AGENDA OF THE
AUDIT, RISK & IMPROVEMENT COMMITTEE MEETING

Agenda of the Shire of Katanning Audit, Risk & Improvement Committee held on Tuesday 1 September 2026 at the Shire of Katanning Conference Room, commencing at 1:00 pm.

PRESIDING MEMBER ______________________ DATE SIGNED ______________________

Table of Contents

Item No.	Item Heading	Page No.
1	**Declaration of Opening/Acknowledgement of Country**	2
2	**Record of Attendance**	3
3	**Disclosure of Financial/Impartiality Interest**	4
4	**Confirmation of Minutes of Previous Meeting**	4
4.1	Audit & Risk Committee Meeting – Wednesday 11 March 2026	4
5	**Reports**	5
5.1	Compliance Audit Return 2025	5
5.2	Interim Audit Results for the year ending 30 June 2026	8
6	**Closure of Meeting**	9

1. DECLARATION OF OPENING/ACKNOWLEDGEMENT OF COUNTRY

The Chairperson declared the meeting open at _____ pm.

Acknowledgement of Country
The Shire of Katanning acknowledges the Goreng Noongar people as the traditional custodians of the land that we live and work on. We recognise their cultural heritage, beliefs, and continuing relationship with the land, and pay our respects to Elders past and present.

2. RECORD OF ATTENDANCE

PRESENT

Members:	Cr Kristy D'Aprile Cr Ian Hanna Cr John Goodheart Cr Gemma Trolove Cr Matt Collis Cr Danny McGrath Cr Paul Totino Alan McFarland – (Independent Presiding Member) Robert Godfrey – (Deputy Presiding Member)
Council Officers:	Peter Klein, Chief Executive Officer David Blurton, Executive Manager Corporate Services Patrick Kennedy, Manager of Finance Taryn Human, Executive Assistant to CEO
Guests:	
Apologies:	

3. DISCLOSURE OF FINANCIAL/IMPARTIALITY INTERESTS

4. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

4.1 Audit, Risk & Improvement Committee Meeting – Wednesday 11 March 2026

(SEE ATTACHED MINUTES)

Voting Requirement: Simple Majority

MOVED: **SECONDED:**

ARC/26 **That the minutes of the Audit, Risk & Improvement Committee Meeting held on Wednesday 11 March 2026 be confirmed as a true record of proceedings.**

CARRIED:
FOR:
AGAINST:

5. REPORTS

5.1 Compliance Audit Return 2025
(ATTACHMENT)

File Ref: FM.AU.2
Reporting Officer: David Blurton, Executive Manager Corporate Services
Date Report Prepared: 25 August 2026
Disclosure of Interest: No Interest to disclose.

Issue:
For the Audit Committee to consider the Compliance Audit Return (CAR) for the year ending 31 December 2025.

Body/Background:
The Compliance Audit Return questionnaire is issued annually by the Department of Local Government and Communities and comprises a number of questions aimed at testing each authority's compliance with various section of the Local Government Act and Regulations.

The CAR is based on calendar years and is to be completed and formally endorsed by the Council by 31 March 2026. A certified copy is then signed by the CEO and President and submitted to the Director General, Department of Local Government and Communities.

The CAR is not a full assessment of compliance with the Act, but more a sample test of compliance questions with the aim of improving governance standards across the sector.

Officer's Comment:
The CAR was completed by the Governance Officer and Executive Manager of Corporate Services and then reviewed by the Chief Executive Officer.

Matters of noncompliance in the 2025 CAR are identified as follows:

Reg 35	Has every local government council member completed and passed the Council Member Essentials course, consisting of the five required modules and delivered by an approved provider, within 12 months of being elected?	No
Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2025? If yes, provide date of council's resolution to accept the report.	No

Cr Totino completed the final two Council Member Essential modules 30/11/25 and election date was 21/10/23.

Regulation 17 of the Local Government (Audit) Regulations 1996 states the following.

17. *CEO to review certain systems and procedures*

(1) The CEO must review the appropriateness and effectiveness of the local government's systems and procedures in relation to the following matters —

(a) financial management;

(b) legislative compliance;

(c) risk management.

(2) Under subregulation (1), the CEO may review any or all of the matters referred to in subregulation (1)(a) to (c) at any time but must review each of those matters not less than once in every 4 financial years.

