



Shire of
Koorda

Drive in, stay awhile

MINUTES

Audit & Risk Committee Meeting

Held in Shire of Koorda Council Chambers

10 Haig Street, Koorda WA 6475

Wednesday 17 September 2025

Commencing 4.00pm

Dear Audit & Risk Committee Members,

The next Audit & Risk Committee Meeting of the Shire of Koorda will be held on Wednesday 17 September 2025 in the Shire of Koorda Council Chambers, 10 Haig Street, Koorda, commencing at 4.00pm.

Zac Donovan
Chief Executive Officer
12 September 2025

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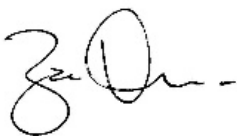
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To be read aloud if any member of the public is present.

Signed



Zac Donovan
Chief Executive Officer

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Shire of Koorda
Audit & Risk Committee Meeting
4.00pm, Wednesday 17 September 2025



1. Declaration of Opening

The Presiding person welcomes those in attendance and declares the meeting open at 4.04pm.

2. Record of Attendance, Apologies and Leave of Absence

Committee Members:

Cr JM Stratford	President & Chair
Cr GW Greaves	Member
Cr GL Boyne	Member

Staff:

Mr Z Donovan	Chief Executive Officer
Ms L Foote	Deputy Chief Executive Officer

Visitors:

Apologies:

Approved Leave of Absence:

3. Public Question Time

Nil.

4. Disclosure of Interest

Nil.

5. Confirmation of Minutes from Previous Meetings

5.1. Audit & Risk Committee Meeting held on 18 June 2025

[Click here to view the previous minutes](#)

Voting Requirements ☒ Simple Majority ☐ Absolute Majority

Committee Recommendation

Moved Cr GL Boyne

Seconded Cr GW Greaves

That, in accordance with Sections 5.22(2) and 3.18 of the *Local Government Act 1995*, the Minutes of the Audit & Risk Committee Meeting held 18 June 2025, as presented, be confirmed as a true and correct record of proceedings.

CARRIED 3/0


For: Cr JM Stratford, Cr GL Boyne, Cr GW Greaves

6. Presentations

Nil.

7. Officer's Reports

7.1. Quarterly Reporting of Integrated Strategic Plan and Workforce Plan

Governance and Compliance		
Date	10 September 2025	
Location	Not Applicable	
Responsible Officer	Zac Donovan, Chief Executive Officer	
Author	Zac Donovan, Chief Executive Officer	
Legislation	<i>Local Government Act 1995;</i> <i>Local Government (Administration) Regulations 1996</i>	
Disclosure of Interest	Nil	
Purpose of Report	<input type="checkbox"/> Executive Decision <input checked="" type="checkbox"/> Legislative Requirement <input checked="" type="checkbox"/> Information	
Attachments	Quarterly Scorecard – September 2025	

Background:

Section 5.56(1) of the Local Government Act 1995 requires all local governments to have a plan for the future of the district and under the Local Government (Administration) Regulations 1996, all local governments in Western Australia are required to have adopted two key documents: a Strategic Community Plan (SCP) and a Corporate Business Plan (CBP). Together these documents drive the development of each local government's Annual Budget.

The Integrated Planning and Reporting Framework and Guidelines (2016) issued by the DLGSC that guides the SCP and CBP process require that regular monitoring and reporting of these plans are undertaken. This quarterly update forms part of this key reporting process.

Council adopted the Integrated Strategic Plan 2022-2032 (which incorporates both the SCP & CBP) at its meeting held 20 April 2022. In 2024 a desktop review of the plan was undertaken and the updated plan was adopted at the June 2024 OCM as per resolution 120624.

Comment:

To assist Council to meet its IPR requirements under the Local Government Act 1995, the Local Government (Administration) Regulations 1996, Shire staff have prepared the quarterly report, as attached to this item, for the Committee to consider and, if appropriate, recommend to Council that the quarterly scorecard be adopted and the Integrated Strategic Plan and Workforce Plan components be endorsed for publication.

Consultation:

Lana Foote, Deputy Chief Executive Officer
Jannah Stratford, President, Shire of Koorda

Statutory Implications:

Local Government Act 1995 and relevant subsidiary legislation.

Policy Implications:

Nil

Strategic Implications:

Shire of Koorda Integrated Strategic Plan 2024

4.1 – Open and transparent leadership.

4.1.1 – Ensure efficient use of resources and the governance and operational compliance and reporting meets legislative and regulatory requirements.

4.3 – Forward planning and delivery of services and facilities that achieve strategic priorities.

4.3.2 – Report to Council progress of Council Actions using a quarterly score card and report results to community.

Risk Implications:

The Risk Theme Profile identified as part of this report is Failure to Fulfil Compliance Requirements. The consequence could be Compliance if the requirements of both the Local Government Act 1995 and the Local Government (Administration) Regulations 1996 are not met in terms of the Shire having a plan for the future of the district. Another consequence could be Reputational if the public perceives that the Shire does not have the business planning tools in place to manage ratepayer money in transparent and accountable manner. The measure of Consequence is Minor, and the likelihood is Unlikely, giving an overall risk rating of Low. Both risks will be mitigated through adherence to the Integrated Planning and Reporting framework.

Financial Implications:

Nil

Voting Requirements:

☒ Simple Majority

☐ Absolute Majority

Committee Recommendation

Moved Cr GW Greaves

Seconded Cr GL Boyne

That the Audit Committee recommends:

That Council:

- 1. Adopts the quarterly reporting documents to September 2025 as attached to this item; and**
- 2. Endorses the publication of the Integrated Strategic Plan and Workforce Plan components for community information.**

CARRIED 3/0

For: Cr JM Stratford, Cr GL Boyne, Cr GW Greaves

7.2. Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls

Governance and Compliance		
Date	10 September 2025	
Location	Not Applicable	
Responsible Officer	Zac Donovan, Chief Executive Officer	
Author	Zac Donovan, Chief Executive Officer	
Legislation	<i>Local Government (Audit) Regulations 1996 – Reg 16 and 17</i>	
Disclosure of Interest	Nil	
Purpose of Report	<input type="checkbox"/> Executive Decision <input checked="" type="checkbox"/> Legislative Requirement <input type="checkbox"/> Information	
Attachments	FRM Action Plan – September 2025	

Background:

The Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance.

At the May 2023 Audit Committee Meeting, the Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls was presented for consideration with the below committee recommendation being resolved at the May 2023 Council Meeting.

Committee Recommendation RESOLUTION 050523

Moved CR GW Greaves

Seconded CR BG Cooper

That Council:

1. Receives Moore's Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls report, dated April 2023 (Attachment A);
2. Directs the CEO to provide a report, on a quarterly basis, to the Audit Committee to enable the Committee to monitor the Shire's progress in addressing the recommendations, pursuant to Regulation 16 (d) of the Local Government (Audit) Regulations 1996; and
3. Directs the CEO at the first quarterly review to provide proposed actions, including expected completion dates, to the recommendations identified in the report.

CARRIED BY ABSOLUTE MAJORITY 6/0

Comment:

This report has been presented to the Audit & Risk committee as the committee has a role in supporting Council in fulfilling its governance and oversight responsibilities and provide the audit committee with the opportunity to raise any issues that the document has identified or ask any other questions, they may have in relation to our risk management and compliance activities.

An initial report was tabled at the June 2023 Audit Committee Meeting and the attached Action Plan is an update on actions that have been taken within the past quarter to align with the quarterly reporting on the Integrated Strategic Plan.

Consultation:

Lana Foote, Deputy Chief Executive Officer
Administration Staff

Statutory Implications:

Regulation 16 of the Local Government (Audit) Regulations 1996 prescribes the functions of an Audit Committee which includes;

“16 (c) to review a report given to it by the CEO under regulation 17(3) 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.”*

“16 (d) to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under –

- (i) Regulations 17 (1); and*
- (ii) The Local Government (Financial Management) Regulations 1996 regulation 5(2)(c).”*

Regulation 17 of the Local Government (Audit) Regulations 1996 reads as follows;

“(1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to —

- a) risk management; and*
- b) internal control; and*
- c) legislative compliance.*

(2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.

(3) The CEO is to report to the audit committee the results of that review.”

Regulation 5 (2) (c) of the Local Government (Financial Management) Regulations 1996 states that -
“the CEO is to 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:

The review recommended some potential improvement opportunities to some of the Council’s policy. These will be considered separately by the Policy Review Committee and Council at the completion of the review process. Comments made in the FM Review relating to specific Policies and Procedures will be taken on-board as part of the review process.

Strategic Implications:

Shire of Koorda Integrated Strategic Plan 2024

4.1 – Open and transparent leadership.

4.1.1 – Ensure efficient use of resources and the governance and operational compliance and reporting meets legislative and regulatory requirements

Risk Implications:

The CEO would be contravening the *Local Government (Audit) Regulations 1996* if this review was not undertaken at least once every 3 financial years. The CEO is to report to the Audit & Risk Committee the results of this review.

The Financial Management, Risk Management, Legislative Compliance and Internal Controls Review covers a robust area of risk assessment and compliance with auditing in compliance with the Local Government Act 1995 and associated Regulations. The objective of this review is to identify risks to the organisation where non-compliant activities may have taken place enabling processes and procedures to be developed or reviewed and amended, if required.

Financial Implications:

Nil.

Voting Requirements: ☒ Simple Majority ☐ Absolute Majority

Committee Recommendation

Moved Cr GW Greaves

Seconded Cr GL Boyne


That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit & Risk Committee recommends;

That Council as per the quarterly report document to September 2025 as attached to this item, notes and endorses the actions taken to the identified improvements highlighted in the Financial Management, Risk Management, Legislative Compliance and Internal Controls review.

CARRIED 3/0

For: Cr JM Stratford, Cr GL Boyne, Cr GW Greaves

7.3. Shire of Koorda Risk Profile Report

Governance and Compliance		
Date	10 September 2025	
Location	Not Applicable	
Responsible Officer	Zac Donovan, Chief Executive Officer	
Author	Zac Donovan, Chief Executive Officer	
Legislation	Local Government (Audit) Regulations 1996 – Reg 16 and 17 Local Government Act 1995 AS/NZS ISO 31000:2018	
Disclosure of Interest	Nil	
Purpose of Report	<input checked="" type="checkbox"/> Executive Decision <input checked="" type="checkbox"/> Legislative Requirement <input type="checkbox"/> Information	
Attachments	Shire of Koorda Risk Profile Action Plan - September 2025	

Background:

The Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance.

In addition to the Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls undertaken by Moore in February 2023, as per the above item, Staff undertook an additional review, facilitated by LGIS, to understand the Operational Risks within the organisation.

The Risk Profile workshop, undertaken in October 2023, worked through 15 risk themes to identify what is the risk of this occurring at the Shire, both with and without controls, and what controls are, or should be in place.

Under the Risk Management Framework, the Shire utilises risk profiles to capture its operational and strategic risks. The profiles assessed are:

- Asset Sustainability
- Business and Community Disruption
- Community Engagement
- Compliance Obligations
- Document Management
- Employment Practices
- Environment Management
- Errors, Omissions and Delays
- External Theft and Fraud
- IT, Communication Systems and Infrastructure
- Management of Facilities, Venues and Events
- Misconduct
- Project / Change Management
- Purchasing and Supply
- WHS

For each category, the profile contains the following:

- Objective.
- Risk Event.
- Potential Causes.
- Key Controls / Control Type.
- Control Adequacy.
- Control owner.
- Risk Rating.
- Actions and Responsibility.

Comment:

This report has been presented to the Audit & Risk Committee as the committee has a role in supporting Council in fulfilling its governance and oversight responsibilities and provide the audit committee with the opportunity to raise any issues that the document has identified or ask any other questions, they may have in relation to our risk management and compliance activities.

The initial Risk Profile Report was tabled at the December 2023 Audit & Risk Committee Meeting. Similar to the FRM Action Plan, the Risk Profile will be tabled at the quarterly Audit & Risk Committee workshops as a tracking tool to determine progress made against the key themes and improvements towards any identified areas of improvement.

Consultation:

Lana Foote, Deputy Chief Executive Officer
Darren West, Works Supervisor
Kristyn Harrap, Governance Officer
Chris Gilmour, Regional Risk Coordinator, LGIS
Ben Galvin, Divisional Manager - Risk Services, LGIS

Statutory Implications:

Local Government Act 1995
AS/NZS ISO 31000:2018

Regulation 16 of the Local Government (Audit) Regulations 1996 prescribes the functions of an Audit Committee which includes;

“16 (c) to review a report given to it by the CEO under regulation 17(3) 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.”*

“16 (d) to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under –

- (i) Regulations 17 (1); and*
- (ii) The Local Government (Financial Management) Regulations 1996 regulation 5(2)(c).”*

Regulation 17 of the Local Government (Audit) Regulations 1996 reads as follows;

“(1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to —

- a) risk management; and*
- b) internal control; and*
- c) legislative compliance.*

(2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.

(3) The CEO is to report to the audit committee the results of that review.”

Policy Implications:

Shire of Koorda Risk Management Strategy 2023
Policy “G - Risk Management” states;

Risk Assessment and Acceptance Criteria

The Shire quantified its broad risk appetite through the development and endorsement of the Shire’s Risk Assessment and Acceptance Criteria. The criteria are included within the Risk Management Framework and as a component of this policy.

All organisational risks are to be assessed according to the Shire's Risk Assessment and Acceptance Criteria to allow consistency and informed decision making. For operational requirements such as projects or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisations appetite and are to be noted within the individual risk assessment.

Strategic Implications:

Shire of Koorda Integrated Strategic Plan 2024

4.1 – Open and transparent leadership.

4.1.1 – Ensure efficient use of resources and the governance and operational compliance and reporting meets legislative and regulatory requirements.

Risk Implications:

The Shire of Koorda has adopted a 'Three Lines of Defence' model for the management of risk. This model ensures roles, responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, Council, management and the community will have assurance that risks are managed effectively to support the delivery of the strategic, corporate and operational plans.

The Risk Profile covers a robust area of risk assessment. The objective of this review is to identify potential and actual risks to the organisation, determine the chances of these risks occurring within the organisation and identify key controls that are and should be in place to help reduce or mitigate the perceived risks.

Financial Implications:

Resource requirements are in accordance with existing budgetary allocation.

Voting Requirements: ☒ Simple Majority ☐ Absolute Majority

Committee Recommendation

Moved Cr GL Boyne

Seconded Cr GW Greaves

That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit & Risk Committee recommends;

That Council, as per the quarterly report document to September 2025 as attached to this item, notes and endorses the actions taken to the identified improvements highlighted in the Risk Profile.

CARRIED 3/0

For: Cr JM Stratford, Cr GL Boyne, Cr GW Greaves

8. Urgent Business Approved by the Person Presiding or by Decision
Nil.

9. Date of Next Meeting

5.00pm Wednesday 17 December 2025.

10. Closure

The Chairperson thanked everyone for their attendance and closed the meeting at 4.09pm.

Signed: _____

Presiding Person at the meeting at which the minutes were confirmed.

Date: 17 December 2025

APPENDIX I – Terms of Reference

Audit and Risk Committee

Terms of Reference

1. Name

The name of the committee is the Shire of Koorda Audit and Risk Committee.

2. Head of Power

The committee is established by Council under section 5.8 of the *Local Government Act 1995* (C15.09.15).

3. Definitions

TERM	DEFINITION
Act	The <i>Local Government Act 1995</i> .
Council	The body consisting of all council members sitting formally as the Council of Shire of Koorda ("the Shire").
Chief Executive Officer	The Chief Executive Officer (CEO) of the Shire of Koorda.
Committee	Shire of Koorda Audit and Risk Committee
Council Member	A person elected under the Act as a member of Council. Shire of Koorda council members includes the Shire President, Deputy Shire President and Councillors (as defined by the Act).
External Member	A person who is not a council member appointed to the committee with requisite skills, knowledge and experience that compliment the committees objectives.
Member	A person appointed to this committee.

4. Objectives

The primary objective of the committee is to accept responsibility for the annual external audit and liaise with the Shire's auditor so that Council can be satisfied with the performance of the Shire in managing its financial affairs.

Reports from the committee will:

- Assist Council in discharging its legislative responsibilities of controlling the Shire's affairs.
- Ensure openness in the Shire's financial reporting.
- Liaise with the CEO to ensure the effective and efficient management of the Shire's financial accounting systems, risk management framework and compliance with legislation.

The committee is to facilitate:

- The enhancement of the credibility and objectivity of external financial reporting.
- Effective management of financial and other risks and the protection of Council assets.
- Compliance with laws and regulations as well as use of best practice guidelines relative to audit, risk management, internal control and legislative compliance.
- The provision of an effective means of communication between the external auditor and Council.
- The reduction of fraud, corruption and misconduct risk as a part of their oversight of financial reporting.

5. Powers

The committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its term of reference. This is in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the local government that have not been delegated to the CEO.

The committee meets with the auditor of the Shire at least once in every year to satisfy the requirement of section 7.12A(2) of the Act.

The committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The committee does not have any management functions and cannot involve itself in management processes or procedures without the approval of the CEO.

6. Functions of the Committee

In accordance with *Local Government (Audit) Regulations 1996*, the committee is to:

- a. Guide and assist the Shire in carrying out:
 - i. its functions under Part 6 of the Act; and
 - ii. its functions relating to other audits and other matters related to financial management.
- b. Guide and assist the Shire in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act.
- c. Review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to;
 - i. report to the council the results of that review; and
 - ii. give a copy of the CEO's report to Council.
- d. Consider the CEO's three yearly reviews of the appropriateness and effectiveness of the Shire's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the committee, and report to Council the results of those reviews.
- e. Oversee the implementation of any action that the Shire:
 - i. is required to take by section 7.12A(3); and
 - ii. has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and
 - iii. has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and
 - iv. has accepted should be taken following receipt of a report of a review conducted under the *Local Government (Financial Management) Regulations 1996* regulation 5(2)(c).
- f. Perform any other function conferred on the committee by the regulations or another written law.

Additionally, the committee is to:

- a. Review the Shire's draft annual financial report, focusing on:
 - i. accounting policies and practices;
 - ii. changes to accounting policies and practices;
 - iii. the process used in making significant accounting estimates;
 - iv. significant adjustments to the financial report (if any) arising from the audit process;
 - v. compliance with accounting standards and other reporting requirements; and
 - vi. significant variances from prior years.
- b. Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation, but before the annual financial report is signed.
- c. Address issues brought to the attention of the committee, including responding to requests from Council for advice that are within the parameters of the committee's terms of reference.
- d. Seek information or obtain expert advice through the CEO on matters of concern within the scope of the committee's terms of reference.

6.1. Compliance

The committee's functions in regards to compliance is to:

- a. Review the annual Compliance Audit Return and satisfy itself that the return is supported by appropriate processes and controls.
- b. Provide reasonable confidence about the accuracy of information contained in the Compliance Audit Return and make a recommendation on its adoption to Council.

6.2. Risk Management

The committee's functions in regards to risk management is to:

- a. Ensure the Shire's risk management framework addresses Council's exposure to both strategic and operational risks.
- b. Monitor the effectiveness of the risk management framework through regular reviews and reporting.
- c. Regularly review Council's strategic risk register to check that extreme and high level risk are managed in accordance with the "Risk Management Policy."
- d. Address any specific requests referred from Council in relation to issues of risk and risk management.
- e. At least once every year consider a report from the Shire's Executive Management Team in relation to the management of risk within the Shire, and satisfy itself that appropriate controls and processes are in operation, and are adequate for dealing with risks that impact the Shire.

7. Membership

The committee will consist of three elected members, with a fourth elected member acting as a deputy.

If authorised by the committee, council members attending as observers may participate in the meeting (but are not able to vote).

The CEO and employees are not members of the committee. The Deputy CEO is to provide administrative support to the committee.

Related Documents (Legislation/Local Law/Policy/Procedure/Delegation)

Local Government Act 1995, Section 5.36, 5.39C & 5.40

Review History

Date	Council Resolution	Description of review/amendment
18/12/2023	RES: 111223	Terms of Reference Adopted V2.0
23/10/2023	RES: 191023	Committee Re-established (inclusion of Risk)
15/09/2021	RES: 060921	Terms of Reference Adoption V1.0

Audit, Risk & Improvement Committee

Terms of Reference

1. Name

The name of the committee is the Shire of Koorda Audit, Risk & Improvement Committee (ARIC).

2. Head of Power

The committee is established by Council under section 5.8 of the *Local Government Act 1995*.

3. Definitions

TERM	DEFINITION
Act	The <i>Local Government Act 1995</i> .
Council	The body consisting of all council members sitting formally as the Council of Shire of Koorda (" the Shire ").
Chief Executive Officer	The Chief Executive Officer (CEO) of the Shire of Koorda.
Committee	Shire of Koorda Audit, Risk & Improvement Committee
Council Member	A person elected under the Act as a member of Council. Shire of Koorda council members includes the Shire President, Deputy Shire President and Councillors (as defined by the Act).
External Member	A person who is not a council member appointed to the committee with requisite skills, knowledge and experience that compliment the committees objectives.
Member	A person appointed to this committee.

4. Objectives

The purpose of the Committee is to support the Council in fulfilling its governance and oversight responsibilities as they relate to financial reporting, internal control structure, risk management systems, internal and external audit functions and ethical accountability.

5. Powers

The committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its term of reference. This is in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the local government that have not been delegated to the CEO.

The committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The committee does not have any management functions and cannot involve itself in management processes or procedures without the approval of the CEO.

6. Functions of the Committee

Regulation 16 of the *Local Government (Audit) Regulations 1996* defines the functions of an audit committee as:

"16. Functions of audit committee

- a. Guide and assist the Shire in carrying out:
 - i. its functions under Part 6 of the Act; and
 - ii. its functions relating to other audits and other matters related to financial management.
- b. Guide and assist the Shire in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act.
- c. Review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to;
 - i. report to the council the results of that review; and

- ii. *give a copy of the CEO's report to Council.*
- d. *Consider the CEO's three yearly reviews of the appropriateness and effectiveness of the Shire's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the committee, and report to Council the results of those reviews.*
- e. *To support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;*
- f. *Oversee the implementation of any action that the Shire:*
 - i. *is required to take by section 7.12A(3); and*
 - ii. *has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and*
 - iii. *has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and*
 - iv. *has accepted should be taken following receipt of a report of a review conducted under the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c).*
- g. *Perform any other function conferred on the committee by the regulations or another written law."*

The ARIC is also to consider the report presented by the CEO in accordance with Regulation 17 of the Local Government (Audit) Regulations 1996 being:

"17. CEO to review certain systems and procedures

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

- (a) risk management; and*
- (b) internal control; and*
- (c) legislative compliance.*

(2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.

(3) The CEO is to report to the audit committee the results of that review."

In addition to the above the ARIC's other functions include:

6.1. External Audits

- a. Provide guidance and assistance to Council as to the carrying out of the functions of the Shire in relation to external audits.
- b. Provide an opportunity for the ARIC to meet with the external auditors to discuss any matters that the Committee or the external auditors believe should be discussed.
- c. Meet with the auditor annually to receive the audit report and make a recommendation to Council with respect to that report.
- d. Examine the reports of the auditor after receiving a report from the CEO on the matters to:
 - i. Determine if any matters raised require action to be taken by the Shire; and
 - ii. Ensure that appropriate action is taken in respect of those matters.
- e. Consider and recommend adoption of the Annual Report to Council.
- f. Address issues brought to the attention of the ARIC, including responding to requests from Council for advice that is within the parameters of the Committee's ToR.

Note: The Office of the Auditor General is responsible for conducting external audits.

6.2. Internal Audits

- a. Provide guidance and assistance to Council as to the carrying out of the functions of the local government in relation to internal audits.
- b. Review and recommend the annual internal audit plan for endorsement by the Council and all major changes to the plan. Monitor that the internal auditor's annual plan is linked with and covers the material business strategic risks and themes.
- c. Monitor processes and practices to ensure that the independence of the internal audit function is maintained.
- d. Annually review the performance of internal audits including the level of satisfaction with the internal audit function.
- e. Review all internal audit reports and provide advice to Council on significant issues (i.e. high and extreme) identified in audit reports and the action to be taken on issues raised, including identification and dissemination of good practice.
- f. Monitor management's implementation of internal audit recommendations.
- g. Receive the findings of special internal audit assignments undertaken at the request of Council or CEO.
- h. Review the annual Compliance Audit Return and report to Council the results of that review in accordance with Section 7.13(1)(i) of *the Local Government Act 1995*.
- i. Consider the CEO's Biennial Reviews of the appropriateness and effectiveness of the Shire's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the ARIC, and report to Council the results of those reviews in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*.
- j. Oversee the process of developing and implementing the Shire's fraud control arrangements to assist Council in ensuring it has appropriate processes and systems in place to detect, capture and effectively respond to fraud and improper activities.
- k. Consider the financial management systems and procedures in accordance with Regulation 5(2) of the *Local Government (Financial Management) Regulations 1996* within the statutory timeframes.

6.3. Risk Management

- a. Ensure that management has in place a current and comprehensive enterprise Risk Management Framework and associated procedures for effective identification and management of Shire's business and financial risks.
- b. Determine whether a sound and effective approach has been followed in managing the Shire's major risks including those associated with individual projects, program implementation, and activities.
- c. Ensure the Shire identifies, reviews and regularly updates the strategic and operational risk profiles.
- d. Oversee the periodic review of the Risk Management Framework.

