

Audit & Risk Committee Meeting

2 March 2022

Commencing at 2.00pm

AGENDA

The next Audit & Risk Committee Meeting will be held at the Shire of Toodyay Council Chambers, 15 Fiennes Street, Toodyay WA 6566 on the abovementioned date and time.

Members are requested to familiarise themselves with the Agenda and prepare notes to help address key issues for the debate during the Meeting.

Members are requested to email questions via email at ceo@toodyay.wa.gov.au at the earliest opportunity so that Officers can respond to those questions prior to the Meeting.

PP

Suzie Haslehurst

CHIEF EXECUTIVE OFFICER



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ATTACHMENTS are incorporated into this Agenda

1 DECLARATION OF OPENING

1.1 ANNOUNCEMENT OF VISITORS

1.2 RECORD OF ATTENDANCE AND APOLOGIES

1.3 DISCLOSURE OF INTEREST

2 MINUTES AND ADDITIONAL INFORMATION

2.1 CONFIRMATION OF MINUTES

Minutes of Meeting held on 9 December 2021

OFFICER'S RECOMMENDATION

That the Unconfirmed Minutes of the Audit & Risk Committee Meeting held on 9 December 2021 be confirmed.

2.2 REVIEW OF STATUS REPORT

2.2.1 Audit Committee Status Report

Attachments: 1. Audit Committee Status Report [↓](#)

ARC STATUS REPORT
Audit & Risk Committee

Supporting Officer
Manager Corporate & Community Services



Meeting Date	Purpose	Resolution	Target date for completion	Actioned by	Completion Date	Meeting Commentary / Comments made
9/12/2021	4.1 Risk Management Update	That Council notes the risk management update as provided in this report to the Audit & Risk Committee.	ASAP	MCCS	21/12/2021	Council Resolution No. 270/12/21
9/12/2021	4.2 Annual Financial Audit Process Update	That Council notes the annual financial audit process update as provided in this report to the Audit & Risk Committee.	ASAP	MCCS	21/12/2021	Council Resolution No. 271/12/21

2.3 INWARD/OUTWARD CORRESPONDENCE

Nil.

3 BUSINESS LEFT OVER FROM PREVIOUS MEETING (IF ADJOURNED)

Nil.

4 OFFICER REPORTS**4.1 Compliance Audit Return 2021**

Date of Report:	14 February 2022
Applicant or Proponent:	Shire of Toodyay
File Reference:	NAM21825
Author:	M Morrell – Communication and Compliance Officer
Responsible Officer:	S Haslehurst – Chief Executive Officer
Previously Before Council:	N/A
Author's Disclosure of Interest:	Nil
Council's Role in the matter:	Review
Attachments:	1. 2021 Compliance Audit Return ↓

PURPOSE OF THE REPORT

To consider the attached annual Compliance Audit Return for 2021.

BACKGROUND

Local governments are required by legislation to complete an annual Compliance Audit Return.

The Compliance Audit Return is a checklist of the Shire's statutory compliance with the Act and its Regulations that focuses on high risk areas of statutory reporting as prescribed in Regulation 14 of the *Local Government (Audit) Regulations 1996*.

Once completed, the Compliance Audit Return is required to be:

- a) presented at a meeting of the Audit Committee;
- b) presented for consideration and adoption by Council; and
- c) returned to the Department of Local Government, Sport and Cultural Industries (DLGSC) with a copy of the relevant Council minutes by 31 March each year.

COMMENTS AND DETAILS

The Compliance Audit Return 2021 has been completed and is attached for the Audit and Risk Committee to receive and review.

Once the Committee refers the Compliance Audit Return 2021 to Council for adoption, it will be recorded in the minutes and a copy will be lodged via the Smart Hub by 31 March 2022.

The following table identifies those areas where compliance issues have been identified.

Question No.	Comment to non-compliance
Disclosure of Interest: Q25	Employee Code of Conduct was updated (compliant) but was not published on the website (non-compliant). This document has been separated from the Councillor Code of Conduct and now sits under the banner of Human Resources.
Finance: Q3	The Auditor's Report was not received by 31 December 2021 for the financial year ending 30 June 2021. Due to issues experienced with the implementation of Datascape, an extension to complete the annual financial report was requested until 31 October 2021 however this target was not achieved. Officers are liaising with the Shire's auditors and the Office of the Auditor-General about this situation. Further, due to the auditor's report not being finalised by 31 December 2021, officers were unable to respond to a number of Finance questions which have been marked as N/A.
Integrated Planning and Reporting: Q1	The Strategic Community Plan was presented to Council in May 2021, however it was withdrawn for further work to be done on the document and a more comprehensive and complete document will be presented to Council once this work has been completed.
Optional Questions: Q1 (Financial Management Review) & Q2 (Audit Regulation 17 Review)	While the process has been commenced, transition to the new enterprise software system, Datascape, and issues with under-resourcing continue to challenge the Shire and its review processes in this area.

IMPLICATIONS TO CONSIDER

Consultative:

Shire Managers and officers were asked to provide input into relevant sections.

Strategic:

Governance: The way the Shire Leads and Operates

O3: Ensure rigorous organisational systems

Policy related:

Legislative Compliance Policy

Financial:

There are no financial implications related to this report.

Legal and Statutory:

Regulation 14 of the *Local Government (Audit) Regulations 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 subregulation (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) *in the minutes of the meeting at which it is adopted*

Risk related:

The requirement to lodge an adopted Compliance Audit Return with the DLGSC is a legislative obligation. Failure to do so exposes the Shire to significant risk. This report and its appendices mitigate this risk.