(3) The CEO must report to the audit, risk and improvement committee the results of each review carried out under subregulation (1).

The most recent Financial Management review was undertaken by Australian Audit and was presented to the Audit Committee in June 2023. Although this review specifically focused on Financial Management regulation 5(2)(c), which has since been deleted from the Regulations it is still relevant for the purposes of Audit Regulation 17 (1) (a).

It does not appear that a review of both legislative Compliance and Risk Management have been completed since June 2020 where a review of all three requirements of Regulation 17 was presented to the Audit Committee.

Statutory Environment:
Local Government (Audit) Regulation 1996;
14. Compliance audits by local governments
(1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
(2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
(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.
(3) After the audit committee has reported to the council under sub regulation (3A), the compliance audit return is to be —
(a) presented to the council at a meeting of the council; and
(b) adopted by the council; and
(c) recorded in the minutes of the meeting at which it is adopted.

15. Certified copy of compliance audit return and other documents to be given to Departmental CEO
(1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —
(a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
(b) any additional information explaining or qualifying the compliance audit, is to be submitted to the Departmental CEO by 31 March next following the period to which the return relates.
(2) In this regulation — certified in relation to a compliance audit return means signed by —
(a) the mayor or president; and
(b) the CEO.

Policy Implications:
There are no policy implications for this report.

Financial Implications:
There are no financial implications for this report.

Risk Implications:
This item has been evaluated against the Shire of Katanning's Risk Assessment and Acceptance Criteria and the level of risk is low and can be managed by routine procedures and with current resources.

Strategic Implications:	Shire of Katanning Strategic Community Plan 2022 - 2032
Focus Area	Leadership
Aspiration	Katanning is an inclusive and respectful community.
Objective	To ensure that Shire's resources are utilised in a manner that represents the best interest of the whole community.

Voting Requirement: Simple Majority

Audit, Risk & Improvement Committee Recommendation/Council Motion:

ARC/26 **That Council:**

1. **Adopts the Shire of Katanning Compliance Audit Return for the period 1 January 2025 to 31 December 2025; and**
2. **Authorises the Shire President and Chief Executive Officer to endorse the certification contained within the Compliance Audit Return 2025.**

CARRIED:
FOR:
AGAINST:

5.2 Interim Audit results 25/26
(ATTACHMENT)

File Ref: FM.AU.2
Reporting Officer: David Blurton, Executive Manager Corporate Services
Date Report Prepared: 27 August 2026
Disclosure of Interest: No Interest to disclose.

Issue:
To receive the Interim Audit for 25/26 from the Office of Auditor General (OAG).

Body/Background:
Local Government audits in WA are overseen by the Office of the Auditor General (OAG). The OAG has appointed Moore Australia as its agent to undertake the Shire of Katanning audit.

Moore attended the Shire of Katanning Administration office on week commencing 23rd March 2026 to conduct the interim audit for 25/26 financial year. The interim audit focused on testing the overall control environment and understanding the key business processes, risks and internal controls relevant to the audit of the Annual Financial report.

Officer's Comment:
Following the interim audit a letter was issued to CEO and Shire President (attached) on the outcome of the interim audit and the result of the audit was satisfactory with no issues raised.

Statutory Environment:
Part 7 of the Local Government Act 1995 (WA) covers the audit of local governments and the functions of Audit Committees in WA.

Policy Implications:
There are no policy implications for this report.

Financial Implications:
There are no financial implications for this report.

Risk Implications:
This item has been evaluated against the Shire of Katanning's Risk Assessment and Acceptance Criteria and the level of risk is low and can be managed by routine procedures and with current resources.

Strategic Implications: Shire of Katanning Strategic Community Plan 2022 - 2032

Focus Area	Leadership
Aspiration	Katanning is an inclusive and respectful community.
Objective	To ensure that Shire's resources are utilised in a manner that represents the best interest of the whole community.

Voting Requirement: Simple Majority

Audit, Risk & Improvement Committee Recommendation/Council Motion:

ARC/26 That Council receive the interim audit letter for 25/26 noting no issues have been raised.

CARRIED:
FOR:
AGAINST:

6. CLOSURE OF MEETING

The Presiding Member declared the meeting closed at ______pm.