6.4. Business Continuity

- a. Ensure a sound and effective approach has been followed in establishing the Shire's business continuity planning arrangements, including whether business continuity and disaster recovery plans have been periodically updated and tested.
- b. Oversee the periodic review of the Business Continuity Plan.

6.5. Financial Reporting

- a. Review significant accounting and reporting issues, recent accounting, professional and regulatory pronouncements and legislative changes, and understand their effect on the financial report.
- b. Review with management and the external auditors the results of the audit, including any difficulties encountered.

- c. Review the Annual Financial Statements forming part of the Shire's Annual Report and consider whether it is complete, consistent with information known to Committee members, and reflects appropriate accounting principles.
- d. Review with management and the external auditors all matters required to be communicated to the ARIC under the Australian Auditing Standards.
- e. Recommend the adoption of the Annual Financial Statements forming part of the Annual Report to Council.

6.6. Internal Control

- a. Ensure management's approach to maintaining an effective Internal Control Framework is sound and effective.
- b. Ensure management has in place relevant policies and procedures, including CEO's Instructions or their equivalent, and that these are periodically reviewed and updated.
- c. Ensure appropriate processes are in place to assess, at least once a year, whether key policies and procedures are complied with.
- d. Ensure appropriate policies and supporting procedures are in place for the management and exercise of delegations.
- e. Review how management identifies any required changes to the design or implementation of key internal controls.

6.7. Fraud and Corruption Prevention

- a. Oversee the process of developing and implementing the Shire's fraud control arrangements to assist Council in ensuring it has appropriate processes and systems in place to detect, capture and effectively respond to fraud and improper activities.
- b. Receive and consider information and advice presented by the CEO on the strategies and controls to manage fraud and corruption risks at the Shire.
- c. Provide oversight over the Shire's exposure and issues raised in relation to fraud and corruption.

6.8. Legislative Compliance

- a. Oversee the effectiveness of the systems for monitoring compliance with relevant laws, regulations and associated government policies.

6.9. Other Responsibilities

- a. Monitor the progress of the implementation of external audit recommendations made by the auditor, which have been accepted by the Shire.
- b. Receive recommendations arising from reviews of local government systems and procedures.
- c. At least once every two (2) years review and assess the adequacy of the ARIC's ToR, request Council approval for proposed changes, and ensure appropriate disclosure as required by legislation or regulation.

7. Membership

The committee will consist of;

1. Independent presiding member
2. Deputy independent presiding member
3. A minimum of three elected members,
4. One elected member acting as a deputy.

If authorised by the committee, council members attending as observers may participate in the meeting (but are not able to vote).

The CEO and employees are not members of the committee. The Deputy CEO is to provide administrative support to the committee.

Related Documents (Legislation/Local Law/Policy/Procedure/Delegation)

Local Government Act 1995, Section 5.36, 5.39C & 5.40

Review History

Date	Council Resolution	Description of review/amendment
	RES:	V3.0 – TOR updated to include name change (inclusion of Improvement), change of membership to include independent Presiding & Deputy Presiding Member. Inclusion of internal audit function.
18/12/2023	RES: 111223	Terms of Reference Adopted V2.0
23/10/2023	RES: 191023	Committee Re-established (inclusion of Risk)
15/09/2021	RES: 060921	Terms of Reference Adoption V1.0



Shire of Koorda - Integrated Strategic Plan 2024

Current Review Period : October - December 2025

COMMUNITY PRIORITIES & ACTIONS		COMMENTS
1.1: Local people feel safe, engaged, and enjoy a healthy and peaceful lifestyle.		
1.1.1 - Schedule of quarterly President and CEO meetings with regional representatives from: WAPOL, WACHS and Department of Education representatives.		New Police Officer attended November LEMC meeting. New Police Officer scheduled to attend December Ordinal Council Meeting. CEO met with police officer and CRC manager on 11 December regarding community issues. Discussion with Koorda WAPOL OIC regarding emergency preparedness grant application. CBFCO/WAPOL Meetings with WAPOL Koorda OIC. Planning for contacts/contingencies over Christmas/New Year period.
1.1.2 - Secure medical practitioner for Koorda for two days per week.		Complete.
1.1.3 - Complete agreement with CRC to define and implement a schedule of events and activities to enhance community lifestyle and engagement.		CRC has suite of community activities scheduled at Volunteer Park. Ongoing weekly CEO meetings with CRC to develop community activities and leverage Shire assets/events.
1.2: Local volunteer groups supported through initiatives that reduce volunteer fatigue and strengthen their resilience.		
1.2.1 - Create a register of volunteers' skills and availability and hold an annual event (via CRC agreement) to recognise registered volunteers.		Community event to recognise and thanks Volunteers organised by CRC and held on 8 March at Volunteers Park. Deed of agreement signed with the CRC for the Community Development Officer Role. The CRC is to provide monthly updates to Council, which includes the creation of a volunteer skill register.
1.2.2 - Review and refine community grants program as required.		Final round of Community Grants for 2025/2026 to be considered at December 2025 meetings. Applicants encouraged to provide regular feedback to ensure program is accessible.
1.2.3 - Develop grants communication strategy in concert with CRC to alert community groups to opportunities.		Subscribed to Grant Guru. Koorda CRC to advise local groups and organisations of any applicable grants.
1.3: Emergency services are supported with effective planning, risk mitigation, response, and recovery.		
1.3.1 - Work with emergency service stakeholders to ensure the Shire and Volunteers meet DFES training and WHS standards.		Bushfire Operational Guidelines adopted. Local Emergency Management Arrangements (LEMA) endorsed at November LEMC meeting for final adoption at the December OCM and referral to DFES. Shared CESM resource application unsuccessful. To remain in contact with DFES to advocate for local service.
1.3.2 - Conduct regular LEMC and BFAC meetings and exercises with outcomes reported to community.		Dates set for 2026 LEMC & BFAC Meetings. Quarterly meetings scheduled for LEMC as required, and biannual BFAC meetings scheduled. Following LEMA adoption, consideration around desktop exercise to test the LEMA.
1.3.3 - Establish closer links to regional emergency services and participate in regional exercises.		CEO working with regional office and local MLA to secure shared CESM. CEO attended DFES two-day fire season preparation workshop in Bruce Rock and met with senior WAPOL and DFES representatives. Attended Emergency Management Webinar on Storm and Flood Preparedness. Great Eastern Country Zone signed an MOU in 2022 for resource sharing during bushfires.
2.1: Our local economy grows in a sustainable manner.		
2.1.1 - Review planning framework and scheme to ensure contemporary and compliant and engage community and business input to confirm will meet needs and expectations of stakeholders.		CEO formal request of Planning Minister - with support of local MLA - for state planning policy to include rehabilitation trust as defined in the shire tree farming policy. Shire's tree farming policy shared with NEWROC to assist other member Councils. Shire Tree Farming Policy has been adopted. LPS Amendment 2 (L19 Orchard St) and 3 (Grouped Rural Dwellings) advertised in Government Gazette.

2.1.2 - Develop continuity plans for power and telecommunications infrastructure and advocate requirements with other levels of government and regional stakeholders as required.	Final stages of negotiations with DFES for communications tower access. Likely to be completed in New Year. CEO attended webinar on potential for new NBN low orbiting satellite trial to surpass need for Telstra ATU system during emergency loss of communications. Potential for NBN Raised with Telstra representative at NEWROC council meeting (27 May) prospect of Koorda staff being included in ATU training. Non committal response.
2.1.3 - Develop local supplier panel to support and streamline local purchasing by Shire.	Not commenced
2.1.4 - Create economic development strategy in consultation with community and business to identify unique proposition and operational barriers.	NEWROC progressing micro grid concept with update at NEWROC council meeting (27 May). NEWROC economic development strategy completed. Provide basis for local consultation.
2.1.5 - Complete community infrastructure projects including Business Buzz and Green Heart townscape projects, and the Recreation Precinct phases 2 and 3.	Recreation Precinct: Bowling green relocation complete. Final minor works being completed ahead of handover. Grant acquittals being processed. At the November 2025 OCM Council endorsed; earth works to retain/landscape the West side of the building, landscaping works between the building and bowling green and around the existing playgroup area. Greenheart Project: Complete
2.1.6 - Develop Shire Housing Strategy to include expanded short-term and worker accommodation.	NEWROC Housing Strategy report complete with findings and reports included in December Councillor Information. NEWTravel Accommodation and Market Expansion Project: Final report due to be ready in December.
2.2: Tourism helps to diversify and grow our local economy.	
2.2.1 - Undertake redevelopment of Drive-In facilities and develop and implement promotion strategy.	CEO working with CRC to develop low cost repair options for Drive In. Drive In promotion: Ongoing. Closed for the 2025 season. 2026 season planning is underway.
2.2.2 - Investigate enhancing tourist experience with free Wi-Fi at Yalambee Units and Caravan Park.	TV dishes to be installed at Yalambee units in February as part of closure of rebroadcast service in June 2025. Ablution cover works at the Caravan Park have commenced.
2.2.3 - Investigate a unique event that leverages the Shire's assets to attract visitors and tourists.	To be commenced
3.1: Shire owned facilities are renewed and maintained in a strategic manner to meet community needs.	
3.1.1 - Review asset management program to include asset life planning and replacement with defined scheduled maintenance program.	The 2025-2035 Strategic Resourcing Plan (incorporating the long term financial plan and asset management plan) is currently being drafted for consideration at a future Council Meeting.
3.1.2 - Develop and implement online user maintenance request system.	To commence website upgrades early 2026. Online system implemented. To continue improvements to streamline end user experience and increase efficiencies within Shire.
3.2: Safe, efficient, and well maintained road, and footpath infrastructure.	
3.2.1 - Review and enhance existing road construction and maintenance strategy to align with changing funding provision and opportunities.	Continuation of Harvest Road RAV increase. Endorsement of RAV 7 status for the period 1 October 2025 to 31 January 2026. The following works policies have been adopted; "W - Access Road Construction and Road Reserve Closure," "W - Roads - Construction, Clearing and Grading" Tree removal planned for corner of Ninghan Rd and Railway St to redress damage to pavement and road.

3.2.2 - Road asset review to determine routes and develop works program required to support future industry requirements.	Continuation of Harvest Road RAV increase. Endorsement of RAV 7 status for the period 1 October 2025 to 31 January 2026. (Full list of roads available in July 2025 Minutes)
3.3: A high standard of sustainable waste services.	
3.3.1 - Construct waste transfer station to extend life of existing landfill and to prepare for regional solution.	CCTV installed at entrance and inside Landfill site to ensure proper waste disposal and observe trends.
3.3.2 - Continue to work towards a Regional Waste solution with NEWROC.	Shire of Mt Marshall confirmed with NEWROC identified site. November NEWROC meeting resolved that Mount Marshall and Wyalkatchem CEOs continue to develop costings for regional solution.
3.4: Conservation of our natural environment for future generations.	
3.4.1 - Develop Shire strategy for renewable energy options to trial prior to implementation.	Western Power has provided formal correspondence to support Micro Grid proposal.
3.4.2 - Partner with Wheatbelt NRM and DWER for future grant and project opportunities.	Grant opportunities monitored. To be circulated if/when available to community or relevant applicants.
3.4.3 - Identify climate change initiative that Shire can implement and involve community in development and implementation.	Switch Your Thinking do-it-yourself "Energy Audit Kit" available to borrow from the Library for residents/business owners to undertake energy audits at their home/business.
4.1: Open and Transparent Leadership.	
4.1.1 - Ensure efficient use of resources and that governance and operational compliance and reporting meets legislative and regulatory requirements.	Following the finalisation of the 2024/2025 Financial Audit, there were no findings. The Annual Report is to be endorsed at the December 2025 Meeting, with an Annual Electors Meeting to be planned early in 2026. Preparations are underway for the 3-yearly review of the Financial Management, Risk Management, Legislative Compliance and Internal Controls.
4.1.2 - Ongoing refinement of organisational structure and capacity, and alignment of resources with strategic Community, Economic and Environmental priorities.	Workforce Plan 2025-2029 adopted at September 2025 OCM. Shire exploring engagement of Dowerin Work Camp employment program.
4.1.3 - Develop communications strategy and scheduled tactics to engage and report outcomes to community and business stakeholders.	Monthly "Council Meeting Minutes Summary" advertised to inform community of recent Council resolutions. Renewed focus on use of Facebook with assigned staff resource.
4.1.4 - Initiate annual customer satisfaction and perceptions survey and report results to community.	Following local survey - the Shire's Disability Access & Inclusion Plan (2025-2030) was reviewed, updated and adopted in November 2025.
4.2: Investment in the skills and capabilities of our elected members and staff.	
4.2.1 - Develop professional development programs for staff and elected members.	Elected Member Training: Great Eastern Country Zone holding in-person training for newly elected members in early 2026. Staff members encouraged to undertake regular training applicable to their roles.

4.2.2 - Align staff culture development program with practical skills development and strategic planning.	Managers and Staff encouraged to keep an eye out for appropriate training.
4.2.3 - Set Elected Member SAT band allocation at 80 per cent for Band 4 Local Government.	60% allocation included in 2025/2026 Budget with view to progressive achievement of 80% objective.
4.3: Forward planning and delivery of services and facilities that achieve strategic priorities.	
4.3.1 - Enhance service delivery through mutually beneficial partnerships with neighbouring Local Governments and Band 1 Local Governments.	Partnerships continue to be maintained with the City of Wanneroo for Health Services and Shire of Chittering for Building Services.
4.3.2 - Report to Council progress of Council Actions using a quarterly score card and report results to community.	Quarterly reporting undertaken and reported to Council and the Community.

Shire of Koorda - Workforce Plan 2025

Current Review Period : October - December 2025

WORKFORCE OBJECTIVE & ACTIONS	COMMENTS
1: Attracting and selecting the right people.	
1.1 - Strengthen the Shire's employment brand, promoting lifestyle, housing, and community benefits that support recruitment to rural areas.	Consistent branding and messaging implemented within advertising for vacancies.
1.2 - Provide flexible work arrangements and promote the Shire as an inclusive and family-friendly workplace.	Flexible work arrangements in place.
1.3 - Develop a contemporary induction and orientation program that links employee roles to the Shire's strategic objectives and values.	Induction process in place. To continue to refine.
1.4 - Explore innovative attraction strategies (e.g. regional talent sharing, graduate programs, partnerships with local schools and TAFEs).	Not commenced
2: Developing a flexible, innovative and capable workforce.	
2.1 - Provide structured professional development pathways aligned to both organisational needs and individual aspirations.	Professional development a focus in annual performance reviews. Staff also encouraged to advise managers of any job appropriate training they may like to undertake.
2.2 - Review and upgrade financial, administrative, and digital systems to improve efficiency, data quality, and service delivery.	Review of financial management controls planned for early 2026. Internal audit plan to drafted for March Audit, Risk & Improvement Committee.
2.3 - Embed a strong workplace health, safety, and wellbeing culture that supports compliance with WHS and DFES training standards.	LGIS Tier 2 review scheduled for February
2.4 - Develop cross-skilling and digital capability programs to increase flexibility and service continuity.	Not commenced
3: Retaining and engaging our valued workforce	
3.1 - Provide acting opportunities and career pathways that build capability and support succession planning.	Expansion of skill base for staff to learn aspects of colleagues jobs to be able to assist during periods of leave. Job task instructions created to ensure seamless handover in unexpected leave.
3.2 - Foster a culture of open communication and collaboration across all levels of the organisation.	Monthly "Council Meeting Minutes Summary" to inform staff of recent Council resolutions.
3.3 - Review meeting structures to ensure they are purposeful, productive, and aligned with strategic outcomes.	Weekly admin team meetings when required.
3.4 - Encourage participation in whole-of-organisation and community activities that strengthen belonging and wellbeing.	Annual Christmas Function well attended by Staff & Councillors.
3.5 - Review and simplify the performance management framework to focus on growth, recognition, and alignment with strategic objectives.	Simplified performance management framework in place. Reviewed annually prior to annual review to ensure appropriate.
3.6 - Recognise and celebrate workforce contributions in line with how the Shire recognises volunteers and community efforts.	Quarterly team breakfast/lunch.
4: Developing a strategic workforce for improved performance.	
4.1 - Develop clear role documentation (job task instructions, key contacts, and annual calendars) that align staff duties with ISP priorities.	Continued refinement to documentation. Microsoft planner utilised to plan annual and future compliance tasks. Job task instructions created frequently when new tasks arise within the admin team.
4.2 - Develop succession and workforce continuity plans for critical and specialist roles.	Expansion of skill base for staff to learn aspects of colleagues jobs to be able to assist during periods of leave. Job task instructions created to ensure seamless handover in unexpected leave.
4.3 - Maintain contemporary human resource policies and procedures that support compliance, transparency, and equity.	Draft employee policies to be reviewed and endorsed, to finalise early 2026.
4.4 - Align workforce planning with forward service and infrastructure planning, ensuring the Shire has the right skills for delivery.	Workforce plan 2025-2029 update considered forward service and infrastructure planning.
4.5 - Partner with neighbouring Shires and regional bodies to share training and workforce development opportunities.	NEWROC working on joint training sessions in early 2026.

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KEY

Completed

Almost Complete

Commenced

Yet to Commence

Changes since last reporting period

8.2.1 – Internal Audit	Commenced→Almost Complete
	Yet to Commence→ Commenced→Almost Complete→Completed

6.2.6 - Payments To Councillors Policy No: C3

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	17/04/2023	Elected Member Entitlements Policy updated and endorsed by Policy Committee 17/04/23. To be tabled at Council on 28/06/23. Policy adopted as per RES 120623 and practices updated.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Payments To Councillors Policy No: C3	Policy to outline the support that will be provided to council members through the provision of equipment, payment of allowances, reimbursement of expenses incurred.	6.2.6

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The policy sets out an allowance in lieu of reimbursement for information technology expenses. The amount set by the policy does not align with the amount set at the most recent review by Council, and does not align with the allowances paid to elected members for ICT expenses.	Invalid or Ineffective Policy, Compliance Breach	Review and update the policy, ensuring alignment is maintained with the provisions of the most recent determination published by the SAT. Consider limiting the level of detail within the policy to support the review of allowances, fees and payments to elected members as resolved by Council annually.

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	<p>Outdated policy supplied during review process.</p> <p>The updated Purchasing Policy which was adopted 16/09/22 included contract variations as per point two in the "Mitigation and Management Strategy."</p> <p>An updated Purchasing Policy Draft was endorsed by Policy Committee 12/06/23.</p> <p>To be tabled at Council on 28/06/23.</p> <p>Policy adopted as per RES 120623 and practices updated.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Purchasing Policy No: F16	<p>Policy providing a best practice approach and procedures for purchasing.</p> <p>Ensure consistency for all purchasing activities that integrates with all operational areas.</p> <p>Requires compliance with the Local Government Act 1995 and Local Government (Functions and General) Regulations 1996.</p>	6.2.10

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>Authorisation for a sole source of supply arrangement considered under the policy is not defined.</p> <p>The policy provides some direction regarding contract variations and extensions, however provides limited guidance where associated price changes change the purchase value threshold. The policy should ensure appropriate controls exist to minimise opportunities to circumvent purchasing threshold requirements through application of variations and extensions.</p> <p>Purchasing requirements for procurement of goods or services in accordance with the exemptions under Local Government (Functions and General) Regulations 1996 Regulation 11(2), are not consistent within the policy. The CEO is required to ensure controls exist for all purchases including those made using these exemptions. It is noted the practice of testing the market through sourcing multiple quotations when using the exemptions is often occurring, and the policy should be updated to reflect the expectation and requirement, regardless of whether the quotations are being sought from pre-qualified suppliers, WALGA Preferred Supply Contracts or other suppliers.</p> <p>The policy makes reference to pre-qualified suppliers and instances where pre-qualified suppliers are to be given priority for purchasing activities. This</p>	<p>Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy</p>	<p>Amend the policy to provide the following:</p> <ul style="list-style-type: none"> • Amend policy to require CEO approval under sole source of supply arrangements, and to reference the risks and control environment where considering these arrangements. • Consideration to purchasing requirements for the issuing of contract variations and extensions should be included to circumstances where the contract value increase over a policy threshold level, due to the variation or extension. • Amend purchasing requirements for procurement of goods or services to be consistent regardless of where the quotations are being sought from, including those made under the exemptions under Local Government (Functions and General) Regulations 1996 Regulation 11(2). • If a separate prequalified supplier policy is not intended to be developed and adopted, references to pre-qualified suppliers should be removed from the policy to avoid confusion and non compliance in executing policy requirements. • Publish the current, up to date purchasing policy on the official local government website as required by legislation.

<p>may cause confusion for users of the policy. The Shire do not have a policy relating to pre-qualified suppliers, and entering into such an arrangement may not comply with legislation.</p> <p>The current policy is not published on the official local government website as required by legislation.</p>		
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6.2.14 - Appointment of Acting Chief Executive Officer Policy E5.8

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	18/10/2023	<p>New draft policy to incorporate recommendations. To be endorsed by policy review committee before going to Council for adoption.</p> <p>An updated Purchasing Policy Draft was endorsed by Policy Committee 18/10/23. Tabled at Council on 18/10/23. Policy adopted as per RES 171023.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Appointment of Acting Chief Executive Officer Policy E5.8	Policy to provide for the appointment of a suitably qualified Acting CEO during limited absences of the Chief Executive Officer, in accordance with the provisions of the <i>Local Government Act 1995</i> .	6.2.14

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>The current policy provides for the appointment of an Acting CEO for period not exceeding six weeks. It does not address the following matters as required by legislation:</p> <ul style="list-style-type: none"> • Scope to determine 'suitably qualified' persons to act as CEO; • Requirements in the event appointment of an Acting CEO will be required to exceed a term of four weeks; and • The amount of remuneration to be paid to an Acting CEO is not detailed within this policy. This presents a risk of legislative non-compliance due to a payment to an acting CEO not being in line with the salary bands set by the Salaries and Allowances Tribunal (SAT). 	Invalid or Ineffective Policy, Compliance Breach	Review and update the policy to sufficiently address compliance with section 5.39C of the <i>Local Government Act 1995</i> and publish on the Shire's website.

6.2.19 - Ongoing Elected Member Professional Development Policy

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	Continuing Professional Development Policy was endorsed by Policy Committee 12/06/23. To be tabled at Council on 28/06/23. Policy adopted as per RES 120623 and practices updated.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Ongoing Elected Member Professional Development Policy	A policy to ensure equitable access to ongoing professional development and training opportunities to enable elected members to fulfil their function and perform the duties required of them under the Local Government Act 1995.	6.2.19

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
At the time of our review, no policy on Ongoing Elected Member Professional Development had been adopted by Council.	Invalid or Ineffective Policy, Compliance Breach	Develop and adopt a policy for Ongoing Elected Member Professional Development to comply with section 5.128 of the Local Government Act 1995. Publish the policy on the Shire's website as required.

7.1.1 - Code of Conduct for Employees, Volunteers and Contractors

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO	Yes	Yes	<p>17/03/2021 - Elected Member Code of Conduct</p> <p>30/03/2023 - Employee Code of Conduct</p> <p>18/07/2023 - Email confirming adoption of Employee Code of Conduct. Uploaded to website.</p>	<ul style="list-style-type: none"> The current version of the code of conduct for council members, committee members and candidates (as adopted by Council on 17 March 2021 as per Resolution No. 160321) was published to the Shire's website on 30 March 2023 and may be accessed on the Shire's website at https://www.koorda.wa.gov.au/council/council-policies-and-procedures/code-of-conduct.aspx The preparation and implementation of an interim code of conduct to be observed by employees of the local government was completed on 30 March 2023 as evidenced by the attached copy of an email sent to all Shire employees. In addition, a copy of the Interim Shire of Koorda Code of Conduct for Employees was published on 30 March 2023 accessible at https://www.koorda.wa.gov.au/documents/20230/shire-of-koorda-interim-code-of-conduct-employees <p>The adoption of an interim Shire of Koorda Code of Conduct for Employees (the Code) was in the interests of fairness, transparency and particularly clauses 1.4 (Our Values) and 1.5 (Our Commitment to Each Other and Our Community) of the Code, on a 3-month basis (i.e., to 30 June 2023) to allow for employee consultation, comment, any amendment and leading to adoption (and subsequent website publication) of a final version from 1 July 2023.</p> <p>Email sent to all employees with adopted "Code of Conduct - Employees" on 18/07/2023 with draft operational policy "E - Employee Secondary Employment"</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.1	Code of Conduct for Employees, Volunteers and Contractors	To provide guidance to employees, of enforceable rules and requirements as prescribed in relevant legislation.	7.1.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Regulations gazetted on the 3 February 2021 introduced minimum requirements for an Employee Code of Conduct and introduced a model Code of Conduct for Council Members. At the time of our review, the Code of Conduct for Employees had not been developed as required (by 3 May 2021), with the existing Code of Conduct still being utilised for employees.	Failure to identify risks or adequately treat identified risks. Compliance breach	Develop a new Code of Conduct for employees and contractors as required by legislation and undertake a re-induction with all employees. Ensure the updated Code of Conduct is published on the official local government website as required by section 5.51A of the Local Government Act 1995.

