Financial Report has been found to be accurate and in accordance with the required legislation. Accordingly, it is recommended that the Independent Audit Report as presented be accepted.

**RECOMMEND**

**That Council acknowledges the 2008-2009 Financial Year Independent Audit Report as presented at Attachment "A-1", noting that:**

- **there were no issues of non-compliance found during the 2008-2009 Annual Audit, and**
- **that no inaccuracy with the City's Annual Financial Report for the year ended 30 June 2009 has been recorded.**

Moved Cr \_\_\_\_\_  
Motion Carried/Lost ( )



Certified Practising Accountants

**PARTNERS**  
Anthony Macri FCPA  
Domenic Macri CPA  
Connie De Felice CA

**INDEPENDENT AUDIT REPORT**

**TO: RATEPAYERS OF CITY OF ARMADALE**

**Report on the Financial Report**

We have audited the financial report of the City of Armadale, which comprises the Balance Sheet as at 30 June 2009 and the Income Statement, Statement of Changes in Equity, Cash Flow Statement, Rate Setting Statement and the notes to and forming part of the financial report for the year ended on that date.

**The Responsibility of the Council for the Financial Report**

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. Our audit has been conducted in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with the relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.



Auditor's Opinion

In our opinion, the financial report of the City of Armadale:

- (i) gives a true and fair view of the financial position of the City of Armadale as at 30 June 2009 and of its financial performance for the year ended on that date; and
- (ii) complies with the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards (including the Australian Accounting Interpretations).

Statutory Compliance

We did not during the course of our audit become aware of any instances where the Council did not comply with the requirements of the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

  
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MACRI PARTNERS  
CERTIFIED PRACTISING ACCOUNTANTS  
28 THOROGOOD STREET  
BURSWOOD WA 6100

  
\_\_\_\_\_  
A MACRI  
PARTNER

PERTH  
DATED THIS 21<sup>st</sup> DAY OF OCTOBER 2009.

