



Shire of Irwin Audit Committee Meeting

held

Tuesday 05 May 2026

MINUTES

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

Cr Gillam welcomed attendees and declared the meeting open at 4.04pm.

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

Members

Cr A Gillam (*Chairperson*)

Shire of Irwin

Cr P Summers (*Deputy Chairperson*)

Shire of Irwin

Cr I Scott

Shire of Irwin

Staff

Mr S D Ivers

Chief Executive Officer

Ms P Machaka

Manager Finance

Ms S Mearns

Executive Assistant

Apologies

Guests

Mr Raj Vignesh

Office Attorney General

Mr Michael Liprino

Pitcher Partners

Mr Caden Manfield

Pitcher Partners

3. CONFIRMATION OF MINUTES

3.1. Minutes of the Audit Committee Meeting held 13 January 2026

A copy of the minutes of the Audit Committee Meeting held on 13 January 2026 has been provided to all Committee Members under separate cover.

COMMITTEE MOTION AND DECISION:

MOVED: Cr Summers

SECONDED: Cr Scott

That the Minutes of the Audit Committee Meeting, held 13 January 2026, be confirmed as a true and accurate recording of that meeting.

Voting Details:

Carried: 3/0

For: Cr Gillam, Cr Scott, Cr Summers

Against: Nil

4. GENERAL BUSINESS

4.1 Office of the Auditor General

Mr Raj Vignesh from the Office of the Auditor General spoke to the Committee and congratulated the Shire of Irwin for once again being recognised for best practice in financial reporting and appearing among the top 20 regional Local government for high-quality, timely reporting and strong financial management.

Mr Vignesh then handed over to Mr Michael Liprino of Pitcher Partners to present the Audit Plan for the 2026 Financial Audit.

4.2 Shire of Irwin Audit Plan

Areas of Audit Focus

Mr Liprino highlighted that the audit will focus on (but will not be limited to), the following criteria:

- **Existence and valuation of property, plant and equipment, and infrastructure**
As part of the audit procedures, Pitcher Partners will review and assess the Shire of Irwin's Land, Buildings and Infrastructure ("LBI") asset balances, which represent some of the most significant assets reported in the Statement of Financial Position. This will include documenting and testing the key controls the Shire has in place over the recording, valuation and management of these assets. Pitcher Partners will also evaluate the accounting policies and methodologies used to determine the fair value of LBI assets, ensuring that valuations are undertaken at least every five years in accordance with the Shire's policy and comply with the requirements of Australian Accounting Standards. In addition, Pitcher Partners will confirm that other plant and equipment assets are appropriately recorded at cost in line with applicable accounting standards.
- **Valuation, completeness and classification of employee benefits provision**
Provisions for annual leave ("AL") and long service leave ("LSL") involve a degree of management estimation, including assumptions regarding the likelihood of employees remaining with the organisation, as well as the application of inflation and discount rates, which require judgement and estimation. As part of Pitcher Partners' audit procedures, Pitcher Partners will document and test the key controls surrounding the employee benefits provision process to assess whether the provisions have been calculated appropriately and in accordance with Australian Accounting Standards.
- **Occurrence, accuracy, completeness and cut-off of expenditure**
The Shire of Irwin incurs expenditure across a range of operational areas, with expenditure representing a significant component of the Shire's overall activities. As a result, the occurrence and completeness of expenditure are key areas of audit focus to ensure that funds are applied appropriately and recorded accurately. As part of Pitcher Partners' audit procedures, Pitcher Partners will document and test the key controls relating to the initiation, approval and processing of expenditure transactions, as well as the identification and recording of accruals, to assess whether expenditure has been appropriately recognised in accordance with Australian Accounting Standards.
- **Valuation of provision for rehabilitation**
The Shire of Irwin is licensed by the Department of Water and Environmental Regulation ("DWER") to operate the Dongara Transfer Station, a waste management facility, until 17 December 2028. As part of Pitcher Partners' audit procedures, Pitcher Partners will obtain an understanding of the control environment relating to the monitoring and management of the licence status and DWER classification for the Transfer Station to assess whether the Shire is complying with relevant regulatory requirements and appropriately managing associated obligations.

- **IT general controls**

Understanding the risks identified in accordance with ASA 315 relating to the IT systems and processes employed by the Shire of Irwin, and assessing how those risks have been addressed, will form a key element of the audit process. As part of Pitcher Partners' audit procedures, Pitcher Partners will assess the effectiveness of logical access controls and program change controls using Pitcher Partners' IT audit work programs to determine whether appropriate controls are in place to support the integrity, security and reliability of the Shire's information systems.

- **Quality of financial reporting**

Quality and timeliness of financial reporting are critical to sound financial management, public accountability and effective decision-making. The absence of an effective project plan for year-end financial reporting can result in delays, errors, reduced report quality and increased costs. In addition, compliance with the Local Government (Financial Management) Regulations ("LGR") is an important aspect of the Shire's financial reporting obligations. As part of Pitcher Partners' audit procedures, Pitcher Partners will review and verify the additional disclosures and information required under the LGR to assess whether the financial report has been prepared in compliance with the applicable legislative and regulatory requirements.

- **Control weaknesses (if any)**

As part of Pitcher Partners' audit procedures, Pitcher Partners will obtain an understanding of the Shire of Irwin's control environment and governance processes and will assess the effectiveness of key internal controls relevant to the audit. Throughout the audit process, Pitcher Partners will identify and report any control weaknesses or matters for improvement noted during the course of the audit to assist the Shire in strengthening its internal control framework and financial management practices.

- **Implementation of new ERP**

We understand that the Shire of Irwin endorsed the implementation of a new Enterprise Resource Planning ("ERP") system, as recorded in the minutes of the Ordinary Council Meeting held on 9 December 2024. The implementation of a new ERP system, together with the review of opening balances, represents a key audit focus due to the potential impact on financial reporting processes, data integrity and internal controls. As part of Pitcher Partners' audit procedures, Pitcher Partners will undertake procedures to obtain an understanding of and evaluate the newly implemented ERP system. More specifically, Pitcher Partners will confirm that the opening balances imported into the new ERP system are consistent with the closing balances as at 30 June 2025 and will document the control environment associated with the new ERP to assess whether appropriate controls and processes have been established to support accurate and reliable financial reporting.

COMMITTEE MOTION AND DECISION:**MOVED: Cr Scott****SECONDED: Cr Summers**

That the Shire of Irwin Audit Committee endorses the 2025/26 Audit Plan as presented by Pitcher Partners.

Voting Details:**Carried: 3/0****For: Cr Gillam, Cr Scott, Cr Summers****Against: Nil**

5. URGENT BUSINESS APPROVED BY CHAIR OR BY COMMITTEE DECISION

Nil

6. SETTING OF FUTURE MEETING DATES

The next meeting date will be scheduled for Tuesday 1 December 2026.

7. CLOSURE

There being no further business, the Meeting was closed at 4.44pm.

Unconfirmed