7.1.4 - ICT Strategic Plan

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	No	Yes	Oct-2024	<p>Policy "G - Cyber Security and Data Breach Response" adopted 24/03/2025.</p> <p>Internal and External Security and Penetration Testing undertaken in May 2025. Vonahi Security performed a comprehensive security assessment to assist with evaluating the cyber risks presented within the tested environment(s).</p> <p>Discussions commenced with ICT Providers to discuss options for drafting and implementing an ICT Strategic Plan.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.1	ICT Strategic Plan	Plan to guide the future development and delivery of ICT services and address the handling of ICT disaster recovery.	7.1.4

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>An ICT Plan highlighting and addressing ICT risks and how they are to be addressed was not available for inspection.</p> <p>Presently a single consultant is engaged to provide IT support services and advice regarding security, etc. A high level of risk exists by engaging a single entity to provide all IT services.</p>	<p>Lack of strategic direction for implementation of internal controls.</p>	<p>Develop an ICT Strategic Plan, identifying and documenting key ICT risks, along with the treatments to reduce the risk to an acceptable level.</p> <p>Utilise the strategy to assist in considering the risks of utilising one single IT provider, and to assist in developing a scope to articulate service level agreements for a range of IT services to be potentially issued to different providers.</p> <p>Consider implementation of routine review and verification of skills, competencies, qualifications and experience for IT service providers.</p>

7.2.1 - Risk Management Procedures

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	Policy - 28/06/23 LGIS workshop - 21/09/23 Strategy	New Risk Management Policy to be adopted by Council 28/06/23. Risk Management Framework/Strategy tabled at the Audit & Risk Committee Meeting held 18/12/2023 and adopted by Council on 18/12/2023 as per Resolution 161223.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.2	Risk Management Procedures	Procedures and practices to set out a uniform approach to the identification, assessment, management, reporting and monitoring of risks.	7.2.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Risk management activities currently undertaken are largely undocumented with existing procedures based on a superseded risk management standard. These activities are sometimes performed independently within individual departments which may not align with desired risk management practices	Failure to identify risks or adequately treat risks	<p>Risk management procedures be updated, and a process developed in accordance with any update to the risk management policy to ensure procedures align to the policy.</p> <p>Communicate throughout the organisation any updates to risk management procedures and processes to assist with routine and consistent applications in accordance with adopted policy. A key function of the Audit and Risk Committee should be to review updates to risk reports, as well as to monitor and evaluate risks, particularly where changes occur. Risk reports and updates should be routinely reported and reviewed by the Audit and Risk Committee.</p>

7.2.12 - Electronic Banking Transactions

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	15/06/2023	Further procedures have been created to ensure compliance with the 15-minute window between audit trail production and ABA upload to the bank. Additional receipt printed from banking transaction to show time stamps to marry up with the audit trail creation.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.2	Electronic Banking Transactions	Process to reduce opportunity for fraudulent activity with electronic banking.	7.2.12

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted access to the ABA file from the time of generation to the time of upload to the bank is not adequately restricted, with a limited verification process undertaken to ensure the ABA file is unmodified when uploaded to the bank. This presents a risk where fraudulent manipulation of the ABA file may occur.	Breakdown of internal controls, financial and fraud risk	Improve controls to minimise the risk of electronic banking details being fraudulently manipulated through secure storage of ABA banking files. Controls should exist to restrict access to these files, and to detect and prevent any unauthorised changes being made.

7.2.13 - Changes to Banking Details

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Finance Officers	Yes	Yes	01/05/2023	<p>Creditor Update and Application Form has been amended to include a call back to confirm bank details for new suppliers, and for any updates, a call back using phone details on record.</p> <p>Audit Trails are produced with each creditor pay run to confirm details of any changes and is reviewed by two officers.</p> <p>The DCEO produces an audit trail on a monthly basis as per end of month processes and verifies changes and details.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.2	Changes to Banking Details	Controls to validate banking change requests.	7.2.13

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We identified weaknesses in the formal procedure to change employee and supplier banking details due to some limitations to segregation of duties.	<p>Breakdown of internal controls</p> <p>Controls reliant on the capability and honesty of staff, financial and fraud risk</p>	<p>Formal procedures relating to changes to banking details for employees and creditors should be updated to ensure sufficient controls exist in both substantiating the change request and the changes performed within the Shire's ERP system. Review and update procedures to ensure the following matters are appropriately considered, documented and controls are adequate to:</p> <ul style="list-style-type: none"> • Validate the change request and its origin; • Authority exists for the change request; and • Validate and control the changes once completed.

7.2.18 - Security Controls for Cash Handling

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/CEO	Yes	Yes	07/11/2024	Cash Handling Policy adopted in March 2025 as per RES: 040325.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.2	Security Controls for Cash Handling	Procedures and systems for the handling of cash at Shire facilities.	7.2.18

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Security controls for cash held at various facilities are considered inadequate. Controls are not consistently documented to ensure appropriate review and authorisation processes occur in relation to the management and handling of cash by staff and contractors.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks, financial and fraud risk	Ensure access to any cash held is restricted only to authorised personnel through secure storage. Implement appropriate documented procedures and controls for cash maintained by staff and / or third parties (such as contractors). Processes should also include reference to insured amounts relating to cash, to ensure adequate insurance levels are maintained relating to cash.

7.2.24 - Record Keeping Practices

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Records	Yes	Yes		Information and Records Management Policy adopted in March 2025 as per RES: 040325.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.2	Record Keeping Practices	To demonstrate compliance of record keeping systems and practices with legislative requirements.	7.2.24

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>Staff representations indicate electronic records are stored in various locations such as shared drives, rather than the Shire's electronic document and records management system (EDRMS). Where compliance with required record keeping controls is low, information may become compromised where deletions, loss and compromised security or confidentiality of records may occur.</p> <p>Based on our enquiries with staff, no regular refresher training for the use of the records system is currently in place to support and direct staff to the appropriate procedures to save records in accordance with the Shire's record keeping plans and policies. This may increase risks associated with compliance with required record keeping controls. Where compliance with required controls is low, information may become compromised in that deletions, loss and compromised security or confidentiality of records may occur.</p> <p>Control procedures within the EDRMS relating to record preservation and disposal of records are considered inadequate. Current controls are heavily reliant on staff awareness of errors within the EDRMS generated disposal dates, and application of manual system override and review to manage compliance.</p>	<p>Breakdown of internal controls, Failure to identify risks or adequately treat identified risks, compliance breach</p>	<p>Review, update and communicate procedures for the record keeping practices and enforce individual accountability for compliance with established procedures.</p> <p>Where compromised controls relate to software errors, enforcement of contract obligations and service delivery should be undertaken as a minimum. If the Shire's EDRMS is not correctly generating record disposals, urgent consideration should be given to alternative programs or controls to provide an appropriate level of review to detect errors and ensure compliance with disposal of vital records.</p>

7.3.1 - Employee Identity and Credentials

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Payroll	Yes	Yes	01/07/2023	<p>WALGA & OAG templates used to create Shire of Koorda new employee forms.</p> <p>OAG & WALGA Guidelines downloaded.</p> <p>DCEO & Payroll Officer working to create new induction forms and checklists to ensure verification undertaken with new employees.</p> <p>Areas identified as part of Workforce Plan 2022-2025 (1.3, 4.2 & 4.4)</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.3	Employee Identity and Credentials	Systems and controls for screening of new employees and monitoring existing employees for changes in their circumstances which may impact their employment.	7.3.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Practices and procedures for verifying employee identity, right to work in Australia, verification of employment history and qualifications are not consistently applied or documented.	Breakdown of internal controls Controls reliant on the capability and honesty of staff	Develop, implement and maintain appropriate policies and procedures to reduce the risk of unqualified or unsuitable staff being employed by the Shire, in line with the Western Australian Auditor General's Report in June 2019 relating to Verifying Employee Identity and Credentials.

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	Nov-2024	Contract register updated and procedures in place to ensure checks and updates are completed as required.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	8.2	Contracts Register	Provide a record of contracts entered into by the Shire.	8.2.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A contracts register was not available for our inspection detailing the status of contracts held by the Shire.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability and honesty of staff.	Maintain a register to record details of all contracts (current and expired) and their status in a form to assist with ensuring contracts are monitored and actioned as required and reflecting the value of the contracts.

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/ DCEO/ Governance	Yes	Yes	01/06/203	<p>Noted. Section highlighted to ensure it is not missed on form in the future.</p> <p>WALGA procedure template downloaded and will be followed for annual returns, and any primary returns required following the upcoming Council Election and delegation changes.</p> <p>All details entered properly and checked prior to acknowledgement for returns received for the period ending 30 June 2023.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	8.2	Financial Interest Register	Records details required under the Act relating to financial circumstances of relevant persons.	8.2.4

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted primary returns were completed for three relevant persons where the returns did not record start dates. We were unable to verify the returns have been completed within three months of the documented start date.	Breakdown of internal controls, Compliance breach	Establish procedures to ensure all returns are properly completed at the time of providing acknowledgement of receipt of the returns.

8.2.5 - Delegation Register

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO	Yes	Yes	17/05/2023	Delegations register was adopted by Council on 17/05/2023 as per Resolution 090523. Letters issued to staff regarding delegations. Delegation Register report included in Councillor Information Report presented to Council following Council Meetings.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	8.2	Delegation Register	Statutory register of delegations of authority.	8.2.5

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	High	Prioritised action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>The review/amendment history recorded within the delegations register has not been updated to note most recent reviews.</p> <p>Our testing identified a number of issues with several delegations. We noted common occurrences where:</p> <ul style="list-style-type: none"> • The delegation is suitable for 'acting through'; • The delegation replicates existing policies (and detail within each may cause conflict between the delegation and the policy); • The delegation is not a decision or power of Council; and • The delegation contains information not aligned with relevant current legislation. <p>Several CEO sub delegations are included to an officer. The individual currently performing the duties noted within the delegation is contracted, and is not an employee of the Shire, therefore cannot be delegated authority the Local Government Act 1995.</p> <p>The formatting and presentation of delegations is inconsistent and presented in alternative formats for some delegations. Maintaining a consistent format across all delegations allows for better controls for their review and maintenance.</p>	<p>Breakdown of internal controls, Failure to identify risks or adequately treat identified risks. Invalid Delegation</p>	<p>Following review of Delegations by Council, update the latest 'history' date on each delegation to provide an accurate record of when the delegation was reviewed, amended and adopted.</p> <p>Review and update the delegations register to ensure delegations are appropriate and consistent with relevant legislation. Amend and update to ensure delegation and policy limitations are aligned. Systems and procedures should be in place to ensure consistent alignment to policies and other external references is achieved during reviews.</p> <p>Review the register of delegations to ensure all delegations made to the CEO and employees are correctly recorded as required by section 5.46(1) of the Local Government Act 1995.</p> <p>Review and amend delegations to maintain a consistent format and structure across all delegations.</p>

6.2.1 - Policy Change and Review Policy No: A15

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	Policy Change and Review Policy endorsed by Policy Committee 12/06/2023. To be tabled at Council on 28/06/2023. Policy adopted as per RES 120623.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Policy Change and Review Policy No: A15	Routine review of Policies to help ensure they remain current.	6.2.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Policies are required to be reviewed biennially by Council, following each ordinary local government election, to help ensure they remain current. The policy manual has not undergone a review as required.	Invalid or Ineffective Policy, Compliance Breach	Following review of policies by Council, continue to maintain document control history on the policy to provide evidence and an accurate record of when the policy was reviewed, amended and adopted. Review systems and processes to ensure policy reviews occur as set out by the policy, and to maintain compliance with legislation for specific policies as required.

6.2.2 - CEO Performance Review Policy No: A21

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	17/04/2023	CEO Performance Review Policy endorsed by Policy Committee 17/04/23. To be tabled at Council on 28/06/23. Policy adopted as per RES 120623.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	CEO Performance Review Policy No: A21	Framework to provide effective communication between an employee and employer to measure performance, identify training needs and improve effectiveness and efficiency in the workplace.	6.2.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Linkages between the policy and adopted model standards relating to CEO performance reviews are not clear. It is noted the model standards were adopted in March 2021, however the policy has not been updated to align with the adopted model standards.	Invalid or Ineffective Policy, Compliance Breach	Review the policy to ensure alignment with adopted model standards. Alternatively, consider rescinding the policy if adopted model standards provide the required guidance.

6.2.3 - Public Question Time Policy No: A22

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	Yes	Yes	18/10/2023	Public Question time included in "Council Meeting System" Policy endorsed by Policy Committee and Council on 18/10/2023. RES 171023.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Public Question Time Policy No: A22	To provide a process which will address questions by the public in a timely manner.	6.2.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The process for public question time within the current policy (adopted 19 July 2000) does not align with all requirements of the Shire's Standing Orders Local Law 2017.	Invalid or Ineffective Policy, Compliance Breach	Update the policy to align with the Shire's Standing Orders Local Law 2017.

6.2.4 - IT Equipment Including Tablets, Smart Phones and Computers Policy No: A44

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	Yes	Yes	28/06/2023	<p>Section 3.3 of Policy "Elected Member Entitlements" covers IT Equipment for Elected Members. In regard to ICT, other FMR Actions are more specific to; Strategy, Disaster Recovery, Security and Risk.</p> <p>As per Resolution 041122 from the November 2022 Council Meeting, this action item will be incorporated as part of the Policy Review Progress.</p> <p>As Staff and Policy Review Committee are currently undertaking a full Policy Manual Review, all policies will be looked at, and recommendations from the FM & Reg 17 Review Report will be considered when drafting policy amendments/changes.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	IT Equipment Including Tablets, Smart Phones and Computers Policy No: A44	Policy to guide the future delivery of ICT services and equipment needs.	6.2.4

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Policy content may be outdated and therefore not sufficient to address current ICT risks.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Review and update policy content to align to risks, and future needs of the Shire's ICT environment. Development of an ICT Strategic Plan may assist to identify relevant policy inclusions.

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	17/04/2023	Internet, Email Usage and Access to IT System Policy endorsed by Policy Committee 17/04/23. To be tabled at Council on 28/06/23. Policy adopted as per RES 120623.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Email Use Policy No: A45	To ensure that the Shire's investment in computer hardware, software and services is used in the most productive manner to the greatest possible benefit of the Shire.	6.2.5

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Content of policy does not adequately consider current ICT risks and does not adequately provide for acknowledgement or acceptance of conditions of usage.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Review and update the policy to a more general ICT usage policy and ensure all users agree to the usage terms and conditions. Systems and controls may be required to monitor policy acknowledgement / acceptance, and to integrate the policy into general operating procedures and record keeping requirements.

6.2.7 - Investments Policy No: F1

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/DCEO/ Governance Committee	Yes	Yes	17/04/2024	Investment Policy adopted as per RES 060424.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Investments Policy No: F1	To adopt a prudent approach to investments, in full compliance with all statutory requirements.	6.2.7

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The policy contains a reference to fair value accounting and asset valuations, and it is unclear what alignment the statement has to investments.	Invalid or Ineffective Policy, Compliance Breach	Review and update the policy to provide for investments to align with regulatory requirements, and to include appropriate considerations to monitor and support control procedures required by Regulation 19 of the Local Government (Financial Management) Regulations 1996.

6.2.8 - Asset Valuations in Accounts Policy No: No: F11

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	28/06/2023	To propose rescind at Council on 28/06/2023 Policy rescinded as per RES 140623.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Asset Valuations in Accounts Policy No: No: F11	To ensure compliance with Fair Value Regulations while keeping costs at a minimum.	6.2.8

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Formalisation of policies relating to asset accounting may result in a conflict with the Australian Accounting Standards. To avoid conflict with the standards and legislation, the policy should not include legislative and standards requirements and should enhance these requirements or provide a policy decision where an accounting standard allows a policy choice.	Invalid or Ineffective Policy, Compliance Breach	Consider rescinding the policy and adopt accounting policies annually within the annual statutory budget.

6.2.9 - Review of Financial Management Systems Policy No: F15

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	28/06/2023	To propose rescind at Council on 28/06/2023 Policy rescinded as per RES 140623.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Review of Financial Management Systems Policy No: F15	To keep abreast of technological change.	6.2.9

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The policy statement provides for the CEO to negotiate with Council's auditors to review financial management systems every four years. The review frequency required by legislation is every three years. To avoid conflict with legislation the policy should not restate legislative requirements, but rather should enhance these requirements.	Invalid or Ineffective Policy, Compliance Breach	Rescind the policy.

6.2.11 - Corporate Credit Card Use Policy No: F18

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	Corporate Purchasing Card Policy endorsed by Policy Committee 12/06/23. To be tabled at Council on 28/06/23. Policy adopted as per RES 120623

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Corporate Credit Card Use Policy No: F18	Policy to regulate the use of corporate credit cards issued to employees.	6.2.11

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>The limit stated within the policy relating to the CEO's credit card does not align with the card limit noted during our testing.</p> <p>Where appropriate invoices / receipts to support card transactions are not available, the policy sets out how income tax credits are to be managed relating to credit card transactions. The policy does not however set out how those purchases are to be substantiated, reported, reviewed and authorised where a valid tax invoice is not available.</p> <p>The policy contains a specific reference to a set monthly bank / credit card charge. Detailed reference of this nature within the policy may result in the policy becoming outdated and non-compliant as changes to bank fees occur.</p>	<p>Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy</p>	<p>Amend the policy to ensure alignment with current practices. When reviewing the policy, consider the required level of detail to be specified within the policy to address relevant identified risks.</p> <p>Update the policy to include guidance to support purchases where a valid tax invoice is not available. This should include appropriate consideration to identify the purchase and provide for robust control and review processes prior to payments being deducted through automated bank payments.</p> <p>Review the policy to remove detailed references where appropriate, to minimise the risk of policy non-compliance and outdated references.</p>

6.2.12 - Risk Management Policy No: R4

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	Risk Management Policy endorsed by Policy Committee 12/06/23. To be tabled at Council on 28/06/23. Policy adopted as per RES 120623

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Risk Management Policy No: R4	Policy to set out the Shire's approach to articulate its commitment to Risk Management.	6.2.12

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The current policy is based on a superseded risk management standard AS/ NZ ISO 31000:2009.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Develop and adopt a risk management policy to align to Risk Management Standard ISO 31000:2018.

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	28/06/2023	<p>Have provided access to up to date policies of Council. Indexing of policies improved and published on the website.</p> <p>A new page on the Shire Website has been created for updated policies. Once the policies are updated and adopted, they will be uploaded to the website as per the below link. https://www.koorda.wa.gov.au/council/council-policies-and-procedures/policies.aspx</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Policy Publication	To provide access to current and consolidated policies of Council.	6.2.13

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>Some adopted policies are maintained individually in a folder on a shared server drive, rather than in consolidated policy manual document. We also noted not all policies of Council are published on the official local government website as required by legislation.</p> <p>The formatting and presentation of policies is inconsistent and presented in alternative formats within different policies. Maintaining a consistent format across all policies allows for better controls for their review and maintenance.</p>	Invalid or Ineffective Policy, Compliance Breach	<p>To provide access to up to date policies of Council, improve the indexing of policies for better identification and access. Publish policies on the Shire's official website as required by regulation 29C (2)(c) of the Local Government (Administration) Regulations 1996.</p> <p>Review and amend policies to maintain a consistent format and structure across all policies.</p>

6.2.15a - General Policy Actions

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	No	Yes		<p>As per Resolution 041122 from the November 2022 Council Meeting, this action item will be incorporated as part of the Policy Review Progress.</p> <p>As Staff and Policy Review Committee are currently undertaking a full Policy Manual Review, all policies will be looked at, and recommendations from the FM & Reg 17 Review Report will be considered when drafting policy amendments/changes.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	General Policy Actions	To set out parameters for the implementation of policies.	6.2.15a

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>We noted the content of several council policies which may be operational in nature. Council policies are not necessarily intended to provide direction on how different operational functions are to be executed as these are the responsibility of the CEO. Some policies where this may occur includes:</p> <ul style="list-style-type: none"> • A1 Administrative Structure; • A2 Record Keeping; • A12 Sexual Harassment; • A32 Approval to the Use of Sale of Liquor; • A34 Car Rallies; • A36 Dog Control – Authorisations Under the Dog Act 1976; • A43 Plant, Equipment and Vehicle Purchases; • A44 IT Equipment Including tablets, smart phones and computers; • A45 Email use; • A46 Internet and WIFI/LAN use; • A48 Social Media Policy; • B2 Bush Fire Prosecutions; • B3 Bush Fire Courses; • B4 Bush Fire Permits; • B5 Fire Control Officers; • B6 Harvesting Ban Officers; • B7 Harvesting Ban Procedure; • B9 Extension of Burning Periods; • B10 Banning of Cooking and Campfires within the Shire of Koorda; • B11 Bush Fire – Burning to Protect Dwellings; • B12 Bush Fire Fighting Equipment – Financial Assistance; 	<p>Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy</p>	<p>Review and update these policies to consider the appropriate separation of the roles of the council and the CEO. Consider review and update of policies to articulate the strategic direction of Council, particularly where legislation does not provide such direction.</p>

6.2.15b - General Policy Actions

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	No	Yes	01/03/2024	<p>The DCEO has drafted the below policies for consideration by the EMT before referral to the staff for comment prior to adoption. The EMT are meeting 19/03/2024 to consider the draft policies before moving to the next step of consultation with the Staff prior to adoption.</p> <ul style="list-style-type: none"> - Annual Leave & Long Service Leave Management - Disciplinary Policy - Discrimination, Harassment and Bullying Policy - Employee Recruitment and Selection - Grievance Policy - Performance and Development Review Policy and Procedure - Performance Improvement Policy - Social Media - Employees <p>As per Resolution 150623 all policies relating to Staff/Operations were transferred out of the Council Policy Manual and into an "Operation Policy Manual" for review and updating by the EMT.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	General Policy Actions	To set out parameters for the implementation of policies.	6.2.15b

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>We noted the content of several council policies which may be operational in nature. Council policies are not necessarily intended to provide direction on how different operational functions are to be executed as these are the responsibility of the CEO. Some policies where this may occur includes:</p> <ul style="list-style-type: none"> • B13 Bush Fire – Roadside Burning; • B14 Control of Fires – Forward Control Points; • B15 Bush Fire Radio and Call Out Networks; • C15 Annual Christmas Employee Functions; • E1 Police Clearance Checks; • E2 Medical Clearance Checks; • E3 Employee Incentives; • E4 Employee Use of Council Property; • E4a Employee Use of Council Property - DCEO/MoFA Administration Vehicle; • E5 Leave – Outside Workforce; • E6 Gratuitous Payments to Employees; 	<p>Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy</p>	<p>Review and update these policies to consider the appropriate separation of the roles of the council and the CEO. Consider review and update of policies to articulate the strategic direction of Council, particularly where legislation does not provide such direction.</p>

<ul style="list-style-type: none"> • E7 Employee Annual Christmas Bonus; • E8 Employee Terms and conditions; • F2 Payments of Accounts; • F12 Provision for Long Service Leave and Sick Leave; • F14 Rates – Procedure of Collection; • P3 Conditions of Hire to be acknowledged; • P5 Swimming Pool Opening Times; • P10 Playground Equipment; • R1 Occupational Safety, Health and Welfare; 		
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6.2.15c - General Policy Actions

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	No	Yes		<p>As per Resolution 041122 from the November 2022 Council Meeting, this action item will be incorporated as part of the Policy Review Progress.</p> <p>As Staff and Policy Review Committee are currently undertaking a full Policy Manual Review, all policies will be looked at, and recommendations from the FM & Reg 17 Review Report will be considered when drafting policy amendments/changes.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	General Policy Actions	To set out parameters for the implementation of policies.	6.2.15c

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>We noted the content of several council policies which may be operational in nature. Council policies are not necessarily intended to provide direction on how different operational functions are to be executed as these are the responsibility of the CEO. Some policies where this may occur includes:</p> <ul style="list-style-type: none"> • R3 Injury Management and Rehabilitation; • R5 Consultation and Communication; • R7 Contractor Management; • R8 Volunteer Management; • S1 Safety and Health; • S2 Personal Conduct; • S3 Personal Protective Equipment; • S4 Road Works; • S5 Plant and Equipment Responsibilities; • S6 Use of Equipment; • S7 Tree Pruning; • S8 Drugs and Alcohol; • W7 Private Works; and • W8 Private Works – Service/Sporting Clubs. 	<p>Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy</p>	<p>Review and update these policies to consider the appropriate separation of the roles of the council and the CEO. Consider review and update of policies to articulate the strategic direction of Council, particularly where legislation does not provide such direction.</p>

6.2.16a - Policy Reference to Legislation and External Information

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	No	Yes		<p>As per Resolution 041122 from the November 2022 Council Meeting, this action item will be incorporated as part of the Policy Review Progress.</p> <p>As Staff and Policy Review Committee are currently undertaking a full Policy Manual Review, all policies will be looked at, and recommendations from the FM & Reg 17 Review Report will be considered when drafting policy amendments/changes.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Policy Reference to Legislation and External Information	To support the link between Council policy, legislation and other information sources.	6.2.16a

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>We noted several policies contain specific detail relating to legislation and other external references, including:</p> <ul style="list-style-type: none"> • A2 Record Keeping; • A13 Media Statements/Interviews; • A14 Instruments of Delegation; • A15 Policy Change and Review; • A21 CEO Performance Review; • A24 Electors Meeting Date; • A35 Permit Vehicle Approvals; • A39 CEO to Enforce Act; • A40 Exercise Powers Under Part 3; • A47 Meeting attendance – CEO Matters; • B8 Burning Periods; • B9 Extension of Burning Periods; • B15 Bush Fire Radio and Call Out Networks; • C1 Councillor Information Requirements; • E8 Employee Terms and conditions; • F2 Payments of Accounts; • F3 Amending the Rate Record; • F9 Community Recreation Facilities Funding; • F15 Review of Financial Management Systems; • F16 Purchasing Policy; <p>This practice may result in conflict between the policy and legislation or guidance in the instance of a change in legislation, guidance, or other external references. We noted a number of policy references are currently outdated in their current policy format.</p>	Invalid or Ineffective Policy, Compliance Breach	Update policies to remove specific and / or detailed references to legislation and other external references to assist with appropriate alignment and consistency in Council policies is maintained.