Workforce related:

The Compliance Audit Return has been completed in-house within existing resources.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That the Audit & Risk Committee recommends that Council adopts the attached Compliance Audit Return for the period 1 January 2021 to 31 December 2021 pursuant to Regulation 14(3) of the *Local Government (Audit) Regulations 1996*.

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
**Local Government, Sport
and Cultural Industries**

Toodyay - Compliance Audit Return 2021

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of the relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2021?	N/A	No major trading undertaking in 2021	Merridith Morrell
2	s3.59(2)(b) F&G Regs 7,8A, 8, 10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2021?	N/A		Merridith Morrell
3	s3.59(2)(c) F&G Regs 7,8A, 8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2021?	N/A		Merridith Morrell
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2021?	N/A		Merridith Morrell
5	s3.59(5)	During 2021, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A		Merridith Morrell

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
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and Cultural Industries**

Delegation of Power/Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16	Were all delegations to committees resolved by absolute majority?	N/A	No delegations to Committees	Merridith Morrell
2	s5.16	Were all delegations to committees in writing?	N/A		Merridith Morrell
3	s5.17	Were all delegations to committees within the limits specified in section 5.17?	N/A		Merridith Morrell
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A		Merridith Morrell
5	s5.18	Has council reviewed delegations to its committees in the 2020/2021 financial year?	N/A		Merridith Morrell
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Act?	Yes		Merridith Morrell
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes		Merridith Morrell
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes		Merridith Morrell
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Merridith Morrell
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the council to amend or revoke a delegation made by absolute majority?	Yes		Merridith Morrell
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes		Merridith Morrell
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2020/2021 financial year?	Yes		Merridith Morrell
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Admin Reg 19?	Yes		Merridith Morrell

Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes		Merridith Morrell

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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No	Reference	Question	Response	Comments	Respondent
2	s5.68(2) & s5.69 (5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by Admin Reg 21A, recorded in the minutes of the relevant council or committee meeting?	Yes		Merridith Morrell
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) recorded in the minutes of the meeting at which the disclosures were made?	Yes		Merridith Morrell
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Yes		Merridith Morrell
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2021?	Yes		Merridith Morrell
6	s5.77	On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return?	Yes		Merridith Morrell
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76?	Yes		Merridith Morrell
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A, in the form prescribed in Admin Reg 28?	Yes		Merridith Morrell
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76, did the CEO remove from the register all returns relating to that person?	Yes		Merridith Morrell
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes		Merridith Morrell
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B, in the form prescribed in Admin Reg 28A?	Yes		Merridith Morrell
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes		Merridith Morrell
13	s5.89A(6)	When a person ceases to be a person who is required to make a disclosure under section 5.87A or 5.87B, did the CEO remove from the register all records relating to that person?	Yes		Merridith Morrell

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No	Reference	Question	Response	Comments	Respondent
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A (6) been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes		Merridith Morrell
15	Rules of Conduct Reg 11(1), (2) & (4)	Where a council member had an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person, did they disclose the interest in accordance with Rules of Conduct Reg 11(2)?* *Question not applicable after 2 Feb 2021	Yes		Merridith Morrell
16	Rules of Conduct Reg 11(6)	Where a council member disclosed an interest under Rules of Conduct Reg 11(2) was the nature of the interest recorded in the minutes?*	Yes		Merridith Morrell
		*Question not applicable after 2 Feb 2021			
17	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes		Merridith Morrell
18	s5.71A & s5.71B (5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under s5.71A(1) relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A		Merridith Morrell
19	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) recorded in the minutes of the council meeting at which the decision was considered?	N/A		Merridith Morrell
20	s5.103 Admin Regs 34B & 34C	Has the local government adopted a code of conduct in accordance with Admin Regs 34B and 34C to be observed by council members, committee members and employees?*	Yes		Merridith Morrell
		*Question not applicable after 2 Feb 2021			
21	Admin Reg 34B(5)	Has the CEO kept a register of notifiable gifts in accordance with Admin Reg 34B(5)?*	Yes		Merridith Morrell
		*Question not applicable after 2 Feb 2021			

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No	Reference	Question	Response	Comments	Respondent
22	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates within 3 months of the prescribed model code of conduct coming into operation (3 February 2021)?	Yes	Adopted 27/04/21 Resolution 87/04/21	Merridith Morrell
23	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4)?	N/A		Merridith Morrell
24	s5.104(7)	Did the CEO publish an up-to-date version of the adopted code of conduct on the local government's website?	Yes		Merridith Morrell
25	s5.51A(1) & (3)	Did the CEO prepare, and implement and publish an up-to-date version on the local government's website, a code of conduct to be observed by employees of the local government?	Yes	Code of Conduct for Employees has been updated but not published.	Merridith Morrell

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) (unless section 3.58(5) applies)?	N/A	No disposal took place other than by public auction in 2021	Merridith Morrell
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	N/A		Merridith Morrell

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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Elections						
No	Reference	Question	Response	Comments	Respondent	
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate?	Yes		Merridith Morrell	
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years?	Yes		Merridith Morrell	
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with Elect Reg 30G(6)?	Yes		Merridith Morrell	

