

Shire of Denmark Charter



AUDIT ADVISORY COMMITTEE

This charter document defines the membership, authority, purpose, operational guidelines, responsibilities and resources of the Shire of Denmark Audit Committee, established by Council pursuant to ~~Section~~ Division 1A, Section 7.1A of the Local Government Act 1995 (the Act) and the Local Government (Audit) Regulations 1996 (the Regulations).

1.0 NAME

The name of the Committee shall be the Shire of Denmark Audit Advisory Committee, hereinafter referred to in its abbreviated form as the Committee (established 12 May 2005).

2.0 ESTABLISHMENT

The Committee is established pursuant to Section 7.1(A) of the Act.

3.0 DISTRICT

The Committee shall operate within the local government boundaries of the Shire of Denmark.

4.0 GUIDING PRINCIPLES

This Committee is established with the guiding principles in accordance with ~~Section~~ Division 1A, Section 7.1A of the Local Government Act 1995, the Local Government (Audit) Regulations 1996 and the Local Government (Financial Management) Regulations 1996.

5.0 VISION

Our vision is for the Shire of Denmark to have consistently clear audits and accurate, meaningful and easy to read Annual Financial Statements.

6.0 TERMS OF REFERENCE

An audit committee —

- 6.1 Is to provide guidance and assistance to the local government —
 - (i) as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and
 - (ii) as to the development of a process to be used to select and appoint a person to be an auditor.
- 6.2 May provide guidance and assistance to the local government as to —
 - (i) matters to be audited; and
 - (ii) the scope of audits; and

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- (iii) its functions under Part 6 of the Act; and
- (iv) the carrying out of its functions relating to other audits and other matters related to financial management (LG (Audit) Regulations, Regulation 16).

6.3 Is to review a report given to it by the CEO under Regulation 17.3 (the Regulations) and is to –

- (i) Report to the Council the results of that review; and
- (ii) Give a copy of the CEO's report to the Council.

6.4 Is to meet with the auditor at least once in every year (Section 7.12A of the Act).

6.5 Is to review the annual Department of Local Government Compliance Audit Return and report to Council the results of that review (Regulation R14 (3A)) of the Regulations).

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7.0 MEMBERSHIP

Membership of the Committee will be appointed by an absolute majority decision of Council and can include non-elected members, must include at least 3 Councillors and Councillors must comprise the majority of the Committee.

Neither the Chief Executive Officer nor any other employee of the Local Government can be a member of the Audit Committee.

The Shire of Denmark has appointed 9 Councillors to be members of the Audit Advisory Committee.

8.0 MEETINGS

8.1 Annual General Meeting:

Nil

8.2 Committee Meetings:

Meetings shall be held not more frequently than every 6 months, unless a special meeting of the Committee is called by specific resolution of the Committee for the specified purpose(s).

8.3 Quorum:

The quorum for any meeting of the Committee is at least 50% of the number of member positions prescribed on the Committee, whether vacant or not.

8.4 Voting:

Shall be in accordance with Sections 5.21 and 7.1C of the Act, ~~Section 5.21 and 7.1C~~ with all members of the Committee entitled and required to vote (subject to financial and proximity interest provisions of the Act).

8.5 Minutes:

Shall be in accordance with the Act, Section 5.22.

8.6 Who acts if no presiding member?

Shall be in accordance with the Act, Section 5.14.

8.7 Meetings

Meetings are not open to the public pursuant to the Act, Section 5.23-(e).

8.8 Public Question Time

Nil

8.9 Members Conduct

Members of the Committee are bound by the:

- provisions of Section 5.65 of the Local Government Act 1995;
- Shire of Denmark Standing Orders Local Law 2000;
- Shire of Denmark Code of Conduct (amended from time to time);
- Rules of Conduct Legislation; and
- Clause 34C of the Local Government (Administration Regulations) 1996;

with respect to their conduct and duty of disclosure of financial, proximity or impartiality interests, to the extent stated, dependent upon whether they are a Councillor, Employee of Local Government or a Community Member (community members are not bound to declare impartiality interests, unlike Councillors and Employees of Local Government nor are they bound by the Rules of Conduct Legislation).

8.10 Secretary

The Director of Finance & Administration or that Officer's nominee will fulfil the role of non-voting secretary who will also be responsible for preparation and distribution of agendas and minutes.

8.11 Presiding Person

The members will appoint the Presiding Person and if required, Deputy of the Committee pursuant to the Act, Section 5.12.

8.12 Meeting Attendance Fees

Nil.

9.0 DELEGATED AUTHORITY OF THE COMMITTEE

Nil.

Adopted by Council ~~22-20~~ October 2013~~5~~ / Resolution No. ~~481013XXX~~

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