6.2.17 - Legislative Compliance Policy

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	Legislative Compliance Policy endorsed by Policy Committee 12/06/23. To be tabled at Council on 28/06/23. Policy adopted as per RES 120623.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Legislative Compliance Policy	A policy to evidence Council's commitment to balancing the cost of legislative compliance with the extent of compliance requirements, and its importance to the organisation.	6.2.17

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Currently, no policy on internal legislative compliance has been adopted by Council.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Development and adoption of a legislative compliance policy may help formalise Council's commitment and approach to legislative compliance.

6.2.18 - Internal Control Policy

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Governance Committee	Yes	Yes	17/04/2024	Internal Control Policy adopted as per RES: 060424

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Internal Control Policy	A policy to evidence Council's commitment to balancing the cost of internal controls with the extent of the control environment and their importance to the organisation.	6.2.18

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Currently, no policy on internal controls has been adopted by Council.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	We suggest an internal control policy be formulated and adopted to formalise Council's commitment and approach to internal controls, based on a risk management process.

7.1.2 - Business Continuity Disaster Recovery Plan

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	08/01/2024	Draft Business Continuity and Disaster Recovery Plan is tabled for consideration at the March 2024 Audit & Risk Committee meeting for referral to Council as per Item 9.5 in the March 2024 Ordinary Council Meeting agenda.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.1	Business Continuity Disaster Recovery Plan	Plan to facilitate organised decision-making in the event of a major incident impacting the Shire's ability to continue normal operations.	7.1.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A Business Continuity Plan was not available for our review. A Disaster Recovery Plan has been developed, primarily focussed on ICT systems. Although ICT systems are an important element to business recovery in the event of a major business disruption, it is only one element to be considered within business continuity planning.	Failure to adequately manage a business disruption event Failure to identify risks or adequately treat risks	Develop a Business Continuity Plan to include business continuity considerations other than ICT systems. The plan should facilitate organised decision making in the event of any major disruption impacting the Shire's ability to continue normal operations, with testing involving relevant and key personnel to ensure validity of the identified risks and treatments within the plan.

7.1.3 - ICT Disaster Recovery Plan

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT/IT Consultants	Yes	Yes	11/09/2024	DR testing was undertaken in September 2024. Testing has been programmed to run annually on a recurring basis.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.1	ICT Disaster Recovery Plan	Plan to address the handling of ICT disaster recovery.	7.1.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
An ICT Disaster Recovery Plan has been prepared and was last reviewed in August 2020. At the time of this review, the plan had not yet been tested. The risk assessment within the plan identifies several risks. It is not evident from the plan what risk management framework was utilised for the assessment of the risks. Risk treatment plans to reduce risk levels are considered in the plan, however there is no evidence to indicate that these actions have been undertaken or progressed further.	Failure to adequately manage a business disruption event Failure to identify risks or adequately treat risks	Review and update content of the Disaster Recovery Plan to ensure relevancy and currency to the Shire. Maintain, review and test the plan to ensure validity. The plan should also align with the Shire's adopted risk management policy.

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	01/07/2023	<p>Fairly comprehensive procedures and checklists already exist for tasks and practices. To review following policy review process to ensure compliance with policies and delegations.</p> <p>Operation procedures reviewed regularly/when tasks are being complete. To ensure role continuity, new operational procedures are written to ensure all staff are able to process enquiries/applications etc when key staff are away.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Operational Procedures	To provide direction to staff in the delivery of day-to-day operational tasks, as well as guidance for expected processes, systems, and controls to be maintained.	7.2.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Procedures are not formalised for some key operational functions throughout the Shire. Workflow process diagrams and checklists may assist to create a visual representation of a process, clearly identifying key points of control and responsibility to be evidenced and independently reviewed. Where appropriate, these may be complemented by clearly articulated descriptive documented procedures.	Lack of strategic direction for implementation of internal controls	<p>Undertake a review of existing operational procedures, and where required develop and implement additional procedures, to provide operational guidance aligned with adopted Council policies and legislation.</p> <p>Procedures should provide for activities not necessarily covered by legislation to communicate expected standards to staff from management. Development of documented procedures and checklists, and / or workflow process diagrams may assist in clearly identifying controls and processes to be followed.</p>

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	March & May 2025	<p>Policy "G - Cyber Security and Data Breach Response" adopted 24/03/2025.</p> <p>Internal and External Security and Penetration Testing undertaken in May 2025. Vonahi Security performed a comprehensive security assessment to assist with evaluating the cyber risks presented within the tested environment(s).</p> <p>The internal assessment attempted to identify security threats that are exposed on the internal network environment. Threats identified within the internal environment are usually less severe than those of the external environment due to the limited exposure.</p> <p>The External assessment includes performing a security assessment from the perspective of a malicious attacker from public Internet environments. Threats exposed to users on the public Internet are higher severity than those of the internal environment due to the increased exposure.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	ICT Security	Procedures and practices to ensure the security of IT information, systems and data.	7.2.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted limited controls in relation to the access to IT systems, including physical access to hardware. Some levels of permissions have been established to control network access to software and data, however this is largely undocumented.	Failure to identify risks or adequately treat identified risks. Controls reliant on the capability and honesty of staff	Undertake a comprehensive independent IT security review, document current policies and practices, and implement findings of the review. This review should be undertaken by those with the appropriate expertise, skills, qualifications and credentials. Consider implementation of routine review and verification of skills, competencies, qualifications and experience for IT service providers.

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	21/09/2023	IT Risks identified and included in the Risk Register Workshop facilitated by LGIS on 21/09/2023. To work on any policies/procedures following on from identified risks and identified areas of improvement.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	ICT Risk Evaluation	The evaluation of risk in the overall security policy, general ICT and applications.	7.2.4

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
No formal evaluation process of the risks associated with the overall security procedures, general ICT and application controls is in place. We also noted formal risk treatment plans do not appear to be in place in relation to risks associated with changes to the IT systems.	Failure to identify risks or adequately treat identified risks. Controls reliant on the capability and honesty of staff	Develop evaluation systems and registers to evaluate, monitor and resolve risks related to the Shire's ICT environment. Controls should appropriately manage changes to the ICT system to ensure continuous and uninterrupted functionality of the ICT environment.

7.2.5 - Access to Shire Facilities

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
WS/CEO	Yes	Yes	13/11/2023	Depot Auto Gates installed inline with 2023/24 Budget. Self-closing to ensure restricted access to Shire personnel.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Access to Shire Facilities	Ensure access to Shire is restricted to only personnel who are authorised.	7.2.5

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted limited physical access security measures to some Shire facilities. The risk associated with this is not documented, measured or recorded appropriately to verify whether treatment plans have reduced the perceived level of risk to the Shire.	Failure to identify risks or adequately treat risks	Ensure adequate physical access security measures to prevent unauthorised individuals from accessing facilities are appropriately documented. Risks and their treatment plans should be recorded in a risk register to communicate the risk, aligned to the Shire's adopted risk management policy and framework.

7.2.6 - Segregation of Duties and Internal Controls

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/CEO	Yes	Yes	01/07/2023	<p>As per recommendation to endorse an Internal Control Policy, and the Fraud and Corruption Policy being tabled at Council on 28/06/2023, EMT will continue work on ensuring policies and procedures are relevant and up to date to mitigate the risks with regard to segregation of duties.</p> <p>Internal processes have changed to segregation of duties to practices. To continue to monitor to ensure segregation/reviews are taking place.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Segregation of Duties and Internal Controls	Controls to minimise opportunities for collusion or fraud to occur, reduce the risk of errors and improve oversight and compliance with adopted policies and procedures.	7.2.6

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We note segregation of duties occurs for a number of key roles, however we observed through our testing instances where resource constraints prevented these controls being consistently applied. Where a single individual is responsible for or involved in multiple stages of various processes, there is an increased risk and opportunity for error or misconduct.	Breakdown of internal controls, financial and fraud risk. Failure to identify risks or adequately treat identified risks. Controls reliant on capability of staff.	Interventions should be available at various stages for a number of operational functions, including routine independent reviews of controls to ensure they are being observed and maintained as required. Where resourcing constraints exist, other considerations should be applied such as training and engaging officers within the organisation who may not normally be involved in these processes, to assist with checks and controls, or engaging independent parties to provide sufficient levels of oversight. These controls should also be reflected in adopted policies and approved procedures.

7.2.7 - End of Month Processes

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/DCEO	No	Yes	01/07/2024	Comprehensive end of month procedure in place that allows for separation of duties and comprehensive reviews of end of month procedures.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	End of Month Processes	Processes for the completion of tasks and evidencing key points of control.	7.2.7

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
End of month processes appear to exist and from staff representations are routinely performed, however there was no evidence of procedures or review by an authorised officer independent of preparing/collating documentation.	Breakdown of internal controls, Controls reliant on capability of staff.	Review of reports prepared each month is a useful mechanism to detect and rectify errors or anomalies which may exist. It also provides an opportunity to ensure staff are performing and reporting duties as required. Management are strongly encouraged to continue with the development of documented checklists and procedures to demonstrate appropriate controls and reviews are in place.

7.2.8 - Outstanding Purchase Orders

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/Finance	Yes	Yes	01/05/2023	Part of end of month procedure to produce outstanding PO report and review and investigate any anomalies.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Outstanding Purchase Orders	Process to ensure invoices are being processed in a timely manner and in accordance with the purchasing policy.	7.2.8

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We did not observe any formal procedures relating to the routine monitoring of and clearance of outstanding purchase orders. Regular review of outstanding purchase orders should be undertaken to assist with monitoring the value of and status of associated liabilities.	Breakdown of internal controls, financial risk	Update procedures to include review of the status of outstanding purchase orders as part of end of month processes. Ensure any controls developed are routinely and consistently applied.

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	It is anticipated this item will be resolved as a flow on from the updated Purchasing Policy taken to the Policy Review Committee on 12/06/23 and recommended for Council endorsement on 28/06/2023. Policy adopted as per RES 120623 and practices updated.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Procurement	Procedures for the procurement of goods or services.	7.2.9

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Our testing identified a contractor providing services to the Shire on an ongoing basis, resulting in non-compliance between procurement thresholds and purchasing requirements in accordance with Council policy. Although a 'unique nature of supply' provision is included within the purchasing policy, the services do not appear to comply with the policy provisions.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks, financial risk	All procurement of goods or services should be undertaken in accordance with legislative requirements and the purchasing policy. A review of the purchasing policy may be required to ensure the policy is practical and addresses identified procurement risks.

7.2.10 - Procurement Assessment

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	No	Yes	Oct-2024	EMT work through request for quotes and tender documents. To utilise WALGA Procurement toolkit templates when assessing next tender to ensure due diligence is undertaken when assessing high value or high risk purchases/contracts.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Procurement Assessment	Procedures to provide probity for the assessment of procurement options received.	7.2.10

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>Documented formal requirements when undertaking assessments of responses to requests for quotations have not been established for high value purchases.</p> <p>Documented procedures are not in place to require declarations of interest and confidentiality to be signed prior to assessments being undertaken for high value purchases.</p>	<p>Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks, financial and fraud risk</p>	<p>To help ensure probity and fairness when assessing high value procurement, at least three persons should assess the procurement responses independently of each other. Documented processes should require a higher level of probity and due diligence for higher value or higher risk purchases.</p> <p>Persons assessing any significant procurement should be required to declare any matters which may impact or be perceived to impact on their independence. Procedures for the declaration of interests prior to procurement assessments being undertaken should also be documented for high value purchases and tenders.</p>

7.2.11 - Credit Cards

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	It is anticipated this item will be resolved as a flow on from the updated Purchasing Policy taken to the Policy Review Committee on 12/06/23 and recommended for Council endorsement on 28/06/2023. Policy adopted as per RES 120623 and practices updated.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Credit Cards	Systems and processes to control use of Corporate Credit Cards held.	7.2.11

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Agreements signed by credit card holders setting out cardholder responsibilities and legal obligations when using Shire credit cards were not available for our inspection or maintained on employee files.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks, financial and fraud risk	Review systems and procedures to ensure all credit card holders have acknowledged and signed documentation setting out cardholder responsibilities and legal obligations when using Shire credit cards. Ensure credit cards are issued only after this has occurred and documentation has been appropriately filed as required.

7.2.14 - General Journals

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/DCEO	No	Yes	01/07/2024	<p>Finance Officers completing basic journals with the DCEO completing reviews prior to update. Pending on the nature of the journals being processed by the DCEO, the CEO will review prior to updating or within the end of month journal listing review.</p> <p>DCEO investigating Altus Financial suite to see if module is available, and seek a quote, to see if the general journal creation and approval can be automated online (similar to Bank Reconciliations) to ensure segregation of duty and evidence of reviews taking place.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	General Journals	Processed general journals are independently reviewed and approved.	7.2.14

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
There are limited documented internal control procedures for general journals. We noted review and evidence of review of journals after posting appears to be consistently maintained. Best practice is to authorise journals prior to posting, however this may be impractical in all situations. No general journal audit trail is currently produced to ensure only authorised journals have been posted.	Breakdown of internal controls, financial and fraud risk	Document internal controls to ensure processes to support approvals/authorisations for journal requests are maintained prior to posting by an appropriate officer. The practice of independent review should be continued to be maintained, and evidence of review consistently applied. A monthly journal audit trail report should be produced and independently reviewed prior to preparation of the monthly statement of financial activity.

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/DCEO	Yes	Yes	30/06/2024	DCEO implemented practices to ensure regular monitoring of grants with funding conditions, acquittal processes and recording of liabilities are in line with the AASB standards. Through the annual budget process, the need for grants is assessed when capital works programs are updated and reviewed.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Grants Management	Controls for the effective management of grants, compliance with conditions imposed by funding bodies and compliance with AASB standards.	7.2.15

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>We noted limited procedures exist to support processes and controls in respect to:</p> <ul style="list-style-type: none"> • Application of grants; • Acquittal of grants; • Compliance with grant conditions; and • Grant governance and administration arrangements. <p>Where grants are not effectively managed, there is a risk funds may be returned due to poor performance or missed opportunities in the future. In circumstances where controls are not effective for grant application processes, unbudgeted and unauthorised financial commitments may be undertaken on behalf of the Shire.</p>	Lack of strategic direction for implementation of internal controls	<p>Document and implement procedures to consider the need for grant programs, whether relevant factors and risks are thoroughly analysed and assessed and appropriate options for delivery are considered prior to applying for grants to ensure grant objectives are clearly defined. Systems should include controls for the monitoring of grants with funding conditions, acquittal processes and recording of liabilities in line with the AASB standards. Incomplete consideration of these factors may result in non-compliance with accounting standards and effective delivery of the Shire's grant programs. Maintain a register of grants to evidence the routine review of status, compliance and performance of grants being managed by the Shire.</p>

7.2.16 - Revenue Controls at Shire Facilities

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/CEO	Yes	Yes	24/03/2025	Policy "F - Cash Handling" adopted on 24/03/2025. Internal procedures updated and in place.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Revenue Controls at Shire Facilities	Procedures and systems for the collection of revenue and handling of cash at Shire facilities.	7.2.16

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Revenue controls for the collection of fees and charges as well as the provision of services at some Shire facilities are considered inadequate. We noted limited controls to validate and support the accuracy of revenue collected.	Breakdown of internal controls Controls reliant on the capability and honesty of staff, financial and fraud risk	A review of procedures and controls is required to determine practical procedures, documentation and controls for the receipt and reconciliation of revenue across all facilities. Procedures should ensure compliance with associated regulatory requirements under the Local Government Act 1995 and associated regulations.

7.2.17 - Petty Cash

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/DCEO	Yes	Yes	30/06/2023	<p>The need for petty cash has lessened in past years. Management have looked at the possibility of rescinding the petty cash float which will remove the risk and need for procedures.</p> <p>Final petty cash recoup completed as at 30 June 2023 and Petty Cash Float is no longer.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Petty Cash	Systems and processes to ensure controls are maintained around petty cash.	7.2.17

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We did not observe any formal procedures relating to petty cash systems and controls. Controls are not routinely documented to ensure appropriate review and authorisation processes occur in relation to the storage, management and handling of cash by staff.	Breakdown of internal controls Controls reliant on the capability and honesty of staff, financial and fraud risk	Undertake a review of systems and processes relating to petty cash, to ensure adequate controls exist relating to security of cash held, as well as maintaining and processing of petty cash transactions.

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/DCEO	Yes	Yes	01/08/2023	<p>2023/2024 rating period undertaken with independent review and verification of rating matrices.</p> <p>To test procedure for independent review and verification of rating matrices for accuracy for annual rating processes during 2023/24 rating period.</p> <p>To ensure evidence of review is documented thoroughly.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Rates	Rates are correctly imposed and rate system is properly maintained.	7.2.19

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>Limited reviews are undertaken of routine annual rating functions performed. Although established procedures guide this process, we did not observe evidence of independent review and verification of rating matrices for accuracy for annual rating processes.</p> <p>Evidence of routine reviews of rate exempt properties as defined by section 6.26(2)(g) of the Local Government Act 1995 was not available for our inspection.</p>	<p>Failure to identify risks or adequately treat identified risks.</p> <p>Controls reliant on capability of staff.</p>	<p>Update existing systems and procedures to demonstrate appropriate controls and authorisations exist for routine rating functions, including interim rating processes and annual rates billing.</p> <p>Develop and maintain systems and processes, in accordance with any adopted Council policy, whereby routine reviews are undertaken of rate exempt properties within the Shire, confirming these properties are used exclusively for rate exempt purpose.</p>

7.2.20 - Overhead and Administration Allocations

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Works	Yes	Yes	01/07/2023	Admin allocations and overhead rate review undertaken for new financial year. DCEO & Works Supervisor reviewed and updated plant allocation rates. To continue monitoring costings and allocations on a monthly basis as part of the end of month procedures. DCEO currently reviewing as part of the 2023/24 Budget preparation. Routine review and monitoring of indirect costs are part of end of month procedures.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Overhead and Administration Allocations	To allocate indirect costs in a practical and efficient manner.	7.2.20

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A documented process to determine the allocation of indirect costs was not available for our review. From staff representations, current plant allocation rates are currently based on historical estimates. We noted management are currently periodically monitoring unallocated indirect costs to undertake corrective adjustments where required, with a review of these rates intended to be undertaken in the near future.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability of staff.	Undertake a review of activity based costings to support calculation of overhead and administration allocations. Routine review and monitoring of indirect costs should be maintained for accuracy and compliance in financial reporting of works programs.

7.2.21 - Contract Management

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	No	Yes	Nov-2024	Contract register in place. Addition of contract obligation register to ensure obligations are being met.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Contract Management	To provide clear documentation of key contract / agreement information entered into with third parties by the Shire.	7.2.21

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted a number functions are outsourced to external parties for a variety of professional services. Systems, procedures and contract provisions may not adequately address risks to ensure qualifications are maintained for contractors engaged. The absence of controls in relation to project and/or compliance management also imposes limitations to legislative compliance in relation to currency of specific qualifications required to perform professional duties.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks	Review and update systems and processes to provide for higher level controls and oversight of contracts entered into with third parties by the Shire. Agreements should be dually executed to ensure contract obligations are met by both parties.

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	Nov-2023	Automatic gates installed at Shire Depot. Stock recorded through accounting system. Payroll officer processes fuel receipts and Works Supervisor undertakes fuel dip after each pay run.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Stock Controls	Process to ensure stock is correctly allocated, as well as to reduce the potential for theft or misappropriation.	7.2.22

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Limited controls are in place to monitor potential erroneous allocations or misuse of stock. Stock allocations are entered and reviewed for reasonableness by management, but not independently reviewed for accuracy at periodic intervals, nor mechanisms to detect where excess stock (including fuels, oils, materials etc) may be allocated inappropriately or erroneously.	Breakdown of internal controls Controls reliant on the capability and honesty of staff, financial and fraud risk	Review security and access to stock held. Develop and implement procedures for the monitoring of stock on hand in an effort to improve opportunities to detect any issues or potential misuse with fuel allocations in a timely manner.

7.2.23 - Information Required to be Published on Official Local Government Website

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	01/03/2024	<ul style="list-style-type: none"> Confirmed minutes of Committee meetings; - Available on website Minutes of annual meeting of electors; - Available on website Notice papers, agenda, reports and other documents presented at Council and committee meetings; - Available on website Tender register; - Available on website Up to date version of each policy of the local government; and - Available on website Adopted model standards relating to CEO recruitment, performance review and termination. - Available on website. Copies of all local laws; - Available on website.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Information Required to be Published on Official Local Government Website	Ensure information is published for public information as required by legislation.	7.2.23

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
<p>At the time of our review, we noted the following information (in addition to other matters noted throughout this report) has not been published on the Shire's official website as required by legislation:</p> <ul style="list-style-type: none"> Confirmed minutes of Committee meetings; Minutes of annual meeting of electors; Notice papers, agenda, reports and other documents presented at Council and committee meetings; Copies of all local laws; Tender register; Up to date version of each policy of the local government; and Adopted model standards relating to CEO recruitment, performance review and termination. 	Breakdown of internal controls, compliance Breach	Ensure information is published on the Shire's official website as required by section 5.96A of the Local Government Act 1995 and any other relevant section of the Act.

7.3.2 - Employee Appointment Procedures

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Payroll	Yes	Yes		<p>WALGA & OAG templates used to create Shire of Koorda new employee forms.</p> <p>OAG & WALGA Guidelines downloaded.</p> <p>DCEO & Payroll Officer working to create new induction forms and checklists to ensure all details are correct and appropriate when appointing new employees.</p> <p>Areas identified as part of Workforce Plan 2022-2025 (1.3, 4.2 & 4.4)</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.3	Employee Appointment Procedures	Procedures to ensure appointment of staff are appropriately authorised, and onboarding processes are consistently and routinely applied.	7.3.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Staff inductions are inconsistently applied throughout the Shire, and induction processes do not consistently communicate to staff required expectations and requirements when performing local government functions.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks	<p>Develop and implement procedures to ensure all new staff are appropriately inducted and aware of the parameters of their employment responsibilities and obligations including:</p> <ul style="list-style-type: none"> • WH&S; • Duties and responsibilities; • Security; • Code of Conduct; • HR Policies and Procedures; • Legislative Compliance; • Risk Management; and • Other relevant and required topics.

7.3.3 - Personnel Records

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT/Payroll	Yes	Yes	January 2025	Payroll Officer utilising Altus ECM to remove all personnel records from the Shared drive into the electronic content manager. Altus ECM has the capacity to restrict access and limit permissions for officer who should not be viewing personnel records.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.3	Personnel Records	Ensure employee records are securely stored to prevent unauthorised access.	7.3.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Hard copy personnel records are securely locked in a cabinet, however electronic records are not adequately restricted. Management representations indicate efforts are being undertaken to improve access restrictions through the EDRMS.	Breakdown of internal controls Controls reliant on the capability and honesty of staff	Secure electronic personnel records by restricting access and limiting permissions to share drives only to officers who are appropriately authorised to access these records or an appropriate alternate security control.

7.3.4 - Staff Contracts and Employee Files

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT/Payroll	Yes	Yes	30/06/2024	HR forms updated to ensure any changes to payroll is reviewed by a more senior employee. Comprehensive audit summary reports are produced each payroll that capture any changes to the payroll system that have occurred, which gets verified and reviewed by a senior officer.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.3	Staff Contracts and Employee Files	To provide a documented record of the terms and conditions of each employee's contract of employment.	7.3.4

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Through our limited testing, we noted an instance where evidence of correspondence on an employee file to support an allowance applied through the payroll was not available.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks	Update systems and procedures to evidence controls for the application and review of employee conditions within the payroll master file. Interventions should be available at various stages for a number of operational functions, including routine independent reviews of controls to ensure they are being maintained as required. Undertake a review of all personnel files to reconcile documentation relating to conditions of employment, remuneration, roles and responsibilities with payments being made.

7.3.5 - Staff Training

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	No	Yes	Oct-2024	Online payroll system utilised to monitor currency of required licences and qualifications by staff. Automatic prompts inbuilt to flag if/when licences expire. Annual declaration required by employees during performance review to produce a copy of valid drivers licence.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.3	Staff Training	To ensure staff have access to ongoing and appropriate training.	7.3.5

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Planned and required staff training needs for employees are currently identified and recorded in a central training register. Further value from this initiative can be added through refining the current matrix toward a more formal required staff training structure, applied throughout the organisation.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability of staff.	Refine the current staff training register to identify staff training needs relevant to each role, ensuring it is co-ordinated across the organisation and monitors currency of required licences and qualifications.