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Finance					
No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes		Merridith Morrell
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	N/A	The Audit Committee has no delegated powers or duties	Merridith Morrell
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2021 received by the local government by 31 December 2021?	No	An extension was sought from DLGSC until 31 October 2021. This target was not met due to complications with the Shire's ERP transition. This has been communicated to the OAG and the Department.	Merridith Morrell
4	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	N/A		Merridith Morrell
5	s7.12A(4)(a) & (4)(b)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government?	N/A		Merridith Morrell
6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	N/A		Merridith Morrell
7	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June received by the local government within 30 days of completion of the audit?	N/A		Merridith Morrell

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Adopted by Council October 2018 Resolution No. 261/10/18 Presented to Council 25/05/21. Withdrawn for further work.	Merridith Morrell
2	Admin Reg 19DA (1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Adopted 26/05/20 Resolution: 173/05/20	Merridith Morrell
3	Admin Reg 19DA (2) & (3)	Does the corporate business plan comply with the requirements of Admin Reg 19DA(2) & (3)?	Yes		Merridith Morrell

Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve a process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A	No CEO recruitment in 2021	Merridith Morrell
2	s5.36(4) & s5.37 (3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Admin Reg 18A?	Yes		Merridith Morrell
3	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A		Merridith Morrell
4	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4)?	N/A		Merridith Morrell
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	Yes		Merridith Morrell
6	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A		Merridith Morrell

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Has the local government designated a senior employee as defined by section 5.37 to be its complaints officer?	Yes		Merridith Morrell
2	s5.121(1) & (2)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a)? Does the complaints register include all information required by section 5.121 (2)?	Yes		Merridith Morrell
3	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes		Merridith Morrell

Optional Questions					
No	Reference	Question	Response	Comments	Respondent
1	Financial Management Reg 5 (2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Financial Management Reg 5(2)(c) within the three years prior to 31 December 2021? If yes, please provide the date of council's resolution to accept the report.	No	Previous review carried out in 2018. Process was commenced however due to implementation issues with a new system and under-resourcing, the process has not been completed.	Merridith Morrell
2	Audit 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 Audit Reg 17 within the three years prior to 31 December 2021? If yes, please provide date of council's resolution to accept the report.	No	Previous review carried out in 2018. Process was commenced however due to complications with the Shire's ERP transition and under-resourcing, the process has not been completed.	Merridith Morrell
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C?	Yes		Merridith Morrell
4	s5.90A(2) & (5)	Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events ?	Yes	Adopted 25/02/2020 Resolution: 61/02/20	Merridith Morrell

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



No	Reference	Question	Response	Comments	Respondent
5	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4)?	Yes		Merridith Morrell
6	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes	Adopted 2020 Reolution 62/02/20	Merridith Morrell
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2020/2021 financial year and publish it on the local government's official website by 31 July 2021?	Yes		Merridith Morrell
8	s6.4(3)	By 30 September 2021, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2021?	No	Extension was sought from the DCGSC until 31 October 2021. This target was not met due to complications with the Shire's ERP transition. This has been communicated to the OAG and the Department.	Merridith Morrell
9	s.6.2(3)	When adopting the annual budget, did the local government take into account all it's expenditure, revenue and income?	Yes		Merridith Morrell

Tenders for Providing Goods and Services

No	Reference	Question	Response	Comments	Respondent
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy [adopted under F&G Reg 11A(1) & (3)] in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Merridith Morrell
2	s3.57 F&G Reg 11	Subject to F&G Reg 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in F&G Reg 11(1)?	Yes		Merridith Morrell
3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with F&G Reg 14(3) and (4)?	Yes		Merridith Morrell
4	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than a single contract?	N/A		Merridith Morrell

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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No	Reference	Question	Response	Comments	Respondent
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation?	Yes		Merridith Morrell
6	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Regs 15 and 16?	Yes		Merridith Morrell
7	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	No	The Tender Register was not published on the Shire's website in 2021 at this time. It has since been loaded to the website.	Merridith Morrell
8	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	No		Merridith Morrell
9	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	N/A		Merridith Morrell
10	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Yes		Merridith Morrell
11	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of F&G Regs 21 and 22?	N/A		Merridith Morrell
12	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A		Merridith Morrell
13	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under F&G Reg 23 (1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	N/A		Merridith Morrell
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with F&G Reg 24?	N/A		Merridith Morrell
15	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with F&G Reg 24AD(4) and 24AE?	No	No Panels established in 2021	Merridith Morrell

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
16	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A		Merridith Morrell
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A		Merridith Morrell
18	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of F&G Reg 24AG?	N/A		Merridith Morrell
19	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A		Merridith Morrell
20	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A		Merridith Morrell
21	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A		Merridith Morrell
22	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of F&G Regs 24E and 24F?	Yes		Merridith Morrell

I certify this Compliance Audit Return has been adopted by council at its meeting on _____

Signed Mayor/President, Toodyay

Signed CEO, Toodyay

4.2 Mid Year Budget Review 2021/22

Date of Report:	24 February 2022
Applicant or Proponent:	N/A
File Reference:	FIN28
Author:	T Bateman – Manager Corporate and Community Services
Responsible Officer:	S Haslehurst – Chief Executive Officer
Previously Before Council:	N/A
Author's Disclosure of Interest:	Nil
Council's Role in the matter:	Review
Attachments:	1. Summary and Results of the Mid Year Budget Review 2021/22 ↓

PURPOSE OF THE REPORT

This report presents the Mid-Year Budget Review for the period ending 31 January 2022 for the Audit and Risk Committee's consideration and recommendation to Council.