7.3.6 - Payroll Exception Reporting

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Payroll	Yes	Yes	21/06/2023	<p>Fortnightly comparison (as at 21/06/2023) and audit summary reports (since implementation of system) being produced during the review of each pay period to ensure any major anomalies in payroll are picked up and looked into/verified.</p> <p>The audit trial reports on; hired employees, terminated employees, shared bank accounts and organisation; leave policy changes, pay policy changes and provision policy changes. As well as employee; bank changes, project changes, role changes, department changes, pay calendar changes, pay policy changes, leave policy changes, tax declaration changes, tax variation changes, superannuation account changes, superannuation contribution changes, addition or deduction changes, work schedule changes, compliance changes.</p> <p>Any changes to detail, the authorising officer will confirm details of changes on a form signed by the employee.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.3	Payroll Exception Reporting	Procedures to assist with accurate processing of employee entitlements.	7.3.6

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The officers responsible for processing and reviewing payroll are tasked with review and capture of employee entitlements, allowances, deductions, etc. Staff have advised more formal documentation / checklists are intended to be created to assist with payroll processing, review and authorisation.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability of staff.	Review procedures and controls to define systems documentation and controls for the accurate processing of payroll each fortnight. Details for each employee should be reviewed against individual employment contracts to capture allowances, deductions, entitlements etc, into a master list, with appropriate review and authorisation for changes. Payroll exception reporting and review of audit trails should be undertaken to capture anomalies or unauthorised changes.

7.4.1 - Contractor Insurance

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Finance	No	Yes		Finance Officers working to update Creditor Application/Update form to capture Contractor Insurance and a prompt to seek updated certificates on expiry.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.4	Contractor Insurance	Insurance cover maintained by contractors for damage caused when undertaking works for the Shire.	7.4.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Contractors' insurances are not always assessed prior to award of contracts in all cases. Reliance is placed on contract managers to ensure copies of insurances are provided.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks	To help ensure all contractors have the relevant licences and have adequate insurance cover for the works they undertake for the Shire, procedures should be developed, and records maintained to ensure copies of contractor's insurances are obtained and held on file prior to award of contracts.

8.1.1 - Council and Committee Minutes

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Governance	Yes	Yes	01/09/2023	Attachments are linked within the agenda and minutes items, not inserted into the document. Unfortunately, links have an expiry, so staff are investigating the best way to include the attachments on the website. 2023 Attachments uploaded as a separate document to website.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.1	Council and Committee Minutes	Official record of proceedings and decisions.	8.1.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Attachments (monthly statement of financial activity, accounts for payment list etc) are not published in the minutes on the official local government website to support the decisions made, including where the decision refers to the officer report or an attachment.	Failure to identify risks or adequately treat risks. Internal control or compliance breach	Ensure all documents supporting Council / Committee decisions are included in the official minutes, and all minutes are also published on the official local government website as required by legislation. Review procedures for recording of official minutes to ensure all detail, decisions and proceedings required to be recorded by legislation are captured.

8.1.2 - Council and Audit Risk Committee

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	01/12/2023	As the Risk Register has been updated and a draft Risk Management Strategy for consideration at the Audit & Risk Committee Meeting planned for 18/12/2023, Council items for the December 2023 Council Meeting include Risk ratings/implications for each item.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.1	Council and Audit Risk Committee	Monitoring and consideration of risks when making strategic decisions.	8.1.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Identified risks are not consistently included within agenda items for elected member consideration for recording in the risk register.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks	Identified risks relating to a Council and / or Committee decision should be consistently communicated within the agenda item, to enable elected members to be fully informed of the identified risks when making decisions. Risks should also be appropriately recorded in a risk register.

8.1.3 - Audit Committee

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	30/05/2023	Have made changes to the "Council Meeting" Module on the website to categories Meetings (Council, Special, Audit, Electors) to clearly separate meetings to ensure compliance. Have uploaded Audit Minutes back to 2021 in this category, with the rest being available for inspection at the Shire Office if required.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.1	Audit Committee	To provide oversight in monitoring compliance with legislation, performance, risk and internal controls, internal audit, liaising with external auditors and reporting to Council.	8.1.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Minutes of all Audit Committee meetings were not published on the official local government website at the time of our review.	Failure to identify risks or adequately treat risks. Internal control or compliance breach	Ensure all Committee minutes are published on the official local government website as required by legislation.

8.2.1 - Risk Register

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	21/09/2023	LGIS Risk Workshop undertaken Thursday 21 September 2023. Risk Register complete. To include in quarterly reporting to Audit Committee.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.2	Risk Register	Provide a record of risk breaches and remedial action taken.	8.2.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A risk register was not available for our inspection to reflect identified risks, and if they have been adequately treated.	Failure to identify risks or adequately treat risks Breakdown of internal controls	Maintaining risk registers for all identified risks is important to help ensure appropriate recording and communication of high rated risks, along with providing a record to enable the verification of whether treatment plans have appropriately reduced the risk. Routine (at least quarterly) review of the risk register is required to assist in ensuring identified risks are adequately treated.

8.2.3 - Register of Hazardous Materials

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	01/09/2023	A register of hazardous materials was not requested upon site visit. A Register exists, staff to regularly review to ensure contents are applicable and up to date.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.2	Register of Hazardous Materials	Provide a record of properties under the Shire's control containing hazardous materials.	8.2.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A register of hazardous materials was not available for our inspection, to reflect properties under the control of the Shire which may contain hazardous materials such as asbestos, and if associated risks have been adequately treated.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability and honesty of staff.	Develop and maintain a register to record details of hazardous materials, such as asbestos, for properties under the control of the Shire.

8.2.6 - Swimming Pool Inspection Register

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO & EHO	Yes	Yes	01/09/2023	Due to the discontinuation in NEWHEALTH, the handover and requirement to inspect private swimming pools was delayed. A swimming pool inspection register exists and has been updated to provide details of the last inspection and next inspection date. Outstanding pool inspection was due to resident not residing full time at the Koorda Property, and the EHO working remotely. To liaise with EHO regarding overdue inspection. Inspections flagged within Compliance Calendar.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.2	Swimming Pool Inspection Register	Register of inspections undertaken.	8.2.6

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A register of inspections of private swimming pools within the district is currently maintained, although it was noted some routine inspections were not performed in the required timeframe, with one inspection remaining overdue. Management representations indicate additional resources were allocated in December 2022 to undertake the backlog of inspections, and to maintain the frequency of inspections.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability and honesty of staff.	Update systems and processes to ensure routine monitoring and review of the register occurs for future private swimming pool inspections to be undertaken within required timeframes.

8.2.7 - Development Applications and Building Permits Register

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO	Yes	Yes	01/07/2023	<p>With new Delegated Authority Register Reporting, a Development Application and Building Permit Register has been created and details of new applications are being recorded to ensure compliance with mandated timeframes.</p> <p>As per the 2023 Delegation Register, (Section 5 Building Act 2011 Delegations and Section 12 Planning and Development Act 2005 Delegations) - the adopted reporting requirements seek "Delegations exercised are to be reported to Council monthly."</p> <p>A register, whether part of the report to Council, or separate, to include date of application, due date of decision and date of decision.</p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.2	Development Applications and Building Permits Register	Provide a record of the receipt and status of applications received.	8.2.7

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A register to record and track applications for building permits and development applications is not currently maintained. Reliance for compliance with statutory processing timeframes of applications received remains with only one officer, with no independent oversight, monitoring or reporting being undertaken.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability and honesty of staff, compliance breach	Create and maintain a register to record the details and status of applications for building permits and development, to assist with ensuring applications are processed within mandated timeframes.

8.4.1 - Community Complaints Procedures

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Governance Committee	Yes	Yes	17/04/2024	Policy "G - Code of Conduct Behaviour Complaints Management" adopted as per RES: 171023 Policy "G - Complaints Management" adopted as per RES: 060424

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.4	Community Complaints Procedures	Procedures for the recording handling and resolution of community complaints.	8.4.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A customer complaints register is not currently maintained to follow up and ensure all complaints are adequately addressed. This type of register may assist with alignment to the requirements of the complaints handling policy.	Failure to identify risks or adequately treat risks	To help ensure all complaints are adequately monitored, reported and resolved, a register of customer complaints received should be maintained and systems and processes should ensure staff are aware of their obligations in accordance with adopted policies.

8.5.1 - Internal Audit

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/CEO	No	Yes	3/11/2025	Updated to Audit, Risk & Improvement Committee ToR to include Internal Audit. Following adoption of ToR at December 2025 meeting, internal audit scheduled to be drafted for consideration at first ARIC meeting in 2026.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.5	Internal Audit	Internal audit monitors the level of compliance with internal procedures and process along with assessing the appropriateness of these procedures.	8.5.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Currently, no internal auditors have been appointed, and limited internal audit functions have been undertaken.	Failure to identify risks or adequately treat risks	We suggest as the level of documented procedures increases, an expanded internal audit function to confirm adherence to documented policies and procedures may be required as recommended by the OAG in their report to Parliament on the Audit Results Report – Annual 2017-18 Financial Audits of Local Government Entities.

8.6.1 - Audit Regulation 17 Review

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO	Yes	Yes	28/06/2023	<p>Note in budget to prompt allocation for FMR & Reg 17 review.</p> <p>Policy "Legislative Compliance" recommended to be endorsed at Council on 28/06/2023 includes a prompt as per excerpt below. Review due date captured in Compliance Calendar.</p> <p><i>Regulation 17 of the Local Government (Audit) Regulations 1996 requires the CEO to review of the appropriateness and effectiveness of systems and procedures in relation to risk management, internal control and legislative compliance not less than once in every 3 financial years and report to the Audit Committee the results of that review.</i></p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.6	Audit Regulation 17 Review	CEO's review of the appropriateness and effectiveness of systems and procedures for Risk Management, Internal Controls and Legislative Compliance in accordance with Regulation 17 of Local Government (Audit) Regulations 1996.	8.6.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A review was last undertaken in 2018 which is outside of the time period as required by Regulation 17 of Local Government (Audit) Regulations 1996. The previous review made no recommendations in relation to the appropriateness and effectiveness of risk management, legislative compliance and internal controls.	Breakdown of internal controls, Compliance breach	<p>Ensure the next review is undertaken within the time period as required by Regulation 17 of Local Government (Audit) Regulations 1996.</p> <p>Ensure future reviews identifies operational and financial risk, control weaknesses and compliance weaknesses.</p>

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO	Yes	Yes	28/06/2023	<p>Note in budget to prompt allocation for FMR & Reg 17 review.</p> <p>Policy "Legislative Compliance" recommended to be endorsed at Council on 28/06/2023 includes a prompt as per excerpt below. Review due date captured in Compliance Calendar.</p> <p><i>Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996 also requires the CEO to 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.</i></p>

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.6	Financial Management Review	Review of the appropriateness and effectiveness of the Financial Management systems and procedures of the local government, required to be undertaken every three years by Regulation 5(2) of Local Government (Financial Management) Regulations 1996.	8.6.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	Medium	Planned action required

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A review was last finalised in 2016, with the next review being undertaken in February 2022 which is outside of the time period as required by Regulation 5(2) of Local Government (Financial Management) Regulations 1996.	Breakdown of internal controls, Compliance breach	Ensure the next review is undertaken within the time period as required by Regulation 5(2) of Local Government (Financial Management) Regulations 1996

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6.5 - Workforce Planning	Almost Complete → Completed
Inadequate → Adequate → Effective	Yet to Commence → Commenced → Almost Complete → Completed

Key risks can then be identified and captured within the Risk Profiles. The Shire utilises risk profiles to document how it manages these risks. These risks are usually managed and monitored at the Executive/management level.

The Operational Risk profiles assessed are:

- | | | |
|--------------------------------------|--|---------------------------------|
| 1. Asset Sustainability | 7. Environment Management | 12. Misconduct |
| 2. Business and Community Disruption | 8. Errors, Omissions and Delays | 13. Project / Change Management |
| 3. Community Engagement | 9. External Theft and Fraud | 14. Purchasing and Supply |
| 4. Compliance Obligations | 10. IT, Communication Systems and Infrastructure | 15. WHS |
| 5. Document Management | | |
| 6. Employment Practices | 11. Management of Facilities, Venues and Events | |

For each category, the profile contains the following:

- | | | |
|----------------------|-------------------------------|-----------------------------------|
| • Risk Description | • Inherent Risk | • Control Operating Effectiveness |
| • Causal Factors | • Residual Risk | • Risk Evaluation: |
| • Potential Outcomes | • Key Controls / Control Type | • Actions and Responsibility |

More details for each section can be found below:

- **Risk Description:** What can go wrong? / What are areas of uncertainty? Describe what the risk is and specifically where control may be lost. They can also be described as an event. They are not to be confused with outcomes following an event, or the consequences of an event.
- **Causal Factors:** What are the potential consequential outcomes of the risk eventuating?
- **Potential Outcomes:** How may this risk eventuate?
- **Inherent Risk:** The amount of risk that exists in the absence of controls.
- **Residual Risk:** The amount of risk that remains after controls are accounted for.
- **Key Controls / Control Type:** What are the current measurable activities that mitigate this risk from eventuating?

Existing Controls Ratings			
Rating	Foreseeable	Description	
Effective	There is <u>little</u> scope for improvement.	Documentation	Processes (Controls) fully documented, with accountable 'Control Owner'.
		Operating Effectiveness	Subject to ongoing monitoring and compliance to process is assured.
		Design Effectiveness	Reviewed and tested regularly.
Adequate	There is <u>some</u> scope for improvement.	Documentation	Processes (Controls) partially documented, with a clear 'Control Owner'.
		Operating Effectiveness	Limited monitoring, ad-hoc approach and compliance to process is generally in place.
		Design Effectiveness	Reviewed and tested, but not regularly.
Inadequate	There is a <u>need</u> for improvement or action.	Documentation	Processes (Controls) not documented or no clear 'Control Owner'.
		Operating Effectiveness	No monitoring or compliance to process is not assured.
		Design Effectiveness	Have not been reviewed or tested for some time.

1. Asset Sustainability

Risk Description	
<p>Failure or reduction in service of infrastructure assets, plant, equipment or machinery.</p> <p>These include fleet, buildings, roads, playgrounds, boat ramps and all other assets during their lifecycle from procurement to disposal.</p>	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Skill level & behaviour of operators Lack of trained staff Outdated equipment Insufficient budget to maintain or replace assets Unavailability of parts Lack of Maintenance Breakdowns 	<ul style="list-style-type: none"> Financial Service interruption Property damage Non compliance Health

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Likely	Extreme

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
1.1. Roads Routine Maintenance Program	Preventative	Effective	Effective
1.2. Plant Routine Maintenance Program	Preventative	Effective	Effective
1.3. Buildings Routine Maintenance Program (reactive)	Preventative	Effective	Effective
1.4. Procurement & Disposal Process	Preventative	Effective	Effective
1.5. Asset Management Data Entry (Multiple) & Monitoring	Preventative	Effective	Effective
1.6. Asset Register	Preventative	Effective	Effective
1.7. Reactive Maintenance Program	Detective	Effective	Effective
1.8. Community Strategic Plan (new)	Preventative	Effective	Effective
1.9. Asbestos Management Plan (in development)	Detective	Effective	Effective
Overall Control Effectiveness			Effective

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Moderate	Possible	Moderate	Urgent attention

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
1.3	Building Maintenance/EMT	Yes	14/02/2024	Inspections undertaken mid-February for all tenant housing, and public building inspections are due to be complete in March to ensure a comprehensive building maintenance program can be formulated for consideration with the 2024/2025 draft budget.
1.7	Building/Admin	Yes		Online "works request" on website enables all facility users and members of the public to log any issues with buildings or footpaths/roads in a timely fashion. The online system is an efficient way to ensure requests/maintenance reports are handled and tended to in a timely manner.
1.8	Council/EMT	Yes	26/04/2024	A desktop review of the Integrated Strategic Plan was undertaken in 2024 and adopted by Council at the June 2024 Ordinary Council meeting as per resolution 120624.

2. Business and Community Disruption

Risk Description	
Failure to adequately prepare and respond to events that cause disruption to the local community and / or normal business activities. This could be a natural disaster, weather event, or an act carried out by an external party (e.g. sabotage / terrorism) and/or pandemic.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> • Cyclone, storm, fire, earthquake • Terrorism / sabotage / criminal behaviour • Epidemic / Pandemic • Loss of suppliers • Climate change • Loss of key staff • Loss of key infrastructure 	<ul style="list-style-type: none"> • Service interruption • Reputational damage • Health • Financial impact

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Likely	High

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
2.1. Business Continuity & Disaster Recovery Plan	Recovery	Inadequate	Effective
2.2. Local Emergency Management Arrangements (LEMA)	Preventative	Effective	Effective
2.3. Local Emergency Management Committee (LEMC)	Preventative	Effective	Effective
2.4. Volunteer Management & Training	Preventative	Adequate	Adequate
2.5. Internal Emergency Management Plan	Preventative	Adequate	Adequate
2.6. Generator availability across Shire	Preventative	Effective	Effective
2.7. IT Disaster Recovery Plan	Detective	Effective	Effective
Overall Control Effectiveness			Effective

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Minor	Unlikely	Low	Accept

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
2.1	DCEO	Yes	08/01/2024	Draft Business Continuity and Disaster Recovery Plan is tabled for consideration at the March 2024 Audit & Risk Committee meeting for referral to Council as per Item 9.5 in the March 2024 Ordinary Council Meeting agenda.
2.4	DCEO	Yes	15/05/2025	DCEO drafted Policy "O - Volunteer Management" for EMT to review.
2.5	EMT/Risk Co-Ordinator			Update internal emergency management plans and diagrams including emergency evacuation training. Review and update emergency evacuation diagrams.
2.6	DCEO	Yes		As part of Seroja Resilience Funding, additional generators are planned for deployment around the Shire to ensure continuation of services in disasters/outages.
2.7	IT Consultants			IT Disaster Recovery Plan exists, however to move from Adequate to Effective, the Plan requires testings to ensure it is relevant and applicable.

3. Community Engagement

Risk Description	
Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private Sector Companies, Government Agencies and Elected Members. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Relationship breakdowns with community groups Leadership inattention to current issues Inadequate documentation or procedures Budget/funding issues Poor communication and engagement on issues Inadequate support for community groups 	<ul style="list-style-type: none"> Reputation Compliance Service interruption Environmental

Inherent Risk	Consequence	Likelihood	Risk Rating
	Moderate	Likely	High

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
3.1. Complaint Management Process	Preventative	Inadequate	Effective
3.2. Social Media Policy	Preventative	Effective	Effective
3.3. Community Group Involvement	Detective	Adequate	Adequate
3.4. Customer Service Charter	Preventative	Inadequate	Effective
3.5. Community Notices/Communication	Preventative	Effective	Effective
3.6. Community Strategic Plan	Preventative	Effective	Effective
Overall Control Effectiveness			Adequate

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Insignificant	Likely	Low	Accept

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
3.1	DCEO/Governance Committee	Yes	17/04/2024	Adoption of Policy "G - Complaint Management" as per RES: 060424
3.4	DCEO	Yes	12/03/2024	Customer Service Charter tabled for consideration as per Item 12.2 in the March 2024 Ordinary Council Meeting agenda.
3.6	Council/EMT	Yes	26/04/2024	A desktop review of the Integrated Strategic Plan was undertaken in 2024 and adopted by Council at the June 2024 Ordinary Council meeting as per resolution 120624.

4. Compliance Obligations

Risk Description	
Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation. It includes (amongst others) the Local Government Act, Planning & Development Act, Health Act, Building Act, Dog Act, Cat Act, Freedom of Information Act and all other legislative based obligations for Local Government.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Lack of training, awareness and knowledge Staff Turnover Inadequate record keeping/ failure of corporate electronic systems Ineffective policies & processes Impulsive decision making Elected member turnover Lack of Legal Expertise Breakdowns in the tender or procurement process Ineffective monitoring of changes to legislation Attitudinal problems 	<ul style="list-style-type: none"> Non-compliance Reputational Environmental Financial Impact

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Possible	High

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
4.1. Compliance framework (in development)	Preventative	Inadequate	Effective
4.2. 'Advice' monitoring (subscriptions)	Preventative	Effective	Effective
4.3. Annual Compliance Return (CAR)	Detective	Effective	Effective
4.4. Reg 17	Preventative	Effective	Effective
4.5. FMR	Preventative	Effective	Effective
4.6. Audit Committee	Preventative	Effective	Effective
4.7. Council Policies	Preventative	Inadequate	Adequate
Overall Control Effectiveness			Adequate

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Moderate	Possible	Moderate	Monitor

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
4.1	DCEO	Yes	01/05/2025	Compliance framework added to annual planner which covers (policy review, local law reviews, compliance reviews, statutory reporting etc), assigns a responsible officer and reminders when reviews fall due.
4.3	CEO/DCEO	Yes	05/03/2024	Compliance Audit Return completed for 2023 and included for consideration by the Audit and Risk Committee at the March 2024 meeting, before being tabled for Council endorsement.

4.5	CEO/DCEO	Yes	01/06/2023	Since the adoption of the initial FMR Report in May 2023, Staff have been working to implement recommendations and report quarterly to the Audit and Risk Committee on the progress made.
4.7	Governance/EMT	Yes	18/12/2022	A full Council Policy review and re-write is still being undertaken.

5. Document Management

Risk Description	
Failure to adequately capture, store, archive, retrieve, provide or dispose of documentation.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Spreadsheet/database/document corruption or loss Inadequate access and / or security levels Inadequate Storage facilities (including climate control) Lack of knowledge/training Incompatible systems Lack of awareness of the State Records Act Outdated record keeping practices Incomplete authorisation trails 	<ul style="list-style-type: none"> Compliance Reputation Loss of data

Inherent Risk	Consequence	Likelihood	Risk Rating
	Moderate	Likely	High

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
5.1. Records Management Framework	Preventative	Adequate	Effective
5.2. Policy & Procedural Review process	Preventative	Inadequate	Adequate
5.3. Record Management Officer	Preventative /Detective	Effective	Effective
5.4. Record Keeping Plan	Preventative	Effective	Effective
5.5. IT Disaster Recovery Plan	Preventative	Adequate	Effective
5.6. Staff Training and Development	Preventative	Adequate	Adequate
5.7. Altus (Synergy)	Preventative	Inadequate	Adequate
Overall Control Effectiveness			Adequate

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Moderate	Likely	High	Urgent attention

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
5.1	Records/DCEO	Yes	June 2025	The Shire's Record Keeping Plan was updated and approved (by State Records) in June 2020/ This RKP is to be reviewed every five years, or earlier if considered necessary. Policy "G - Information and Records Management" adopted in June 2025 as per RES:040625.
5.2	EMT/Governance Committee	Yes		The EMT and Governance Committee are currently undertaking a full Policy Manual Review and update.
5.5	IT Consultants	Yes	Oct-2024	Disaster Recovery Plan tested and programmed to be tested on an annual recurring basis.
5.6	DCEO/EMT	Yes	01/02/2024	To ensure staff training and development is relevant and up to date. As per section 6.9 HR policies and procedures, a draft policy relating to "Performance and Development Review Policy and Procedure" has been drafted for consideration by the EMT before consultation commences with the Staff prior to adoption.

6. Employment Practices

Risk Description	
Failure to effectively manage human resources (full-time, part-time, casuals, temporary and volunteers).	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Leadership failures Key / single-person dependencies Poor internal communications / relationships Ineffective Human Resources policies, procedures and practices Ineffective performance management arrangements Limited staff availability - labour market Inadequate staff training / knowledge 	<ul style="list-style-type: none"> Health Compliance Reputation Service interruption

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Likely	High

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
6.1. Onboarding / Induction process	Preventative	Adequate	Adequate
6.2. Staff training	Preventative	Adequate	Adequate
6.3. Performance Management Process	Preventative	Effective	Effective
6.4. Staff Exit process	Preventative	Effective	Effective
6.5. Workforce Planning	Preventative	Effective	Effective
6.6. Code of Conduct	Preventative	Effective	Effective
6.7. Volunteer Policy and Procedures	Preventative	Inadequate	Adequate
6.8. Internal engagements (meetings)	Preventative	Adequate	Effective
6.9. HR Policies and procedures	Preventative / reactive	Inadequate	Adequate
6.10. WALGA IP Support	Preventative	Effective	Effective
Overall Control Effectiveness			Adequate

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Minor	Unlikely	Low	Accept

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
6.3	DCEO/EMT	Yes	01/03/2024	As per item 6.9, the proposed draft HR Policies and procedures aim to outline the policy and procedure around performance management.
6.5	CEO/DCEO	Yes	01/03/2024	2025-2029 Workforce Plan adopted at the September 2025 OCM (REF: 150925).
6.7	DCEO/EMT	Yes	May 2025	DCEO drafted Volunteer Management Policy for EMT consideration.
6.8	CEO/DCEO	Yes	May 2025	Weekly admin meetings commenced in May to ensure internal communications and engagement is maintained and effective.
6.9	DCEO/EMT	Yes	01/02/2024	As part of the Council Policy Review Process currently being undertaken, the Operational policies were removed from the Council Manual and require updating and review. The DCEO has drafted

				<p>the below policies for consideration by the EMT before referral to the staff for comment prior to adoption. The EMT are meeting 19/03/2024 to consider the draft policies before moving to the next step of consultation with the Staff prior to adoption.</p> <ul style="list-style-type: none"> - Annual Leave & Long Service Leave Management - Disciplinary Policy - Discrimination, Harassment and Bullying Policy - Employee Recruitment and Selection - Grievance Policy - Performance and Development Review Policy and Procedure - Performance Improvement Policy - Social Media - Employees
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7. Environmental Management

Risk Description	
Inadequate prevention, identification, enforcement and management of environmental issues.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Inadequate management of landfill sites Lack of understanding / knowledge Inadequate local laws / planning schemes Prolific extractive industry (sand, limestone, etc) Poor management of contaminated sites Clandestine drug labs disposing of chemicals illegally Weather events / natural disasters Climate change Inadequate weed and pest management Land contamination 	<ul style="list-style-type: none"> Environment Compliance Health Reputation Property Financial

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Almost Certain	Extreme

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
7.1. Waste Facilities Management Plan	Preventative	Effective	Effective
7.2. Strategic Plan - includes reference to environmental and waste services and conservation of our natural environment	Preventative	Effective	Effective
7.3. Spill kits/PPE	Preventative	Effective	Effective
7.4. Above ground fuel tank bunded	Preventative	Effective	Effective
7.5. Weed Control Program	Preventative	Effective	Effective
7.6. Vegetation control program	Preventative	Effective	Effective
7.7. Asbestos Management Plan	Preventative/Detective	Effective	Effective
7.8. EHO (shared resource)	Preventative	Adequate	Effective
7.9. Sewerage Management Plan	Preventative	Effective	Effective
Overall Control Effectiveness			Effective

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Minor	Likely	Moderate	Monitor

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
7.8	CEO	Yes	01/05/2024	Partnership formed with City of Wanneroo to utilise their team of Environmental Health Officers for Shire of Koorda tasks.