BACKGROUND

In accordance with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*, Council is required to review the adopted budget and assess actual values against budgeted values for the period at least once a year, after the December quarter. The results of the mid-year budget review assist with not only forecasting the year end position but also the following year's budget planning process by highlighting variations to estimated income and expenditure.

The 2021/22 annual budget was adopted by Council on 29 September 2021. At the time of adopting the budget, the following was also resolved:

"That Council, in accordance with Regulation 34 of the Local Government (Financial Management) Regulations 1996 and AASB 1031 Materiality, resolves that the level to be used in statements of financial activity in 2021/2022 for reporting material variances shall be 10% for variances with a dollar value greater than \$5,000."

Officers use the above resolution as a guide for highlighting any variations and as a basis for any budget amendment requests.

A review of the 2021/22 Adopted Budget and year to date actuals to 31 January 2022 has been undertaken. Officers have reported on major variances in accordance with the above resolution and provided comments where applicable.

COMMENTS AND DETAILS

As part of the annual budget preparation, officers across the organisation are assigned projects and accounts within the budget for which they are responsible to monitor and

manage. This task has been extremely challenging for the 2021/22 financial year as the move to Datascape meant there was limited comparison between the new budget and previous years. The inability to align last year's budgets and actuals to the new reporting format in Datascape, coupled with considerable staff turnover, inadequate change management and premature transition meant that officers were relying on the operational activities of prior years and not that of the 2021/22 budget.

In addition to significant challenges in relation to the ERP transition, the following constraints have further affected day to day operations;

- Construction and freight delays – this includes the challenge in securing contractors for projects due to wide-spread labour shortages.
- Supply issues and shortage of materials – covering a range of industries from vehicles and IT to the building industry due to the influx of activity across the state.
- Being heavily under-resourced from an internal labour perspective. The difficulty in recruiting and retaining staff has been exacerbated by the Shire's inability to compete with the mining and private industries as well as Toodyay's close proximity to Perth.
- The delayed budget adoption affecting cashflow as a result of rates being due later in the financial year.
- The cautious approach to budget spending due to limited reporting functions in Datascape making budget monitoring for staff difficult.

Results of the review generally revealed that staff were less likely to spend due to lack of confidence and/or knowledge in the use of Datascape. This highlighted the acute need for additional training which, in itself, is a challenge due to time constraints and availability of resources. In addition, due to ongoing changes and development within Datascape, many of the training manuals prepared at the beginning of the project are now outdated.

During February, responsible officers met with the Senior Management Group to analyse budgets and consider any variations to the adopted budget. The review takes into account a number of factors including what has occurred during the first half of the financial year, the likely operating environment over the remaining months and the estimated impact on the Shire's financial position at year end.

That being said, the budget review maintained a conservative budget approach but at the same time, budgets were proposed to be increased or decreased to a more realistic estimate where necessary. The budget amendments from this review totalling \$1,031,698 incorporate the following adjustments as per Attachment 1:

- An estimated overall surplus in the operating budget of \$135,495 represented largely by the timing allocation of DFES funds for the Julimar Fire Station
- An estimated surplus in the capital budget of \$896,203 comprising the following;
 - Projects anticipated to be deferred or carried forward - \$865,999
 - Net decrease in actual costs compared to budget - \$30,204

It should be noted that adjustments to the budgeted carried forward surplus are usually managed at the mid year budget review or earlier. However, due to the timing of the review and the fact that the annual financial report for 2020/21 is yet to be finalised, the carried forward surplus will be adjusted subject to receiving final audited figures. This information will be communicated to Council during development of the 2022/23 budget and where required, presented for Council's consideration and adoption.

Moving forward it is anticipated that subject to available resources, budget reviews will be performed quarterly. In addition, close monitoring of budgets continues to be an essential process for the finance staff with variations to be communicated to responsible officers as required until an extensive training regime for the use of Datascope can be developed and implemented.

IMPLICATIONS TO CONSIDER

Consultative:

Office of the Auditor-General

Department of Local Government, Sport & Cultural Industries

Strategic:

The way the Shire leads and operates:

- O 2: Consistently improve our governance practices.
- O 3: Ensure rigorous organisational systems

Policy related:

F6 Significant Accounting Policy

F16 Financial Governance Policy

Financial:

The financial impact of the mid-year budget review for the period ending 31 January 2022 is outlined within Attachment 1. A year end surplus of \$1,041,698 is anticipated following the review.

Legal and Statutory:

Local Government Act 1995

Section 6.2 Local government to prepare annual budget

Section 6.10 Financial management regulations

Local Government (Financial Management) Regulations 1996

Part 2. Reg 5(g) CEO's duties as to financial management

Part 3. Reg 33A Review of budget

Regulation 33A of the *Local Government (Financial Management) Regulations 1996* requires a Local Government to conduct a mandatory review between 1 January and 31 March each year and a copy to be forwarded to the Department of Local Government within 30 days.

Risk related:

It is a legislative requirement to undertake a review of the budget and to lodge it with the Department of Local Government, Sport and Cultural Industries. Failure to monitor and financially manage budgeted projects exposes the Shire to significant risk. This report helps to mitigate this risk.

The review does not, however, seek to make amendments below the materiality threshold unless strictly necessary. The materiality threshold is set at \$5,000 as adopted by Council.

Should a number of accounts exceed their budget within these thresholds, it poses a risk that the forecasted year end position may be understated.

Workforce related:

The budget review process has been managed within current resources.


VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION 1

That the Audit & Risk Committee recommends that Council:

1. Adopts the mid-year budget review and supporting information as attached at Attachment 1 to this report.
2. Requests the Chief Executive Officer to forward the adopted 2021/22 mid-year budget review to the Department of Local Government, Sport and Cultural Industries within 30 days of Council's adoption.



MID YEAR BUDGET REVIEW 2021/22 SUMMARY OF BUDGET AMENDMENT REQUESTS

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Account Code	Description	Comments	Adopted Budget	Proposed Budget	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
					\$	\$	\$
	Budget Adoption 29 September 2021	Opening surplus	10,000				10,000
199.759.10	Bejoording Fire Station Seed Funding	This budget was originally allocated as seed funding to support Bejoording Fire Station improvements in anticipation that funding would become available during the year.	46,000	0	46,000	0	56,000
199.759.10	Julimar Fire Station	This project has carried over two years with the majority of funding coming from DFES LGGS Capital Grants. It is unlikely that this project will be completed within original budget due to increased construction costs.	528,892	542,892	0	(14,000)	42,000
199.759.10	Slide-in Water Tank	Budget allocation approved to purchase a water tank in place of hiring to reduce costs over time and ensure availability of service. The additional expense relates to freight and supply issues.	35,000	46,000	0	(11,000)	31,000
199.759.10	2014 Hino FS2844 Tipper Replacement (Lease)	Budgeted to replace Tipper Truck however due to timing of budget adoption and supply issues, it is unlikely these vehicles will be received prior to 30 June 2022. Procurement process has begun.	43,000	0	43,000	0	74,000
199.759.10	2012 Hino FS2844 Diesel Truck Replacement (Lease)	Budgeted to replace Truck however due to timing of budget adoption and supply issues, it is unlikely these vehicles will be received prior to 30 June 2022. Procurement process has begun.	36,000	0	36,000	0	110,000
199.759.10	2014 Hino FS2844 Tipper (Trade in)	Dependent on timing of replacement. Budgeted to replace Tipper Truck however due to timing of budget adoption and supply issues, it is unlikely these vehicles will be received prior to 30 June 2022. Proceeds will be received following purchase of replacement vehicles.	(85,000)	0	0	(85,000)	25,000
199.759.10	2012 Hino FS2844 Diesel Truck	Dependent on timing of replacement. Budgeted to replace Tipper Truck however due to timing of budget adoption and supply issues, it is unlikely these vehicles will be received prior to 30 June 2022. Proceeds will be received following purchase of replacement vehicles.	(70,000)	0	0	(70,000)	(45,000)
199.759.10	Kubota Tractor	Carry forward - No replacement required at this stage.	31,500	0	31,500	0	(13,500)
199.759.10	Box Trailer	Carry forward - No replacement required at this stage.	5,000	0	5,000	0	(8,500)

GL Account Code	Description	Comments	Adopted Budget	Proposed Budget	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
199.759.10	T000 - MCCS	Net purchase price - Timing of budget adoption and supply constraints will require a carry forward of these funds. Vehicle has been ordered but is unavailable for delivery prior to 30 June 2022.	25,000	0	25,000	0	16,500
199.759.10	T0013 - Parks and Garden's Utility	Net purchase price - Timing of budget adoption and supply constraints will require a carry forward of these funds. Vehicle has been ordered but is unavailable for delivery prior to 30 June 2022.	40,000	0	40,000	0	56,500
199.759.10	T0014 - Works Utility	Net purchase price - Timing of budget adoption and supply constraints will require a carry forward of these funds. Vehicle has been ordered but is unavailable for delivery prior to 30 June 2022.	25,000	0	25,000	0	81,500
199.759.10	T0015 - Works Utility	Net purchase price - Timing of budget adoption and supply constraints will require a carry forward of these funds. Vehicle has been ordered but is unavailable for delivery prior to 30 June 2022.	39,000	0	39,000	0	120,500
199.759.10	T0016 - Parks and Garden's Utility	Net purchase price - Timing of budget adoption and supply constraints will require a carry forward of these funds. Vehicle has been ordered but is unavailable for delivery prior to 30 June 2022.	35,000	0	35,000	0	155,500
199.759.10	T0024 - Works Grader Utility	Net purchase price - Timing of budget adoption and supply constraints will require a carry forward of these funds. Vehicle has been ordered but is unavailable for delivery prior to 30 June 2022.	40,000	0	40,000	0	195,500
199.759.10	T6177 - Toyota Camry Replacement	Carry forward replacement cost for 2022/23. Unlikely to replace this vehicle this year however, due to high kilometers, likely to sell via auction. Pajero Sport to be made available due to lower odometer reading.	30,000	0	30,000	0	225,500
199.759.10	T0000 - MAS (Pajero Sport)	This vehicle was originally budgeted to be traded and not replaced. Now to be allocated to Manager Development and Regulation for the remainder of FY due to lower odometer reading compared to T6177.	(37,000)	0	0	(37,000)	188,500
199.759.10	T6480 - Mitsubishi Triton GL Utility	Net purchase price - Timing of budget adoption and supply constraints will require a carry forward of these funds. Vehicle has been ordered but is unavailable for delivery prior to 30 June 2022.	36,000	0	36,000	0	224,500
199.759.10	1EWM806 - Mitsubishi Triton Utility (RMO)	Net purchase price - Timing of budget adoption and supply constraints will require a carry forward of these funds. Vehicle has been ordered but is unavailable for delivery prior to 30 June 2022.	35,000	0	35,000	0	259,500
199.759.10	T7030 - Toyota Hilux 4x2 Cab Chassis (BMO)	Net purchase price - Timing of budget adoption and supply constraints will require a carry forward of these funds. Vehicle has been ordered but is unavailable for delivery prior to 30 June 2022.	35,000	0	35,000	0	294,500