8. Errors, Omissions and Delays

Risk Description	
Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process including incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Inadequate internal processes Lack of knowledge/training Legislative changes Unrealistic community/council expectations Incorrect information Staff turnover Work pressures / deadlines Failure to monitor external non-compliance (swimming pools/food hygiene) Human Error 	<ul style="list-style-type: none"> Compliance Reputational Financial Property

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Possible	High

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
8.1. Delegations Register	Preventative	Effective	Effective
8.2. Town Planner (Consultant)	Preventative	Effective	Effective
8.3. Local Planning Strategy	Preventative	Inadequate	Adequate
8.4. Compliance and Governance Calendar	Preventative	Inadequate	Effective
8.5. Access to state legislation	Preventative	Effective	Effective
8.6. Contract Health Officer	Preventative	Effective	Effective
Overall Control Effectiveness			Adequate

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Minor	Unlikely	Low	Accept

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
8.3	Planning Consultant			Local Planning Strategy is in place, however may require review and updating as the current version was adopted in 2014. To review with Local Planning Policy Review.
8.4	EMT/Governance	Yes	April 2025	Microsoft planner utilised for compliance tasks to ensure reminders are sent when items require review or attention, and reporting can be produced to view tasks completed, commenced or outstanding.

9. External Theft and Fraud

Risk Description	
Loss of funds, assets, data or unauthorised access, (whether attempted or successful) by external parties, through any means (including electronic), for the purposes of fraud, malicious damage or theft.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Inadequate security measures Robbery / theft Cyber crime Scam invoices Inadequate knowledge/training Staff collusions 	<ul style="list-style-type: none"> Financial Reputational Property Service Interruption

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Likely	Extreme

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
9.1. Building Security access controls (alarms, CCTV, keypad access)	Preventative	Adequate	Effective
9.2. Equipment storage security access controls	Preventative	Adequate	Effective
9.3. IT Security Framework (third party vendor)	Preventative	Effective	Effective
9.4. Cash handling processes	Preventative	Inadequate	Effective
9.5. Asset Registers	Preventative	Effective	Effective
9.6. Attractive items Registers	Detective	Effective	Effective
9.7. Keys secured overnight	Preventative	Adequate	Effective
Overall Control Effectiveness			Effective

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Insignificant	Possible	Low	Accept

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
9.4	EMT	Yes	Oct-2024	Policy "G – Cash Handling" adopted by Council 24/03/2025. Cash handling procedures updated and implemented.

10. IT, Communication Systems and Infrastructure

Risk Description	
Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Power outage on site or at provider Software / hardware vulnerability and/or failure Cyber crime and viruses Inadequate IT incident and recovery processes Failure of vendor User error 	<ul style="list-style-type: none"> Financial Service Interruption Property Reputational

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Likely	High

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
10.1. IT Infrastructure replacement / refresh program	Preventative	Effective	Effective
10.2. IT Vendor Agreement monitoring program (Wallis)	Detective	Effective	Effective
10.3. IT Disaster Recovery Plan	Recovery	Adequate	Effective
10.4. Infrastructure Security	Preventative	Effective	Effective
10.5. UPS / Generator	Preventative	Effective	Effective
10.6. Mobile phones for key staff	Preventative	Effective	Effective
10.7. 2 ways and sat phones	Preventative	Effective	Effective
10.8. IT security training	Preventative	Effective	Effective
Overall Control Effectiveness			Effective

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Moderate	Possible	Moderate	Monitor

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
10.3	IT Consultants	Yes	Oct-2024	Disaster Recovery Plan tested and programmed to be tested on an annual recurring basis.

11. Management of Facilities, Venues and Events

Risk Description	
Failure to effectively manage the day to day operations of facilities, venues and events.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Lack of internal procedures Inappropriate alcohol consumption Inadequate hiring agreements Poor event planning Lack of internal knowledge/training Lack of monitoring 	<ul style="list-style-type: none"> Financial Reputational Compliance Health Environment

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Likely	High

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
11.1. Event management approval process	Preventative	Effective	Effective
11.2. Inspection and cleaning schedules	Preventative	Effective	Effective
11.3. Facility / Venue booking process	Preventative	Effective	Effective
11.4. Ad hoc inspection program	Preventative	Effective	Effective
11.5. Environmental Health Officer (contracted)	Preventative	Effective	Effective
11.6. Community Inspection Program	Detective	Effective	Effective
11.7. User access agreements with community (sporting)	Preventative	Inadequate	Adequate
		Overall Control Effectiveness	Effective

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Minor	Unlikely	Low	Accept

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
11.7	Consultant	Yes		As per allocation in 2023/2024 Budget, Caroline from 150 Square is working with sports clubs and organisations for the Recreation Management Model project, and in addition to this will formulate user access agreements with the various clubs/organisations utilising Shire facilities. Caroline emailed draft MOUs for review. To seek feedback from clubs.

12. Misconduct

Risk Description	
Intentional activities in excess of authority granted to an employee, which circumvent endorsed policies, procedures or delegated authority.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Inadequate training Lack of policies and procedures (code of conduct) Delegated authority circumvented Lack of internal control Poor recruitment practices Insubordination Workplace culture 	<ul style="list-style-type: none"> Financial Health Services Reputation Compliance

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Possible	High

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
12.1. Delegations register and process	Preventative	Effective	Effective
12.2. IT Security Framework (Profile Use)	Preventative	Effective	Effective
12.3. Cash handling procedures	Preventative	Inadequate	Effective
12.4. Staff on-boarding / induction program	Preventative	Adequate	Adequate
12.5. Internal reporting process (not documented)	Preventative	Adequate	Adequate
12.6. Code of Conduct	Preventative	Effective	Effective
12.7. Council policies	Preventative	Inadequate	Adequate
12.8. Performance Appraisal Program	Detective	Adequate	Effective
12.9. Effective Leadership	Preventative	Effective	Effective
12.10. HR Policies	Preventative	Inadequate	Adequate
12.11. Recruitment process (WALGA template)	Preventative	Adequate	Effective
Overall Control Effectiveness			Adequate

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Minor	Rare	Low	Accept

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
12.3	EMT	Yes	Oct-2024	Draft cash handing policy drafted to be considered at next Governance Committee Meeting.
12.7	EMT/Governance Committee	Yes		The EMT and Governance Committee are currently undertaking a full Policy Manual Review and update.
12.8	EMT	Yes	30/06/2024	Annual performance reviews undertaken June every year. Discussions include performance appraisals and identification of any training needs.
12.10	DCEO/EMT	Yes	01/02/2024	As part of the Council Policy Review Process currently being undertaken, the Operational policies were removed from the Council Manual and require updating and review. The DCEO has drafted

				<p>the below policies for consideration by the EMT before referral to the staff for comment prior to adoption. The EMT are meeting 19/03/2024 to consider the draft policies before moving to the next step of consultation with the Staff prior to adoption.</p> <ul style="list-style-type: none"> - Annual Leave & Long Service Leave Management - Disciplinary Policy - Discrimination, Harassment and Bullying Policy - Employee Recruitment and Selection - Grievance Policy - Performance and Development Review Policy and Procedure - Performance Improvement Policy - Social Media - Employees
12.11	DCEO/EMT	Yes	01/02/2024	As per above a draft "Employee Recruitment and Selection" policy has been drafted. In addition to this a Recruitment and Selection procedure will be drafted for review and implementation.

13. Project/Change Management

Risk Description	
Inadequate analysis, design, delivery and reporting of projects / change initiatives.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Poor planning methodology and process Excessive/unrealistic project lists Inadequate monitoring of projects Lack on internal resources Supply chain restrictions Ineffective procurement processes 	<ul style="list-style-type: none"> Reputation Financial Service Interruption

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Possible	High

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
13.1. Poor planning methodology and process	Preventative	Effective	Effective
13.2. Purchase orders	Preventative	Effective	Effective
13.3. Project proposal templates	Preventative	Inadequate	Adequate
13.4. Use of project management tools	Preventative	Inadequate	Adequate
13.5. Project reporting processes	Preventative	Effective	Effective
13.6. Procurement plan (template)	Preventative	Adequate	Adequate
13.7. Planning processes (public consultation)	Preventative	Effective	Effective
13.8. Budget allocations	Preventative	Adequate	Effective
13.9. Purchasing Policy	Preventative	Effective	Effective
13.10. Project timelines	Preventative	Inadequate	Adequate
Overall Control Effectiveness			Adequate

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Moderate	Possible	Moderate	Monitor

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
13.3	EMT	Yes	Jul-2024	As per 2024/2025 Budget Adoption item presented to Council, it was stated that all projects will not proceed until individual project plans are presented to and endorsed by Council.
13.4	EMT			To utilise WALGA procurement toolkit as a guide in drafting and implementing policies and procedures around project planning and procurement.
13.8	CEO	Yes	17/07/2024	Comprehensive Budget workshops undertaken with Councillors for the creation of the 2024/2025 budget. Introduction of project proposals from the 2024/2025 budget that are formulated and tabled at Council prior to projects commencing. Project proposals include finalised plans and pricing.
13.10	EMT			To utilise WALGA procurement toolkit as a guide in drafting and implementing policies and procedures around project planning and procurement.

14. Purchasing and Supply

Risk Description	
Inadequate management of external Suppliers, Contractors, IT Vendors or Consultants engaged for operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Inadequate tendering/procurement processes Limited internal resources (physical and financial) Inadequate contractor management practices Inadequate supply/contractor monitoring Supply chain limitations 	<ul style="list-style-type: none"> Financial Service Interruption Reputation Compliance Property

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Almost Certain	Extreme

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
14.1. Contractor management procedures	Preventative	Inadequate	Inadequate
14.2. Purchasing policy	Preventative	Effective	Effective
14.3. Use of WALGA contracts and e-quote system	Preventative	Effective	Effective
14.4. Buy Local Policy	Preventative	Effective	Effective
14.5. RFQ/RFT processes	Preventative	Adequate	Effective
Overall Control Effectiveness			Adequate

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Moderate	Possible	Moderate	Monitor

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
14.1	DCEO	Yes	Feb-2025	DCEO drafted policy "Guidelines and Procedure for Contractor Work Health and Safety" for EMT to review.
14.5	EMT	Yes	Jul-2024	The Management team utilise vendor panel for procurement. Tender processes in line with best practice. Tender register maintained ensuring compliance at audit time.

15. WHS

Risk Description	
Non-compliance with the Workplace Health & Safety Act, associated regulations and standards.	
Casual Factors	Potential Outcomes
<ul style="list-style-type: none"> Lack of resources (physical and financial) Ineffective safety management practices Inadequate training and supervision Lack of understanding of WHS requirements Poor culture 	<ul style="list-style-type: none"> Health Compliance Reputation Financial Property

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Likely	Extreme

Key Controls	Type	ORIGINAL Control Operating Effectiveness	CURRENT Control Operating Effectiveness
15.1. Safety Policy	Preventative	Inadequate	Effective
15.2. Safety Rep	Preventative	Effective	Effective
15.3. Induction program	Preventative	Adequate	Adequate
15.4. Risk assessments / Safe work method statements	Preventative	Inadequate	Adequate
15.5. Member of LGIS RRC program	Preventative	Effective	Effective
15.6. LGIS 3 steps to safety assessment	Detective	Adequate	Adequate
15.7. Emergency management program (needs review)	Preventative	Adequate	Adequate
15.8. PPE	Preventative	Effective	Effective
Overall Control Effectiveness			Adequate

Residual Risk	Consequence	Likelihood	Risk Rating	Risk Evaluation
	Major	Likely	High	Urgent Attention

Actions/ Treatments				
Control	Responsible Officer	Action Taken	Date Action Taken	Comment
15.1	CEO	Yes	20/06/2024	CEO details updated on Safety Policy. Updated Safety Policy available at Admin Office and Depot Crib Room.
15.4	Works/RRC	Yes		Regional Risk Coordinator has developed Verification of Competency (VOC) procedure for implementation. Regional Risk Coordinator has customised Construction Management Plans to Koorda. Regional Risk Coordinator met with Works Supervisor to ascertain which SWMS are required. WS advised many SWMS are in place, and development will be ongoing.
15.6	EMT	Yes		LGIS 3 steps to safety assessment has been scheduled for 2025.



2024-2025 ANNUAL REPORT



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SHIRE INTRODUCTION & STATISTICS

Take the road less travelled to the Shire of Koorda and enjoy the peaceful atmosphere of this small country town. Catch a movie under the canopy of stars at the Koorda Drive In or take a serene stroll around one of the many nature reserves Koorda has to offer. Colourful flowering shrubs and wildflowers are a blaze of glory many months of the year.

Approximately three hours' drive north-east of Perth and situated along the popular 'Wheatbelt Way' self-drive trail, Koorda's main industries include wheat, coarse grain and sheep farming.

Koorda is famously referred to as 'Corn Dolly Country', attracting sightseers wanting to learn more about this ancient tradition of creating 'dollies' from stalks and husks of wheat. While in town, explore some of Koorda's main attractions.

Koorda Drive In Theatre

The iconic Koorda Drive In Movie Theatre is one of only three left in WA, showing two new release movies at its monthly screenings. It's a fantastic activity for making memories.

Museums

Koorda boasts two museums. Koorda Museum draws on the building's origins as a hospital in the years before World War II.

It is worth a visit to view the collection of antique medical and surgical equipment that was used in the former hospital ward. There is also a large display of early farming machinery and pioneer homestead artefacts.

The Motor Museum and Military collection has an extensive private collection of motor and military memorabilia and café where you can rest and have a cuppa.

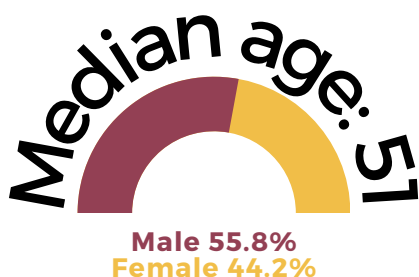
Koorda Swimming Pool

The Koorda Swimming Pool consists of one large and two small swimming pools. Open from November to March, the facilities include a barbecue area and plenty of grassed shaded areas to enjoy.

Granite Outcrops and Wildflowers

For natural splendour, there's a wealth of granite outcrops and wildflowers to be discovered. Near to town you can find Mollerin Rock, Newcarlbeon, Badgerin Rock, Native Flora Reserve and Moningarin.

These picturesque outcrops each have their own peculiar mini environment of magnificent wildflowers and native shrubs including the Koorda Rose, dozens of bird varieties and native animals including kangaroos and echidnas. Most have picnic and/or barbecue facilities.



All private dwellings

246

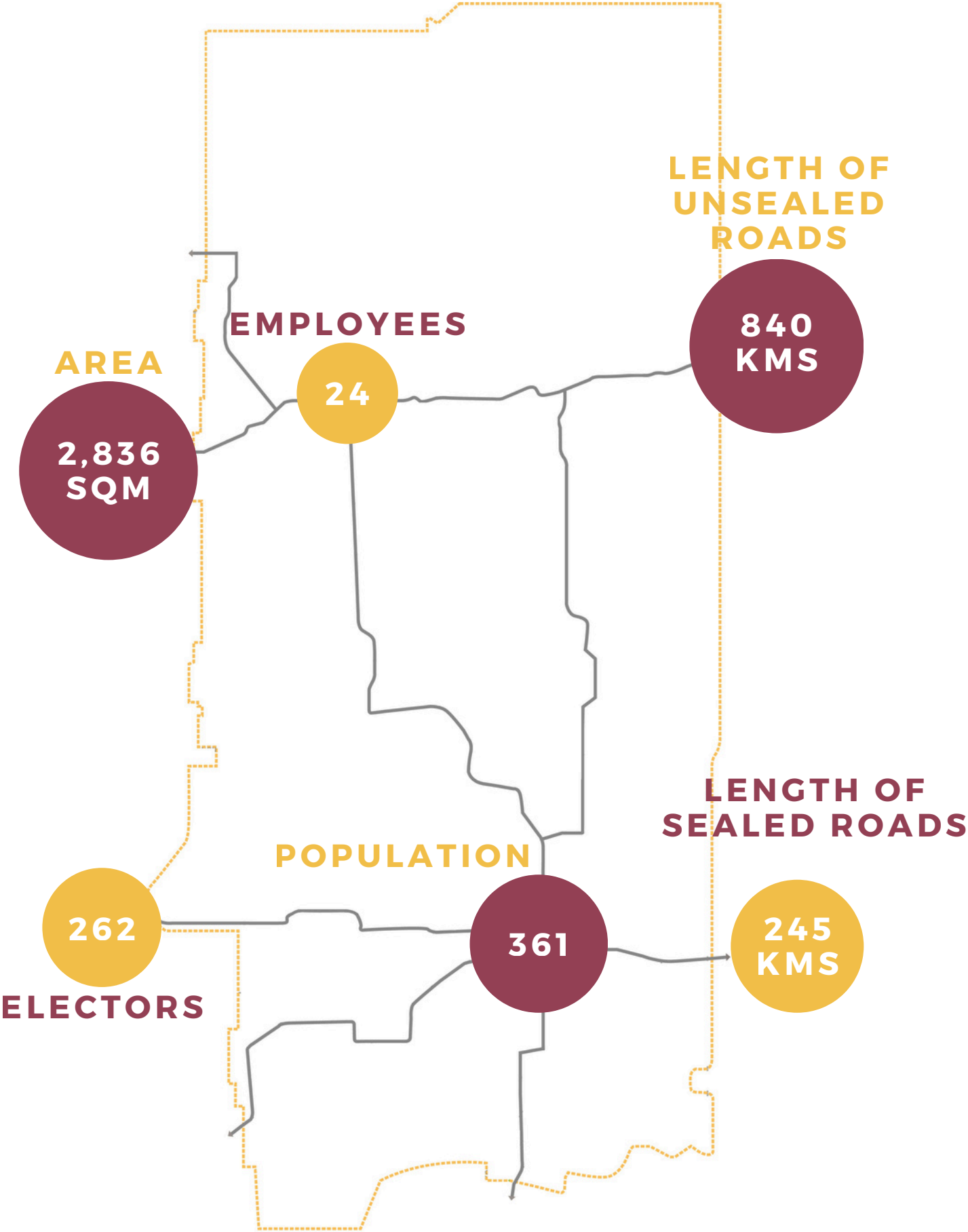
- Average number of people per household **2.2**
- Median weekly household income **\$1,341**
- Median monthly mortgage repayments **\$748**
- Median weekly rent **\$129**
- Average number of motor vehicles per dwelling **2.3**



95 Families

Average number of children per family;
for families with children **2.1**
for all households **0.5**

SHIRE INTRODUCTION & STATISTICS



PRESIDENTS MESSAGE

It is a pleasure to reflect on the achievements of the Shire of Koorda over the past twelve months.

During this reporting period, we farewelled two Councillors, Kylie Burrell and Sandra Christie. On behalf of Council and the community, I extend our sincere appreciation for your service.

A key milestone this year was the recruitment and appointment of our full-time Chief Executive Officer, Mr Zac Donovan. Having served in the Acting CEO role for the preceding twelve months, Zac has demonstrated strong leadership and commitment to the Shire, and we are pleased to welcome him to the position in a permanent capacity. Council extends its appreciation to our recruitment consultant, Lydia Highfield, and external panel member, John Nuttall, for their professionalism and valuable expertise throughout this process.

The Recreation Centre Upgrade was successfully completed two weeks ahead of schedule, allowing the facility to host the 2024 Central Wheatbelt Winter Sports Grand Final. Congratulations to our local Hockey and Netball teams on securing premiership victories – a fantastic achievement for our community.

Implementation of the Streetscape Plan continued, including the sealing of the truck bay – an investment of \$240,000 through the Local Roads and Community Infrastructure Program. The Green Heart Project has also enhanced Volunteer Park, transforming it into a vibrant and welcoming green space. In addition, new bin covers featuring local themes have been installed along the main street, celebrating the character and lifestyle of Koorda.

In December, Council committed to the Bowling Green Relocation Project – another significant investment in community infrastructure. This project would not be possible without the invaluable external funding received and the co-contribution from the Koorda Sports Club. Once completed, this facility will serve as a community asset for many years to come.

Council also provided \$20,000 to the Koorda Agricultural Society in support of the Koorda Show, a much-loved annual event that continues to bring the community together and showcase local talent and spirit.

Our strong partnership with the Community Resource Centre (CRC) has continued to flourish. Highlights include the Skate Park painting and activation event, supported through the Town Team Movement and RAC funding, as well as the Volunteer Celebration Evening held at Volunteer Park – a successful and well-attended event featuring children's entertainment and live music. Council sincerely thanks the CRC for its ongoing collaboration and commitment to community engagement.

Council's continued investment in the Community Grants Program has supported a range of local groups and initiatives, including the Koorda Darts Club, Country Bratz Playgroup, Cougars Cricket Club, Koorda P&C, and the Koorda CRC. These grants have enabled local organisations to host events, purchase equipment, and enhance opportunities for members and volunteers.

The Shire once again partnered with the Koorda P&C to host the annual Community Christmas Tree event. Thank you to the P&C for your dedication to this much-loved tradition, and congratulations to this year's Citizen of the Year Award recipients.

Our Works Team has once again delivered a comprehensive works program across the Shire, with Council receiving numerous compliments on the quality of our road network and the well-maintained presentation of the town.

While there have been many achievements throughout the year, it is also important to acknowledge the challenges faced. In 2024-25, the Shire experienced a 46% increase in audit fees, implemented audio recording of Council meetings, and transitioned to preferential voting for local elections – each of which required significant financial and administrative investment.

In closing, I extend my sincere thanks to the Council and Staff for their ongoing dedication and professionalism over the past year. I also thank our community for your continued engagement, feedback, and support – your input remains vital in guiding Council's decision-making and ensuring Koorda's future remains strong.

Jannah Stratford
President

CEO COMMENT

The shire has continued to make good progress over the past year in enhancing the facilities and services provided to the community and helping ensure future financial viability and legislative compliance.

The most significant project of the past financial year has been the second stage of the Recreation Precinct redevelopment to construct a new synthetic bowling green which is scheduled to be completed before the end of 2025.

Funded by approximately one third from the shire and two thirds from State and Federal government grants, the project also received a significant contribution from the Koorda Sports Club on behalf of their member bowlers.

The contribution from the sports club to the bowling green was the forerunner to new conditions of use for the Recreation Precinct which set out aspects such as liquor licencing options and provisions for clubs and groups to contribute financially to works relevant to their activities.

Planning is now underway for the next stages of the Recreation Precinct development which will review additional landscaping, resurfacing of the cricket pitch and the eventual intent to construct a netball and multi-use court and tennis courts adjacent to the Recreation Centre.

In addition, the shire has begun discussions with the Koorda Golf Club as to its future accommodation given the plan to decommission the existing club building and is developing options for the renewal of key assets within town including the Drive-In and Koorda Museum.

Work was also undertaken to assist with the better management of the Koorda rubbish site and to help reduce the exposure to Koorda ratepayers to future costs resulting from overuse and premature closure of the site from access by non-shire residents.

To this end, fencing and CCTV was installed with plans to restrict opening times and staff the facility put on hold and dependent on the impact of the new monitoring of the site and potential action to deter access by non-residents.

CCTV was also installed at the Koorda caravan park to help redress anti-social behaviour with a new local law created to set requirements on visitors with penalties for non-compliance.

To support the financial position of the shire, the rates recovery program continued and culminated with the successful auction of two properties with substantial, long-term debts to the shire. Up to a further four properties are currently being considered for similar action.

The past year was also a Local Government election year, with five of the seven council positions open to be contested resulting from the expiration of existing terms and vacancies caused by mid-term resignations.

As it transpired, there were five nominations for the five vacancies, and consequently all candidates were elected unopposed with Cr Jannah Stratford, Cr Gary Greaves and Cr Nick Chandler returning and the addition of new councillors in Brad Harrap and Bruce Moore.