GL Account Code	Description	Comments	Adopted Budget	Proposed Budget	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
199.759.10	Hall Road	Muni funded road project. Focus for construction programme based on level of risk and grant funded opportunities. Hall Road deemed to be less of a priority from a risk perspective.	242,000	0	242,000	0	536,500
199.759.10	Leeming Road	Muni funded road project. Focus for construction programme based on level of risk and grant funded opportunities. Leeming Road deemed to be less of a priority from a risk perspective.	181,300	0	181,300	0	717,800
199.759.10	Dewars Pool-Bindoon Road	Net muni funds - Clearing permit appealed - Shire of Toodyay required to complete Flora survey which can not be carried out prior to Sept 2022. Officers to request RRG to carry over funding. Subject to MRWA approval.	96,199	0	96,199	0	813,999
199.759.10	Bejoording Road	Reseal project underestimated by \$80,000. Options are to reduce scope for 21/22 and complete in 2 sections over 2 years. Alternatively, use remaining funds from Boyagerring Road drainage project to complete.	260,000	340,000	0	(80,000)	733,999
199.759.10	Bindi Bindi Toodyay Road (From Connor St)	The clearing permit for this project was appealed however it is 100% funded so changes to budget allocation or project timing should have nil effect on year end position. Carryover to be confirmed.	1,056,000	1,056,000	0	0	733,999
199.759.10	Floodway repair - Boyagerring Road	This project was completed well under budget following a review of the original scope and repairs required. Savings to be allocated to Bejoording Road reseal \$80,000 and a further \$60,000 to be allocated to the floodway repair on Telegraph Rd.	250,000	17,796	232,204	0	966,203
199.759.10	Floodway repair - Telegraph Road	Budget required to address collapsed culvert on Telegraph Road which has been filled in to make safe. Estimate for project around \$60,000.	0	60,000	0	(60,000)	906,203
136.336.10	Economic Development - Professional Services	Budget allocation for consultancy fees required for the development of a Community Fund agreement between the Shire of Toodyay and Chalice Mining.	0	20,000	0	(20,000)	886,203
031.025.10	Rates - Instalment Administration Fees	Lower take up of instalment option than budgeted. Minor adjustment required. Offset by increase in rates penalty interest.	(20,000)	(14,805)	0	(5,195)	881,008
031.099.10	Rates Concessions	The budget did not include an allocation for rates concessions previously approved by Council.	0	19,003	0	(19,003)	862,005
031.100.10	Rates Search / Certificate Fee	Reallocation of budget to GL 031.178.10. All rates enquiries and search fees are posted to 031.178.10 Other income.	(20,000)	0	0	(20,000)	842,005
031.151.10	Rates Interest Penalty	Interest to be received for non-payment of rates is higher than budgeted. Adjustment required.	(25,000)	(35,000)	10,000	0	852,005
031.166.10	Rates - Legal Charges Recouped	Budget allocation based on recouping of legal fees on the collection of rates. Budget to be adjusted to reflect expenditure.	(25,000)	(20,000)	0	(5,000)	847,005
031.178.10	Rates - Other Income	Reallocation of budget from GL 031.100.10. All rates enquiries and search fees are posted here. Additional income expected to be received based on increased volume of rates enquiries arising from property sales.	(15,000)	(42,000)	27,000	0	874,005

GL Account Code	Description	Comments	Adopted Budget	Proposed Budget	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
032.157.10	Interest Received on Investments	Interest rates extremely low - unlikely to receive this level of interest from investments.	(11,000)	(5,000)	0	(6,000)	868,005
043.178.10	Other Income - Office of the CEO	Budget based on higher LGIS rebates coming back to the Shire which were based on the 2019/20 FY data. Due to recent events around the state, LGIS reported a reduced surplus compared to previous years, resulting in lower rebates to Councils.	(55,250)	0	0	(55,250)	812,755
044.178.10	Other Income - Corporate Services	Income for Governance Review cost reimbursement was not factored into budget - \$24,000 has been invoiced.	(8,500)	(33,026)	24,526	0	837,281
044.339.10	Professional Services - Corporate Services	Reduction to estimated budget of \$8,000 due to no external representation being received for EBA. Process managed in-house.	20,000	12,000	8,000	0	845,281
051.148.10	Other Contributions Received - Fire Prevention	Capital Grant for Julimar fire station to be brought in. Two instalments each of \$136,775 were received in 2020/21 one of which was transferred to Contract Liabilities. A further 2 instalments will be due as the project progresses. See comments further above - expenditure expected to increase \$14,000	(161,850)	(410,325)	248,475	0	1,093,756
052.109.10	Registration Fees	Dog registrations paid to date are less than anticipated - raised in October each year with new registrations as required throughout the year. Unlikely to meet budget target.	(30,200)	(25,000)	0	(5,200)	1,088,556
055.447.10	Bushfire Risk Management - Other materials and Contracts	Final acquittal audit found ineligible expenses of \$5,400 to be repaid to DFES.	1,240	6,000	0	(4,760)	1,083,796
074.112.10	Health Application Fees	Duplicate Budget entry - health fees posted to Licences and Permits 074.118.10 and Other income 174.178.10. Reduce budget to zero.	(15,000)	0	0	(15,000)	1,068,796
101.040.10	Rates - Waste Collection Service	Rubbish Charges raised with rates in October and services are added as and when required. Unlikely to receive budgeted income offset by reduction in expenditure also.	(518,381)	(465,000)	0	(53,381)	1,015,415
101.336.10	Waste Contractors	As per comments above, reduction to expenditure partially offset by reduced income. Rubbish Charges raised with rates in October and services are added as and when required. Actual collection and management costs less than budgeted.	739,512	690,000	49,512	0	1,064,927
104.447.10	Other Materials and Contracts -Community Sponsorship	Reduction in expenditure expected from cancelled events - Toodyay Music Festival and Fibre Festival	70,000	57,000	13,000	0	1,077,927
113.428.10	Community Amenities - Water Expenses	The budget was adopted with an allocation of \$70,000 for water usage at the Toodyay Recreation Centre. In accordance with the management contract, Clublinks are responsible for water usage charges.	70,000	1,799	68,201	0	1,146,128
113.336.10	Contractors - Recreation	The adopted budget of \$400,000 did not reflect the proposed management costs as submitted by Clublinks falling short by \$11,000. Cost to date is \$310,000 with an expected \$110,000 for the final quarter. Other costs posted here are the replacement actuator valve and flow meter \$10,740 and stair rectification costs of \$30,251.	400,000	461,000	0	(61,000)	1,085,128