The support of council during the past year is appreciated, particularly that of President Cr Stratford and Deputy Cr Greaves – who were both re-elected to their leadership roles. I also want to express my thanks to Deputy CEO Lana Foote and Works Supervisor Darren West and all staff who have contributed throughout the year.

Zac Donovan
Chief Executive Officer



ANNUAL HIGHLIGHTS

27

11 Council, 4 Special Council,
4 Audit Committee, 1 Electors
Meeting and 7 other
Committee Meetings



\$10M

11 rural property sales were
processed throughout the year
with a sale value of
\$10,023,794



\$1.6M

16 town property sales were
processed throughout the year
with a sale value of
\$1,602,000



\$180K

received from the Shire
accommodation facilities, a
17% increase from the
previous year. \$143k being
from the Yalambee Units, an
increase of 16% from 23/24.



1,864

recorded visitors stayed in
Shire owned facilities (up 9.5%
from 23/24) for an average of 2
nights. 67% of visitors stayed at
the Caravan Park and 48% of all
visitors stayed between July &
October.



2.4KM

stretch along the Koorda-
Kulja Road was resealed.

Two wheatbelt secondary
freight network (WSFN)
projects (Cadoux-Koorda &
Koorda-Wyalkatchem)
commenced clearing works
and permit applications
during the year.

\$1.28M

spent across six full
reconstruction projects over
9.2km of road.



4KM

of gravel roads were re-
formed and re-sheeted over
four roads for \$126k.
Roads included Mollerin
Rock South, Maher, Chapman
& Green.

\$350k spent to cement
stabilise a 1.2km section on
the Koorda-Kulja Road.

919



Held 10 screenings at
the Drive in which
attracted 919 visitors.
There was an average of
92 visitors (down from
120 in 23/24).
July 2024 & May 2025
saw the most visitors
with almost 160 per
screening.

\$1.85M

Received and approved;
four building applications
worth \$92k, and
three development
applications worth \$880k.



ANNUAL HIGHLIGHTS



Bowling Green Re-location



2024 Seniors Luncheon



2024 Koorda Awards
Citizen: Gwenda Rutley
Nominee: Josh Smith
Group: Koorda Ag Society



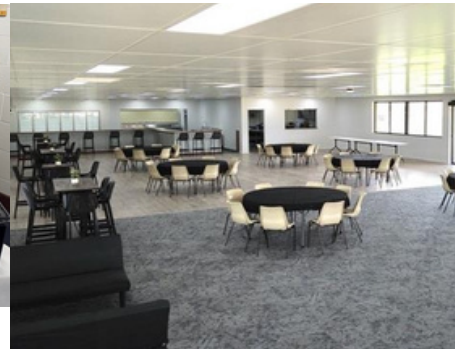
New Footpaths - Greenham Street & Scott Street



Greenheart Project



Library Facilities: Laptop, iPads, GoPro,
Video Camera, Camera & Energy Audit Kit



Completion of Rec Centre
Extension & Upgrade



Skate Park Painting



2025 ANZAC Day



Main Street Works - Decorative Bin Covers & Truck/Caravan Parking Bay



Netball Court Resurfacing

DISCLOSURES

Elected Member - As at 30 June 2025

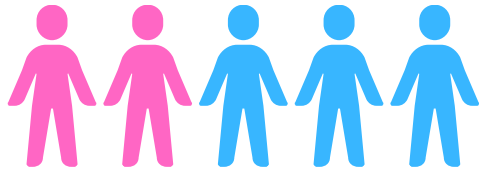
President	Cr JM (Jannah) Stratford	Elected: 2017 Term Expires: 2025
Deputy President	Cr GW (Gary) Greaves	Elected: 2021 Term Expires: 2025
Councillor	Cr NJ (Nick) Chandler	Elected: 2021 Term Expires: 2025
Councillor	Cr GL (Gina) Boyne	Elected: 2019 Term Expires: 2027
Councillor	Cr KA (Kurt) Fuchsbichler	Elected: 2023 Term Expires: 2027

Elected Member Information

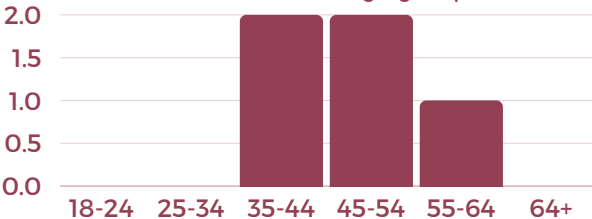
As per regulation 19B (2)(g)(h)(i) of the Local Government (Administration) Regulations 1996, the annual report must contain, if available, information on the Elected Members in regard to their; gender, linguistic background, country of birth, age and the number who identify as Aboriginal or Torres Strait Islander.

No Elected Members identify as Aboriginal or Torres Strait Islander.

Elected members were 40% female and 60% male



Elected Members age groups



Remuneration and Allowance

As per regulation 19B (2)(c) of the Local Government (Administration) Regulations 1996, the annual report must contain information of any remuneration and allowances paid by the local government under Schedule 5.1 clause 9 during the financial year.

During the 2024/2025 period, no remuneration or allowances were paid.

Other Remuneration

As per regulation 19B (2)(d) of the Local Government (Administration) Regulations 1996, the annual report must contain any amount ordered under section 5.110(6)(b)(iv) to be paid by a person against whom a complaint was made under section 5.107(1), 5.109(1) or 5.114(1) to the local government during the financial year.

During the 2024/2025 period, no such amount was ordered to be paid.

National Competition Policy

This policy was introduced by the Commonwealth Government in 1995 to promote competition for the benefit of business, consumers and the economy by removing what was considered to be unnecessary protection of monopolies of markets where competition can be enhanced. It effects local governments as factors such as exemption from company and income tax or possible local regulation and laws may give local government a potential advantage over private contractors.

During the 2024/2025 financial year, the Shire met its obligation concerning National Competition Policy. The Shire has no local laws or policies that contain anti-competitive provisions. No complaints were received during the period.

DISCLOSURES

Elected Member Meeting Attendance Record

As per regulation 19B (2)(f) of the Local Government (Administration) Regulations 1996, the annual report must contain information of the number of Council and Committee meetings attended by each Elected Member during the financial year. (LOA: Leave of Absence. APOL: Apology)

	Council Meetings		Committee Meetings						Electors Meeting
	Ordinary	Special	Audit	CEO Recruitment	Awards	Grants	Governance	Works	
No. of meetings held	11	4	4	1	1	2	2	1	1
Cr JM Stratford	11	4	4	1	1	2	2	1 (Deputy)	1
Cr GW Greaves	10 APOL: 1	3 APOL: 1	N/A	1	N/A	N/A	N/A	1	1
Cr NJ Chandler	9 LOA: 1, APOL: 1	4	4	1	N/A	N/A	2	1	1
Cr GL Boyne	11	3 APOL: 1	4	1	1	2	2	N/A	APOL: 1
Cr KA Fuchsichler	7 APOL: 4	3 APOL: 1	N/A	1	N/A	N/A	N/A	APOL: 1	1
Cr KM Burrell (Jul 24 - Feb 25)	7/7	4/4	N/A	APOL: 1	1	2	N/A	N/A	APOL: 1
Cr S Christie (Jul 24 - Dec 24)	6/6	2/3 APOL: 1	N/A	1	N/A	N/A	N/A	N/A	N/A

DISCLOSURES

Employee Remuneration Disclosure

As per section 19B (a)(b) of the Local Government (Administration) Regulations 1996, the annual report must contain the number of employees of the local government entitled to an annual salary of \$130,000 or more, and the number of employees in the local government entitled to an annual salary that falls within each band of \$10,000 over \$130,000.

Salary Range	Number of Employees
\$130,000 - \$139,999	0
\$140,000 - \$149,999	0
\$150,000 - \$159,999	0
\$160,000 - \$169,999	0
\$170,000 - \$179,999	0
\$180,000 - \$189,999	1

Note: In this regulation - remuneration has the meaning given in the Salaries and Allowances Act 1975 section 4(1).

Remuneration includes salary, allowances, fees, emoluments and benefits (whether money or not)

CEO Remuneration

As per regulation 19B (2)(e) of the Local Government (Administration) Regulations 1996, the annual report must contain the remuneration paid or provided to the CEO during the financial year. The Shire of Koorda is a band 4 local government. The total reward package of a band 4 local government is \$163,051 - \$250,012.

During the 2024/2025 period, \$218,400 was paid/provided to the CEO.

Public Interest Disclosures

The Public Interest Disclosures Act 2003 facilitates the disclosure of public interest information and provides protection for those making disclosures and those who are the subject of disclosures. The Act provides a system for the matters disclosed to be investigated and for appropriate action to be taken.

During the 2024/2025 period, no public interest disclosures were lodged.

Freedom of Information

In complying with the Freedom of Information Act 1992, the Shire of Koorda is required to prepare and publish an information statement. The Shire of Koorda's information Statement is subject to review annually and is available via Council's website or at the Shire Administration Office. The information statement contained advice on the type of documents available to the public and how to access those documents.

The Shire received no Freedom of Information Applications in the 2024/2025 reporting year.

Records Management

The Shire is committed to meeting the requirements of the State Records Act 2000 which requires the Shire to maintain and dispose of all records in the prescribed manner.

In accordance with the State Records Act 2000 the Shire undertook a review of its Record Keeping Plan in 2021/2022. The plan sets out matters regarding how records are created and how the Shire retains its records.

The Shire's reviewed Record Keeping Plan was approved on 5 August 2022 by the State Records Commission and in accordance with section 28 of the State Records Act 2000, the Shire's Plan is to be reviewed by 2026/2027.

DISCLOSURES

Disability Access and Inclusion Plan (DAIP)

Since 1995 it has been a requirement under the Disability Services Act 1993, that all Western Australian Local Governments develop and implement a Disability Access and Inclusion Plan (DAIP) that outlines the ways in which the Local Government will ensure that people with disability have equitable access to its facilities and services.

Shire of Koorda DAIP 2020-2025 is due for review in 2025. The process to date has included:

- Examination of the previous DAIP and subsequent review of the annual reports to determine what has been achieved and any outstanding works.
- Examination of other Shire documents and strategies.
- Investigation of contemporary trends and good practice in access and inclusion.
- Consultation with staff & the public.

From the 2 May 2025, the community was informed through the local newspaper, the Shire website, local noticeboards, and on social media, that the Shire was reviewing and updating a new DAIP to address access barriers for people with disability and their families. The community was invited to provide input into the review of the current initiatives and the development of a new plan. Submissions via Microsoft Forms were sought with 5 submissions being received by the Shire of Koorda. It is anticipated that the plan will be tabled at Council for endorsement at the November 2025 OCM.

Sewerage Scheme Reports

In accordance with the operating license issued to the Shire of Koorda by the Environmental Regulation Authority, a report has been prepared on the operation of the sewerage scheme. The scheme operated during the 2024/2025 period with an operating expenditure of \$303,065 and operating revenue of \$125,432 with the costs being ongoing maintenance and asset management.

Council will continue to budget for ongoing operating maintenance, annual sewer cleaning with the balance of the income received being set aside in a Reserve Fund for future requirements. The balance in the Sewerage Reserve at 30 June 2025 was \$1,241,540.

For the 2024/2025 period ten (10) defect reports were received.

Local Government (Rules of Conduct) Regulations 2007 - Complaints Register

These regulations require the reporting of various offences by elected members, as prescribed by the Regulations. Elected members must comply with their obligations under the Local Government Act 1995 and subsidiary legislation. Complaints about elected member conduct are to be made to the Complaints Officer, who in accordance with section 5.120 of the Local Government Act 1995, must be a designated senior employee. The Shire's Complaints Officer is the Chief Executive Officer. Section 5.121 of the Local Government Act 1995 requires the Annual Report to contain details of the entries made about elected members.

There were no formal complaints lodged against elected members in the year under review.

Grants, Subsidies and Contributions

As per regulation 19BE of the Local Government (Administration) Regulations 1996, the annual report must include the amount of all capital grants, subsidies and contributions, for replacing and renewing assets, that were received by the local government for the financial year in review and the two financial years before.

Financial Year	\$ Value
2024-2025	\$1,349,644
2023-2024	\$1,799,794
2022-2023	\$780,930

STRATEGIC COMMUNITY PLAN

Strategic Community and Corporate Business Plans

As per regulation 19B (2)(j)(k) of the Local Government (Administration) Regulations 1996, the annual report must detail any modifications to the Local Government's Strategic Community or Corporate Business Plan during the financial year.

The Shire of Koorda Integrated Strategic Plan (comprising of the Strategic Community Plan and Corporate Business Plan) was adopted by Council at the April 2022 Ordinary Council Meeting as per resolution 060422. A desktop review was undertaken in 2024 and adopted by Council at the June 2024 Ordinary Council meeting as per resolution 120624. The plan is due for a major review in 2026.

The below lists the achievements throughout 2024/2025 in relation to the community priorities.



The Shire continued to strengthen safety, health, and community engagement. Regular meetings were held with WAPOL, WACHS and Education representatives, with the return of a local OIC improving community safety and preparedness. A visiting medical practitioner now services Koorda two days per week, weekly Pilates classes were supported to continue to promote wellbeing.

Partnerships with the CRC delivered regular community events and a Volunteer Recognition Event in March. A grant alerts system was established, and the Community Grants Program was reviewed for 2025 to ensure the application process is streamlined for applicants. Emergency planning progressed with bushfire training, LEMC/BFAC meetings and preparation for a regional simulation exercise. The Recreation Centre remains the Shire's designated evacuation centre, with accessibility upgrades completed.



Sustainable local growth continued through planning, infrastructure renewal and regional partnerships. Draft Local Planning Policies were prepared for tree farms and plantations, and scheme amendments were progressed. Major projects included the Green Heart Townscape Plan, Bowling Green relocation, and new footpaths on Greenham and Scott Streets.

The Shire advanced regional collaboration through NEWROC's Economic Development Strategy and micro-grid planning and continued advocacy on telecommunications reliability. Work began on a Shire Housing Strategy in partnership with the Wheatbelt Development Commission. Tourism initiatives progressed with Drive-In renovation planning and facility upgrades at the Caravan Park and Yalambee Units.



Sustainable asset and environmental management remained a focus. An online maintenance request system was implemented to improve planning and responsiveness and preparations to update the 2025-2035 Strategic Resourcing Plan were commenced. Road maintenance policies were updated, and key freight routes received RAV7 approval during harvest.

Waste management advanced with fencing and CCTV installation at the landfill and planning for a Koorda Transfer Station, alongside regional waste collaboration through NEWROC. Environmental partnerships supported renewable energy exploration and the Switch Your Thinking energy efficiency pilot, providing residents with energy audit kits and sustainability education.



Strong governance and a capable workforce underpinned Shire operations. The 2024/2025 Audit reported no findings, and communication with the community improved through the new "Council Meeting Minutes Summary." Community and workforce surveys informed updates to the Disability Access and Inclusion Plan and the Workforce Plan.

Staff training included first aid, manual handling and leadership development, with regular team meetings and engagement events introduced. Partnerships continued with the City of Wanneroo (Health) and Shire of Chittering (Building) to enhance service delivery. Progress against the Strategic Plan is monitored and reported quarterly to ensure accountability and transparency.

SHIRE OF KOORDA
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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The Shire of Koorda conducts the operations of a local government with the following community vision:

To build a vibrant and sustainable community with shared social values, in which we can live and work in harmony with our environment.

Principal place of business:
10 Haig Street
Koorda WA 6475

**SHIRE OF KOORDA
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

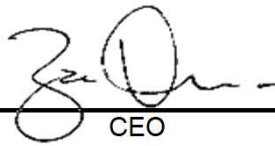
*Local Government Act 1995
Local Government (Financial Management) Regulations 1996*

Statement by CEO

The accompanying financial report of the Shire of Koorda has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2025 and the financial position as at 30 June 2025.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 13th day of October 2025



CEO

Zac Donovan

Name of CEO



SHIRE OF KOORDA
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
Revenue				
Rates	2(a),24	1,274,464	1,272,942	1,235,560
Grants, subsidies and contributions	2(a)	1,853,701	581,618	2,430,138
Fees and charges	2(a)	634,846	649,379	586,360
Interest revenue	2(a)	285,721	251,000	263,432
Other revenue	2(a)	25,389	20,000	137,681
		4,074,121	2,774,939	4,653,171
Expenses				
Employee costs	2(b)	(1,381,359)	(1,524,421)	(1,171,978)
Materials and contracts		(1,524,020)	(1,452,724)	(1,319,016)
Utility charges		(277,710)	(257,450)	(222,590)
Depreciation		(2,517,251)	(2,380,310)	(2,421,792)
Finance costs	2(b)	(13,009)	0	(30,020)
Insurance		(215,238)	(230,320)	(198,802)
Other expenditure	2(b)	(81,245)	(99,696)	(67,269)
		(6,009,832)	(5,944,921)	(5,431,467)
		(1,935,711)	(3,169,982)	(778,296)
Capital grants, subsidies and contributions	2(a)	2,073,200	3,072,969	2,105,585
Profit on asset disposals		96,022	62,000	295,052
Loss on asset disposals		(19,900)	(29,000)	(1,305)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(2,663)	0	1,261
		2,146,659	3,105,969	2,400,593
Net result for the period		210,948	(64,013)	1,622,297
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	0	0	75,699
Changes in asset revaluation surplus arising from a change in liabilities	14	(42,820)	0	0
Total other comprehensive income for the period	15	(42,820)	0	75,699
Total comprehensive income for the period		168,128	(64,013)	1,697,996

This statement is to be read in conjunction with the accompanying notes.



SHIRE OF KOORDA
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	7,389,140	3,497,003
Trade and other receivables	5	230,119	199,796
Other financial assets	4(a)	0	4,765,712
Inventories	6	7,471	15,086
Other assets	7	69,334	523,751
TOTAL CURRENT ASSETS		7,696,064	9,001,348
NON-CURRENT ASSETS			
Trade and other receivables	5	21,381	18,934
Other financial assets	4(b)	59,715	62,378
Property, plant and equipment	8	15,892,316	15,543,872
Infrastructure	9	93,509,076	92,564,719
TOTAL NON-CURRENT ASSETS		109,482,488	108,189,903
TOTAL ASSETS		117,178,552	117,191,251
CURRENT LIABILITIES			
Trade and other payables	11	477,116	300,288
Other liabilities	12	223,084	682,548
Employee related provisions	13	357,992	318,297
TOTAL CURRENT LIABILITIES		1,058,192	1,301,133
NON-CURRENT LIABILITIES			
Employee related provisions	13	66,221	59,936
Other provisions	14	563,487	507,658
TOTAL NON-CURRENT LIABILITIES		629,708	567,594
TOTAL LIABILITIES		1,687,900	1,868,727
NET ASSETS		115,490,652	115,322,524
EQUITY			
Retained surplus		55,361,074	55,216,932
Reserve accounts	26	5,848,061	5,781,255
Revaluation surplus	15	54,281,517	54,324,337
TOTAL EQUITY		115,490,652	115,322,524

This statement is to be read in conjunction with the accompanying notes.



SHIRE OF KOORDA
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	Retained surplus	Reserve accounts	Revaluation surplus	Total equity
		\$	\$	\$	\$
Balance as at 1 July 2023		53,351,556	6,024,334	54,248,638	113,624,528
Comprehensive income for the period					
Net result for the period		1,622,297	0	0	1,622,297
Other comprehensive income for the period	15	0	0	75,699	75,699
Total comprehensive income for the period		1,622,297	0	75,699	1,697,996
Transfers from reserve accounts	26	500,000	(500,000)	0	0
Transfers to reserve accounts	26	(256,921)	256,921	0	0
Balance as at 30 June 2024		55,216,932	5,781,255	54,324,337	115,322,524
Comprehensive income for the period					
Net result for the period		210,948	0	0	210,948
Other comprehensive income for the period	15	0	0	(42,820)	(42,820)
Total comprehensive income for the period		210,948	0	(42,820)	168,128
Transfers from reserve accounts	26	295,000	(295,000)	0	0
Transfers to reserve accounts	26	(361,806)	361,806	0	0
Balance as at 30 June 2025		55,361,074	5,848,061	54,281,517	115,490,652

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF KOORDA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2024 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		1,232,394	1,168,761
Grants, subsidies and contributions		1,896,916	2,388,724
Fees and charges		634,846	586,360
Interest revenue		285,721	263,432
Goods and services tax received		437,940	546,394
Other revenue		25,389	137,681
		4,513,206	5,091,352
Payments			
Employee costs		(1,326,097)	(1,151,061)
Materials and contracts		(893,674)	(1,916,448)
Utility charges		(277,710)	(222,590)
Insurance paid		(215,238)	(198,802)
Goods and services tax paid		(472,623)	(496,672)
Other expenditure		(81,245)	(67,269)
		(3,266,587)	(4,052,842)
Net cash provided by operating activities		1,246,619	1,038,510
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for financial assets at amortised cost		0	(256,921)
Payments for purchase of property, plant & equipment	8(a)	(1,164,971)	(2,588,995)
Payments for construction of infrastructure	9(a)	(2,877,846)	(1,782,209)
Proceeds from capital grants, subsidies and contributions		1,613,736	2,364,948
Proceeds for financial assets at amortised cost		4,765,712	1,515,543
Proceeds from sale of property, plant & equipment		308,887	420,233
Net cash provided by (used in) investing activities		2,645,518	(327,401)
Net increase in cash held		3,892,137	711,109
Cash at beginning of year		3,497,003	2,785,894
Cash and cash equivalents at the end of the year		7,389,140	3,497,003

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF KOORDA
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	24	1,216,334	1,214,812	1,179,321
Rates excluding general rates	24	58,130	58,130	56,239
Grants, subsidies and contributions		1,853,701	581,618	2,430,138
Fees and charges		634,846	649,379	586,360
Interest revenue		285,721	251,000	263,432
Other revenue		25,389	20,000	137,681
Profit on asset disposals		96,022	62,000	295,052
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	0	0	1,261
		4,170,143	2,836,939	4,949,484
Expenditure from operating activities				
Employee costs		(1,381,359)	(1,524,421)	(1,171,978)
Materials and contracts		(1,524,020)	(1,452,724)	(1,319,016)
Utility charges		(277,710)	(257,450)	(222,590)
Depreciation		(2,517,251)	(2,380,310)	(2,421,792)
Finance costs		(13,009)	0	(30,020)
Insurance		(215,238)	(230,320)	(198,802)
Other expenditure		(81,245)	(99,696)	(67,269)
Loss on asset disposals		(19,900)	(29,000)	(1,305)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(2,663)	0	0
		(6,032,395)	(5,973,921)	(5,432,772)
Non-cash amounts excluded from operating activities	25(a)	2,470,565	2,356,194	2,184,300
Amount attributable to operating activities		608,313	(780,788)	1,701,012
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		2,073,200	3,072,969	2,105,585
Proceeds from disposal of assets		308,887	321,000	420,233
		2,382,087	3,393,969	2,525,818
Outflows from investing activities				
Acquisition of property, plant and equipment	8(a)	(1,164,971)	(1,588,000)	(2,588,995)
Acquisition of infrastructure	9(a)	(2,877,846)	(4,304,000)	(1,782,209)
		(4,042,817)	(5,892,000)	(4,371,204)
Amount attributable to investing activities		(1,660,730)	(2,498,031)	(1,845,386)
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	26	295,000	1,446,972	500,000
		295,000	1,446,972	500,000
Outflows from financing activities				
Transfers to reserve accounts	26	(361,806)	(245,000)	(256,921)
		(361,806)	(245,000)	(256,921)
Amount attributable to financing activities		(66,806)	1,201,972	243,079
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	25(b)	2,134,046	2,076,847	2,035,341
Amount attributable to operating activities		608,313	(780,788)	1,701,012
Amount attributable to investing activities		(1,660,730)	(2,498,031)	(1,845,386)
Amount attributable to financing activities		(66,806)	1,201,972	243,079
Surplus or deficit after imposition of general rates	25(b)	1,014,823	0	2,134,046

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF KOORDA
FOR THE YEAR ENDED 30 JUNE 2025
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SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

1. BASIS OF PREPARATION

The financial report of the Shire of Koorda which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 *Leases* which would have required the Shire to measure any vested improvements at zero cost.

The *Local Government (Financial Management) Regulations 1996* provide that:

- land and buildings classified as property, plant and equipment; or
- infrastructure; or
- vested improvements that the local government controls;

and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 *Property, Plant and Equipment*, which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
- Measurement of employee benefits - note 13
- Measurement of provisions - note 14

Fair value heirarchy information can be found in note 23

The local government reporting entity

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-1 *Amendments to Australian Accounting Standards*
 - *Classification of Liabilities as Current or Non-current*
- AASB 2022-5 *Amendments to Australian Accounting Standards*
 - *Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards*
 - *Non-current Liabilities with Covenants*
- AASB 2023-3 *Amendments to Australian Accounting Standards*
 - *Disclosure of Non-current Liabilities with Covenants: Tier 2*
- AASB 2024-1 *Amendments to Australian Accounting Standards*
 - *Supplier Finance Arrangements: Tier 2 Disclosures*
- AASB 2023-1 *Amendments to Australian Accounting Standards*
 - *Supplier Finance Arrangements*

These amendments are not expected to have any material impact on the financial report on initial application.

- AASB 2022-10 *Amendments to Australian Accounting Standards*
 - *Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*

These amendment may result in changes to the fair value of certain non-financial assets on revaluation. The impact has not been quantified as it is not considered practicable to determine the amount of the difference in fair value attributable to the change in the standard.