GL Account Code	Description	Comments	Adopted Budget	Proposed Budget	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
115.336.10	Contractors - Library	Project to repair outer brickwork commenced 2020/21 however did not progress due to approvals needing to be sought from DPLH. Approval received after budget adoption.	0	5,000	0	(5,000)	1,080,128
133.112.10	Application Fees - Building Services	Increased income expected due to volume of building applications received to date.	(33,570)	(45,000)	11,430	0	1,091,558
136.175.10	Commissions and Agency Sales	Duplication of budget - reduce to zero as consignment sales are included at 134.172.10.	(25,100)	0	0	(25,100)	1,066,458
138.366.10	Advertising and Promotion - Community Development	Budget allocation not required here - year to date expenses have been posted to budget allocations in other programmes. Overall, the advertising budget is on track.	6,940	0	6,940	0	1,073,398
143.339.10	Professional Services - Works and Services	Budget allocation proposed to address ongoing drainage issues at 28 Britt Close. This cost relates to flood investigation and design of crossover.	0	20,700	0	(20,700)	1,052,698
146.336.10	Materials and Contracts - Depot	Repairs including cabling and bird protection required for mast on the depot roof required for effective communications.	0	11,000	0	(11,000)	1,041,698
					1,720,287	(688,589)	1,041,698

SHIRE OF TOODYAY
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 31 January 2022

	2021/2022 Adopted Budget (a)	Proposed Adjustment	2021/2022 Amended Budget	YTD Actual 31/01/2022
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	\$ 780,101	0	780,101	\$ 780,101
Revenues from operating activities(excluding rates)				
Governance	128,950	(30,724)	98,226	237,238
General Purpose Funding - Other	7,707,282	(18,198)	7,689,084	7,475,814
Law, Order, Public Safety	1,222,643	243,275	1,465,918	683,387
Health	80,500	(15,000)	65,500	16,950
Education & Welfare	0		0	0
Housing	13,780		13,780	5,236
Community Amenities	945,011	(53,381)	891,630	868,563
Recreation and Culture	254,570	(13,670)	240,900	129,772
Transport and Infrastructure	579,832		579,832	509,190
Economic Services	309,740	(25,000)	284,740	124,727
Other Property and Services	133,041		133,041	22,073
	11,375,349	87,302	11,462,651	10,072,951
Expenditure from operating activities				
Governance	(574,779)	33,000	(541,779)	(1,260,133)
General Purpose Funding	(350,046)		(350,046)	(50,312)
Law, Order, Public Safety	(2,178,243)	(4,760)	(2,183,003)	(988,804)
Health	(241,016)		(241,016)	(43,234)
Education & Welfare	(39,713)		(39,713)	(245)
Housing	(34,503)		(34,503)	0
Community Amenities	(1,665,311)	130,713	(1,534,598)	(886,089)
Recreation and Culture	(1,980,471)	(59,060)	(2,039,531)	(816,694)
Transport and Infrastructure	(3,873,047)		(3,873,047)	(713,117)
Economic Services	(1,281,297)	(20,000)	(1,301,297)	(417,986)
Other Property and Services	(1,231,790)	(31,700)	(1,263,490)	(680,454)
Total Operating Expenditure	(13,450,216)	48,193	(13,402,023)	(5,857,067)
Net cash provided by (used in) Operating activities	(2,074,867)	135,495	(1,939,372)	4,215,885
Operating activities excluded from budget				
Add back Depreciation	3,907,920		3,907,920	125,442
Adjust (Profit)/Loss on Asset Disposal	(4,000)		(4,000)	0
Adjust Deferred Pensioner Provision	0		0	0
Adjust Provisions and Accruals	0		0	0
Amount attributable to operating activities	1,829,053	135,495	1,964,548	4,341,327
CASH FLOWS FROM INVESTING ACTIVITIES				
Grants, Subsidies and Contributions	3,301,633		3,301,633	1,125,456
Proceeds from Disposal of Assets	692,500		692,500	0
Land Held for Resale				0
Land and Buildings	(757,099)	32,000	(725,099)	(140,082)
Infrastructure - Roads	(3,749,829)	611,703	(3,138,126)	(394,002)
Infrastructure - Parks & Recreation	0		0	0
Infrastructure - Footpaths	0		0	0
Infrastructure - Bridges & Drainage	(356,000)		(356,000)	(19,597)
Infrastructure - Other	(251,785)		(251,785)	(24,291)
Heritage Assets	0		0	0
Plant and Equipment	(890,800)	252,500	(638,300)	(24,801)
Infrastructure - Work in Progress	0		0	0
Net cash provided by (used in) investing activities	(2,011,380)	896,203	(1,115,177)	522,683
CASH FROM FINANCING ACTIVITIES				
Proceeds from New Debentures	0		0	0
Proceeds from Advances	0		0	0
Self-Supporting Loan Principal	0		0	0
Transfer from Reserves	655,131		655,131	0
Advances to Community Groups	0		0	0
Repayment of Debentures	(471,167)		(471,167)	0
Transfer to Reserves	(771,738)		(771,738)	0
Net cash provided by (used in) Financing activities	(587,774)	0	(587,774)	0
Net Operations, Capital and Financing	(770,101)	1,031,698	261,597	4,864,010
Opening Funding Surplus(Deficit)	780,101		780,101	780,101
Closing Funding Surplus(Deficit)	10,000	1,031,698	1,041,698	5,644,111