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 *Amendments to Australian Accounting Standards*
 - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2024-4b *Amendments to Australian Accounting Standards*
 - *Effective Date of Amendments to AASB 10 and AASB 128*
[deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-9 *Amendments to Australian Accounting Standards*
 - *Insurance Contracts in the Public Sector*
- AASB 2023-5 *Amendments to Australian Accounting Standards*
 - *Lack of Exchangeability*
- AASB 18 (FP) *Presentation and Disclosure in Financial Statements*
 - *(Appendix D) [for for-profit entities]*
- AASB 18 (NFP/super) *Presentation and Disclosure in Financial Statements*
 - *(Appendix D) [for not-for-profit and superannuation entities]*
- AASB 2024-2 *Amendments to Australian Accounting Standards*
 - *Classification and Measurement of Financial Instruments*
- AASB 2024-3 *Amendments to Australian Accounting Standards*
 - *Annual Improvements Volume 11*

These amendments are not expected to have any material impact on the financial report on initial application.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/refunds/warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

Consideration from contracts with customers is included in the transaction price.

Revenue recognition

Rate revenue was recognised from the rate record as soon as practicable after the Shire resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:

For the year ended 30 June 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,274,464	0	1,274,464
Grants, subsidies and contributions	17,031	0	0	1,836,670	1,853,701
Fees and charges	625,987	0	5,451	3,408	634,846
Interest revenue	0	0	9,977	275,744	285,721
Other revenue	14,765	0	0	10,624	25,389
Capital grants, subsidies and contributions	0	2,073,200	0	0	2,073,200
Total	657,783	2,073,200	1,289,892	2,126,446	6,147,321

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,235,560	0	1,235,560
Grants, subsidies and contributions	20,327	0	0	2,409,811	2,430,138
Fees and charges	577,351	0	7,010	1,999	586,360
Interest revenue	0	0	6,510	256,922	263,432
Other revenue	27,200	0	0	110,481	137,681
Capital grants, subsidies and contributions	0	2,105,585	0	0	2,105,585
Total	624,878	2,105,585	1,249,080	2,779,213	6,758,756

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2025 Actual \$	2024 Actual \$
Interest revenue		
Interest on reserve account	266,806	256,921
Trade and other receivables overdue interest	9,977	6,511
Other interest revenue	8,938	0
	285,721	263,432

The 2025 original budget estimate in relation to:
Trade and other receivables overdue interest was \$6,000.

(b) Expenses

Auditors remuneration		
- Audit of the Annual Financial Report	44,400	35,340
- Other services – grant acquittals	5,500	3,000
	49,900	38,340
Employee Costs		
Employee benefit costs	1,277,362	1,111,745
Other employee costs	103,997	60,233
	1,381,359	1,171,978
Finance costs		
Provisions: unwinding of discount	13,009	30,020
	13,009	30,020
Other expenditure		
Council member costs	59,027	48,298
Sundry expenses	22,218	18,971
	81,245	67,269

20(a)

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

3. CASH AND CASH EQUIVALENTS

Note	2025	2024
	\$	\$
Cash at bank and on hand	1,541,079	2,481,460
Term deposits	5,848,061	1,015,543
Total cash and cash equivalents	7,389,140	3,497,003
Held as		
- Unrestricted cash and cash equivalents	1,317,995	1,798,912
- Restricted cash and cash equivalents	16 6,071,145	1,698,091
	7,389,140	3,497,003

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost	0	4,765,712
	0	4,765,712
Other financial assets at amortised cost		
Term deposits	0	4,765,712
	0	4,765,712
Held as		
- Restricted other financial assets at amortised cost	16 0	4,765,712
	0	4,765,712

(b) Non-current assets

Financial assets at fair value through profit or loss	59,715	62,378
	59,715	62,378
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	62,378	61,117
Movement attributable to fair value	(2,663)	1,261
Units in Local Government House Trust - closing balance	59,715	62,378

Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Local Government House Trust at balance date as compiled by WA Local Government Association.

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 23 (i)) due to the observable market rates.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Financial assets at fair value through profit or loss

The Shire classifies the following financial assets at fair value through profit or loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the Shire has elected to recognise as fair value gains and losses through profit or loss.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

5. TRADE AND OTHER RECEIVABLES

Current

Rates and statutory receivables
Trade receivables
Other receivables
GST receivable

Non-current

Rates and statutory receivables

Note	2025	2024
	\$	\$
	168,540	129,685
	10,354	50,859
	0	2,710
	51,225	16,542
	230,119	199,796
	21,381	18,934
	21,381	18,934

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non-financial assets is:

Trade and other receivables from contracts with customers
Contract assets
Total trade and other receivables from contracts with customers

Note	30 June 2025 Actual	30 June 2024 Actual
	\$	\$
	5,311	42,227
7	69,334	523,751
	74,645	565,978

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations or for the construction of recognisable non financial assets as part of the ordinary course of business.

Other receivables

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers and amounts received as grants for the construction of recognisable non financial assets.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

6. INVENTORIES

Current

Fuel and materials

2025	2024
\$	\$
7,471	15,086
7,471	15,086
15,086	23,568
(152,908)	(171,925)
145,293	163,443
7,471	15,086

The following movements in inventories occurred during the year:

Balance at beginning of year

Inventories expensed during the year

Additions to inventory

Balance at end of year

MATERIAL ACCOUNTING POLICIES

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

7. OTHER ASSETS

Other assets - current

Contract assets

Note	2025	2024
	\$	\$
5	69,334	523,751
	69,334	523,751

MATERIAL ACCOUNTING POLICIES

Contract assets

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at the end of the period.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in balances

Movement in the balances of each class of property, plant and equipment between the beginning and the end of the current financial year.

	<u>Assets not subject to operating lease</u>			<u>Plant and equipment</u>		<u>Total property, plant and equipment</u>
<u>Note</u>	<u>Land</u>	<u>Buildings</u>	<u>Total property</u>	<u>Furniture and equipment</u>	<u>Plant and equipment</u>	
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Balance at 1 July 2023	507,300	10,666,024	11,173,324	131,508	2,335,279	13,640,111
Additions	0	1,231,584	1,231,584	51,727	1,305,684	2,588,995
Disposals	0		0	0	(126,486)	(126,486)
Depreciation	0	(192,259)	(192,259)	(30,928)	(335,561)	(558,748)
Balance at 30 June 2024	507,300	11,705,349	12,212,649	152,307	3,178,916	15,543,872
Comprises:						
Gross balance amount at 30 June 2024	507,300	12,296,866	12,804,166	380,075	4,969,747	18,153,988
Accumulated depreciation at 30 June 2024	0	(591,517)	(591,517)	(227,768)	(1,790,831)	(2,610,116)
Balance at 30 June 2024	8(b) 507,300	11,705,349	12,212,649	152,307	3,178,916	15,543,872
Additions	0	230,593	230,593	0	934,378	1,164,971
Disposals	0	0	0	0	(232,765)	(232,765)
Depreciation	0	(208,020)	(208,020)	(19,968)	(355,774)	(583,762)
Balance at 30 June 2025	507,300	11,727,922	12,235,222	132,339	3,524,755	15,892,316
Comprises:						
Gross balance amount at 30 June 2025	507,300	12,527,459	13,034,759	380,075	5,415,219	18,830,053
Accumulated depreciation at 30 June 2025	0	(799,537)	(799,537)	(247,736)	(1,890,464)	(2,937,737)
Balance at 30 June 2025	8(b) 507,300	11,727,922	12,235,222	132,339	3,524,755	15,892,316

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025 \$	Carrying amount 2024 \$	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date								
Land and buildings								
Land - market value	8(a)	507,300	507,300	2	Market approach using recent observable market data for similar properties/income approach using discounted cashflow methodology	Independent registered valuer	June 2021	Price per hectare/market borrowing rate
Buildings - specialised	8(a)	11,727,922	11,705,349	3	Cost approach using current replacement cost	Independent registered valuer	June 2021	Construction costs and current condition, residual values and remaining useful life assessments inputs

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of land at market value of buildings using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

9. INFRASTRUCTURE

(a) Movements in balances

Movement in the balances of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - roads	Infrastructure - other	Infrastructure - landfill	Total infrastructure
	\$	\$	\$	\$
Balance at 1 July 2023	84,063,937	7,962,150	619,467	92,645,554
Additions	1,746,729	35,480	0	1,782,209
Depreciation	(1,256,510)	(558,967)	(47,567)	(1,863,044)
Balance at 30 June 2024	84,554,156	7,438,663	571,900	92,564,719
Comprises:				
Gross balance at 30 June 2024	85,810,666	7,997,630	619,467	94,427,763
Accumulated depreciation at 30 June 2024	(1,256,510)	(558,967)	(47,567)	(1,863,044)
Balance at 30 June 2024	84,554,156	7,438,663	571,900	92,564,719
Additions	2,072,959	804,887	0	2,877,846
Depreciation	(1,322,496)	(563,426)	(47,567)	(1,933,489)
Balance at 30 June 2025	85,304,619	7,680,124	524,333	93,509,076
Comprises:				
Gross balance at 30 June 2025	99,769,369	8,802,517	619,467	109,191,353
Accumulated depreciation at 30 June 2025	(14,464,750)	(1,122,393)	(95,134)	(15,682,277)
Balance at 30 June 2025	85,304,619	7,680,124	524,333	93,509,076

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using current replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - other	3	Cost approach using current replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - landfill	3	Cost approach using depreciated discounted cash flow methodology	Management valuation	June 2023	Discounted future construction cost estimates based on inflated current costs

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset class	Useful life
Buildings	25 to 100 years
Furniture and equipment	4 to 20 years
Plant and equipment	2 to 30 years
Infrastructure - roads	25 to 100 years
Infrastructure - other	5 to 50 years
Infrastructure - landfill	15 years

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition.

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Local Government (Financial Management) Regulation 17A(5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable value

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are land and buildings classified as property, plant and equipment, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

Revaluation

Land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the Shire.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Shire to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on revaluation

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset; or
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Impairment

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the Shire is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 Accrued payroll liabilities
 Statutory liabilities
 Bonds and deposits held

2025	2024
\$	\$
300,751	145,889
17,540	18,308
48,648	40,889
26,317	24,794
83,860	70,408
477,116	300,288

MATERIAL ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Shire becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Statutory liabilities

Statutory liabilities, are amounts owed to regulatory authorities due to statutory obligations such as FBT and PAYG. GST payable is offset against GST receivable and any net GST payable is included as a statutory liability.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises income for the prepaid rates that have not been refunded.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

12. OTHER LIABILITIES

682,548

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

Capital grant/contribution liabilities
Capital grant/contribution liabilities represent the Shire's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

13. EMPLOYEE RELATED PROVISIONS

Employee related provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Total non-current employee related provisions

Total employee related provisions

	2025	2024
	\$	\$
	196,715	172,868
	161,277	145,429
	357,992	318,297
	66,221	59,936
	66,221	59,936
	424,213	378,233

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

MATERIAL ACCOUNTING POLICIES

Employee benefits

The Shire's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

14. OTHER PROVISIONS

	Make good provisions	Total
	\$	\$
Opening balance at 1 July 2024		
Non-current provisions	507,658	507,658
	507,658	507,658
 Additional provision	42,820	42,820
Charged to profit or loss		
- unwinding of discount	13,009	13,009
Balance at 30 June 2025	563,487	563,487
 Comprises		
Non-current	563,487	563,487
	563,487	563,487

Other provisions

Amounts which are expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

Make good provisions

Currently there is no prescribed specifications for the restoration and closure of a landfill site however the *Environmental Protection (Rural Landfill) Regulations 2002* Regulation 17 requires the landfill occupier to prepare and submit a post closure rehabilitation plan within 18 month of the registration of the site. The post closure rehabilitation plan defines the works to be undertaken by the Shire on closure of the site.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation and continued monitoring of the site at the reporting date. Expected future remediation costs are reviewed annually and any changes in the estimate are reflected in the remediation provision at each reporting date.

The make good provision is reassessed annually whilst the fair value of the related landfill asset is only required to be assessed every 5 years.

Non-cash operating activities have occurred due to movements in make good provisions.

MATERIAL ACCOUNTING POLICIES

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

15. REVALUATION SURPLUS

	2025 Opening balance	Total Movement on revaluation	2025 Closing balance	2024 Opening balance	Total Movement on revaluation	2024 Closing balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land	915,782	0	915,782	915,782	0	915,782
Revaluation surplus - Buildings	5,835,459	0	5,835,459	5,835,459	0	5,835,459
Revaluation surplus - Plant and equipment	603,573	0	603,573	603,573	0	603,573
Revaluation surplus - Infrastructure - roads	38,738,148	0	38,738,148	38,738,148	0	38,738,148
Revaluation surplus - Infrastructure - other	8,138,958	0	8,138,958	8,138,958	0	8,138,958
Revaluation surplus - Infrastructure - landfill	92,417	(42,820)	49,597	16,718	75,699	92,417
	54,324,337	(42,820)	54,281,517	54,248,638	75,699	54,324,337

The movement in the revaluation surplus for landfill assets relates to reversal of the unused amount of the associated provision.
Refer to Note 14.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

16. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2025 Actual \$	2024 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	6,071,145	1,698,091
- Financial assets at amortised cost	4	0	4,765,712
		6,071,145	6,463,803
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	26	5,848,061	5,781,255
Capital grant liabilities	12	223,084	682,548
Total restricted financial assets		6,071,145	6,463,803

**17. UNDRAWN BORROWING FACILITIES AND CREDIT
STANDBY ARRANGEMENTS**

Credit standby arrangements			
Bank overdraft limit		0	0
Bank overdraft at balance date		0	0
Credit card limit		10,000	10,000
Credit card balance at balance date		(6,437)	(2,042)
Total amount of credit unused		3,563	7,958

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

18. CONTINGENT LIABILITIES

Under the Contaminated Sites Act 2003, the Shire is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of risk to human health, the environment and environmental values. Where sites are classified as 'contaminated - remediation required' or 'possibly contaminated - investigation required', the Shire may have a liability in respect of investigation or remediation expenses.

Department of Water and Environmental Regulation has classified Ninghan Location 4187, Mollerin 6475 and Ningham Location 3895, Mollerin 6475 as 'possibly contaminated - investigation required'. Until the Shire conducts an investigation, it is not possible to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows.

To ensure Department of Water and Environment Regulation (DWER) contaminated site investigation requirements are met, the Shire intends to seek quotes from suitably qualified environmental consultants to carry out a site investigation and provide a report detailing their findings and, if necessary detail any, recommended remediation works.

19. CAPITAL COMMITMENTS

	2025	2024
	\$	\$
Contracted for:		
- capital expenditure projects	906,877	86,065
Payable:		
- not later than one year	906,877	86,065

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

20. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

Fees, expenses and allowances to be paid or reimbursed to council members.

Note	2025 Actual	2025 Budget	2024 Actual
	\$	\$	\$
President's annual allowance	9,360	9,360	7,800
President's meeting attendance fees	5,616	5,616	4,680
President's ICT expenses	518	900	495
President's annual allowance for ICT expenses	900	900	900
President's travel and accommodation expenses	2,518	1,100	958
	18,912	17,876	14,833
Deputy President's annual allowance	2,340	2,340	1,950
Deputy President's meeting attendance fees	4,680	4,680	3,900
Deputy President's ICT expenses	518	900	495
Deputy President's annual allowance for ICT expenses	900	900	900
Deputy President's travel and accommodation expenses	2,053	1,100	1,846
	10,491	9,920	9,091
All other council member's meeting attendance fees	19,500	23,400	15,275
All other council member's ICT expenses	2,589	4,500	1,980
All other council member's annual allowance for ICT expenses	3,750	4,500	3,525
All other council member's travel and accommodation expenses	3,785	5,500	3,594
	29,624	37,900	24,374
20(b)	59,027	65,696	48,298

(b) Key management personnel (KMP) compensation

The total of compensation paid to KMP of the Shire during the year are as follows:

Short-term employee benefits	359,835	301,072
Post-employment benefits	73,182	58,390
Employee - other long-term benefits	51,707	39,098
Employee - termination benefits	0	892
Council member costs	59,027	48,298
	543,751	447,750

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of the Shire's superannuation contributions made during the year.

Other long-term benefits

These amounts represent annual leave and long service leave entitlements accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

20. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

Transactions between related parties and the Shire are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2025 Actual \$	2024 Actual \$
Sale of goods and services	1,522	3,833

(d) Related parties

The Shire’s main related parties are as follows:

- i. Key management personnel*
 Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Shire, directly or indirectly, including any council member, are considered key management personnel.
- ii. Other Related Parties*
 An entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.
 Transactions with this entity have been disclosed under Note 20(c) - Transactions with related parties.
- ii. Entities subject to significant influence by the Shire*
 Joint arrangements detailed in Note 21.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

21. JOINT ARRANGEMENTS

Share of joint operations

The Shire of Koorda has 3 separate joint agreements with the Department of Communities for the provision of housing at 38, 46 and 49 Smith Street, Koorda.

For accounting purposes, these joint arrangements constitutes joint operations. The assets are land and 9 housing units. The ownership of the assets is determined by agreements which includes the percentage of each parties equitable interest. The assets are included in the Land and Buildings as follows:

Statement of financial position	2025 Actual	2024 Actual
	\$	\$
Land - Lot 550 Smith Street @ 100%	19,000	19,000
38 Smith Street Koorda x 3 (A, B & C) @ 12.12%	17,588	18,012
Land - Lot 291 Smith Street @ 100%	7,000	7,000
46 Smith Street Koorda x 3 (1, 2 & 3) @ 15.35%	48,289	49,365
Land - Lot 13 Smith Street @ 100%	7,000	7,000
49 Smith Street Koorda x 3 (1, 2 & 3) @ 39.70%	126,123	128,508
Total assets	225,000	228,885
Statement of comprehensive income		
Fees and charges	52,550	45,785
Depreciation	(3,888)	(3,888)
Employee costs	(4,566)	(4,665)
Insurance	(4,126)	(3,929)
Materials and contracts	(35,485)	(35,758)
Utilities	(10,515)	(9,701)
Profit/(loss) for the period	(6,030)	(12,156)
Other comprehensive income	0	0
Total comprehensive income for the period	(6,030)	(12,156)
Statement of cash flows		
Fees and charges	52,550	45,785
Employee costs	(4,566)	(4,665)
Insurance	(4,126)	(3,929)
Materials and contracts	(35,485)	(35,758)
Utilities	(10,515)	(9,701)
Net cash provided by (used in) operating activities	(2,142)	(8,268)

MATERIAL ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standards.

**SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire had no subsequent events occurring after the end of the reporting period.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

23. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial report is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Interest revenue

Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

j) Impairment of assets

In accordance with Australian Accounting Standards the Shire's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116 *Property, Plant and Equipment*) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

24. RATING INFORMATION

(a) General rates

		Rate in \$	Number of properties	2024/25 Actual rateable value*	2024/25 Actual rate revenue	2024/25 Actual interim rates	2024/25 Actual total revenue	2024/25 Budget rate revenue	2024/25 Budget interim rate	2024/25 Budget total revenue	2023/24 Actual total revenue
RATE TYPE	Basis of valuation			\$	\$	\$	\$	\$	\$	\$	\$
General rate	Gross rental valuation	0.097	134	1,314,448	127,501	430	127,931	127,501	0	127,501	124,315
General rate	Unimproved valuation	0.011	218	102,937,345	1,132,311	(876)	1,131,435	1,132,311	0	1,132,311	1,100,963
Total general rates			352	104,251,793	1,259,812	(446)	1,259,366	1,259,812	0	1,259,812	1,225,278
Minimum payment											
General rate		430	30	44,455	12,900	0	12,900	12,900	0	12,900	12,180
General rate		430	36	607,998	15,480	0	15,480	15,480	0	15,480	13,860
Total minimum payments			66	652,453	28,380	0	28,380	28,380	0	28,380	26,040
Total general rates and minimum payments			418	104,904,246	1,288,192	(446)	1,287,746	1,288,192	0	1,288,192	1,251,318
Ex-gratia rates											
CBH	Unimproved valuation	0.0680	1	437,500	29,750	0	29,750	29,750		29,750	30,199
Total amount raised from rates (excluding general rates)			1	437,500	29,750	0	29,750	29,750	0	29,750	30,199
Discounts							(43,032)			(45,000)	(45,957)
Total rates							1,274,464			1,272,942	1,235,560
Rates related information											
Rates overdue interest							9,977			6,000	6,510

*Rateable Value at time of raising of rate.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

25. DETERMINATION OF SURPLUS OR DEFICIT

		2024/25 Budget (30 June 2025 carried forward)	2023/24 (30 June 2024 carried forward)
Note	2024/25 (30 June 2025 carried forward)		
	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	(96,022)	(62,000)	(295,052)
Less: Movement in liabilities associated with restricted cash	9,926	8,884	8,983
Less: Fair value adjustments to financial assets at fair value through profit or loss	2,663	0	(1,261)
Add: Loss on disposal of assets	19,900	29,000	1,305
Add: Depreciation	2,517,251	2,380,310	2,421,792
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(2,447)	0	(3,778)
Employee benefit provisions	6,285	0	22,291
Other provisions	13,009	0	30,020
Non-cash amounts excluded from operating activities	2,470,565	2,356,194	2,184,300
(b) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	26 (5,848,061)	(4,579,283)	(5,781,255)
Add: Current liabilities not expected to be cleared at end of year			
- Employee benefit provisions	225,012	223,970	215,086
Total adjustments to net current assets	(5,623,049)	(4,355,313)	(5,566,169)
Net current assets used in the Statement of financial activity			
Total current assets	7,696,064	5,046,724	9,001,348
Less: Total current liabilities	(1,058,192)	(691,411)	(1,301,133)
Less: Total adjustments to net current assets	(5,623,049)	(4,355,313)	(5,566,169)
Surplus or deficit after imposition of general rates	1,014,823	0	2,134,046

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

26. RESERVE ACCOUNTS

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	215,086	9,926	0	225,012	215,086	8,884	0	223,970	206,103	8,983	0	215,086
(b) Plant reserve	578,414	26,694	0	605,108	578,414	23,892	(560,000)	42,306	895,049	33,365	(350,000)	578,414
(c) Road reserve	756,942	34,933	0	791,875	756,942	31,267	(150,000)	638,209	725,329	31,613	0	756,942
(d) Council Building reserve	901,333	41,597	(35,000)	907,930	901,333	37,230	(52,479)	886,084	863,690	37,643	0	901,333
(e) TV reserve	34,208	1,579	0	35,787	34,208	1,413	0	35,621	32,780	1,428	0	34,208
(f) Recreation reserve	1,210,383	55,860	(170,000)	1,096,243	1,210,383	56,193	(534,872)	731,704	1,303,568	56,815	(150,000)	1,210,383
(g) Medical Practitioners reserve	319,846	14,761	0	334,607	319,846	13,212	0	333,058	306,488	13,358	0	319,846
(h) IT and Administration reserve	413,204	19,069	(50,000)	382,273	413,204	17,068	(50,000)	380,272	395,947	17,257	0	413,204
(i) Sewerage reserve	1,095,961	145,579	0	1,241,540	1,095,961	45,270	0	1,141,231	1,050,189	45,772	0	1,095,961
(j) Community Bus reserve	67,307	3,106	0	70,413	67,307	2,780	0	70,087	64,496	2,811	0	67,307
(k) NRM reserve	23,644	1,091	0	24,735	23,644	977	(24,621)	0	22,656	988	0	23,644
(l) Waste Management reserve	164,927	7,611	(40,000)	132,538	164,927	6,814	(75,000)	96,741	158,039	6,888	0	164,927
	5,781,255	361,806	(295,000)	5,848,061	5,781,255	245,000	(1,446,972)	4,579,283	6,024,334	256,921	(500,000)	5,781,255

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

In accordance with council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Leave reserve	To be used to fund annual, long serve, accrued holiday and sick leave requirements.
(b) Plant reserve	To be used to ensure plant purchases are funded from funds set aside and the use of those funds determined by a ten year Forward Plan, which is reviewed annually.
(c) Road reserve	To be used to assist future road works difficult to fund on an annual basis including acts of nature.
(d) Council Building reserve	To be used to fund the major asset category the Shire owns, and allow some management of the various building requirements.
(e) TV reserve	To be used to fund future upgrading or extension of receiver/transmission facility.
(f) Recreation reserve	To be used to fund future upgrading, renovations and general requirements.
(g) Medical Practitioners reserve	To be used to fund future costs of attracting and retaining a qualified medical practitioner within the District/Region.
(h) IT and Administration reserve	To be used to fund future technology that will require future updating.
(i) Sewerage reserve	To be used to fund upgrading and replacement of the town sewerage treatment plant.
(j) Community Bus reserve	To be used to fund the change over of costs of the community bus.
(k) NRM reserve	To be used to fund the future retention of the Natural Resource Management (NRM) officer.
(l) Waste Management reserve	To be used to fund future refuse development.



Auditor General

INDEPENDENT AUDITOR'S REPORT

2025

Shire of Koorda

To the Council of the Shire of Koorda

Opinion

I have audited the financial report of the Shire of Koorda (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 material 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
- is 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.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2025, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer (CEO) of the Shire is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the Shire's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Koorda for the year ended 30 June 2025 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

Aram Madnack
Acting Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
16 October 2025