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SHIRE OF TOODYAY
STATEMENT OF FINANCIAL ACTIVITY
(By Nature or Type)
For the Period Ended 31 January 2022

	2021/2022 Adopted Budget	Proposed Adjustment	2021/2022 Amended Budget	YTD Actual 31/01/2022
Net current assets at start of financial year - surplus/(deficit)	\$ 780,101	0	780,101	\$ 780,101
Revenues from operating activities(excluding rates)				
Rates	6,870,033	(12,198)	6,857,835	6,872,338
Operating Grants, Subsidies and Contributions	2,475,731	248,475	2,724,206	1,669,733
Fees and Charges	1,568,041	(87,251)	1,480,790	1,011,015
Interest Earnings	40,000	(6,000)	34,000	30,971
Other Revenue	416,271	(30,724)	385,547	489,582
Total Operating Revenue	11,370,076	112,302	11,482,378	10,073,639
Expenditure from operating activities				
Employee Costs	(3,960,004)		(3,960,004)	(2,455,632)
Materials and Contracts	(4,253,010)	(45,009)	(4,298,019)	(2,457,195)
Utility Charges	(473,360)	68,202	(405,158)	(161,253)
Depreciation on Non-Current Assets	(3,907,920)		(3,907,920)	(125,442)
Interest Expenses	(291,090)		(291,090)	(189,920)
Insurance Expenses	(307,650)		(307,650)	(364,847)
Other Expenditure	(255,910)		(255,910)	(103,464)
Total Operating Expenditure	(13,448,944)	23,193	(13,425,751)	(5,857,754)
Net cash provided by (used in) Operation activities	(2,078,868)	135,495	(1,943,373)	4,215,885
Operating activities excluded from budget				
Add back Depreciation	3,907,920		3,907,920	125,442
Adjust (Profit)/Loss on Asset Disposal	(4,000)		(4,000)	0
Adjust Deferred Pensioner Provision	0		0	0
Adjust Provisions and Accruals	0		0	0
Amount attributable to operating activities	1,825,052	135,495	1,960,547	4,341,327
CASH FLOWS FROM INVESTING ACTIVITIES				
Grants, Subsidies and Contributions	3,301,633		3,301,633	1,125,456
Proceeds from Disposal of Assets	692,500		692,500	0
Land Held for Resale	0		0	0
Land and Buildings	(757,099)	32,000	(725,099)	(140,082)
Infrastructure - Roads	(3,749,829)	611,703	(3,138,126)	(394,002)
Infrastructure - Parks & Recreation	0		0	0
Infrastructure - Footpaths	0		0	0
Infrastructure - Bridges & Drainage	(356,000)		(356,000)	(19,597)
Infrastructure - Other	(251,785)		(251,785)	(24,291)
Heritage Assets	0		0	0
Plant and Equipment	(890,800)	252,500	(638,300)	(24,801)
Infrastructure - Work in Progress	0		0	0
Net cash provided by (used in) investing activities	(2,011,380)	896,203	(1,115,177)	522,683
CASH FROM FINANCING ACTIVITIES				
Proceeds from New Debentures	0		0	0
Proceeds from Advances	0		0	0
Self-Supporting Loan Principal	0		0	0
Transfer from Reserves	655,131		655,131	0
Advances to Community Groups	0		0	0
Repayment of Debentures	(471,167)		(471,167)	0
Transfer to Reserves	(767,738)		(767,738)	0
Net cash provided by (used in) Financing activities	(583,774)	0	(583,774)	0
Net Operations, Capital and Financing	(770,101)	1,031,698	261,597	4,864,011
Opening Funding Surplus(Deficit)	780,101	10,000	780,101	780,101
Closing Funding Surplus(Deficit)	10,000	1,041,698	1,041,698	5,644,112

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5 OTHER BUSINESS / NEW BUSINESS OF AN URGENT NATURE

6 CONFIRMATION OF NEXT MEETING

The next meeting of the Audit & Risk Committee is scheduled to be held on 1 June 2022 commencing at 2.00pm.

7 CLOSURE OF MEETING

The Chairperson will close the meeting.