



SHIRE OF  
**MERREDIN**  
INNOVATING THE WHEATBELT

Unconfirmed copy of Minutes from Audit  
Committee Meeting held on  
29 April 2025 subject  
to confirmation at the Ordinary Council  
Meeting to be held  
29 April 2025

**SHIRE OF MERREDIN**

These Minutes were presented to Council at  
its Ordinary Council Meeting of  
29 April 2025.

Donna Crook - Shire President

# MINUTES

## Audit, Risk and Improvement Committee Meeting

Held in Council Chambers  
Corner King & Barrack Street's, Merredin  
Tuesday, 29 April 2025  
Commencing 12:45pm

Common Acronyms Used in this Document	
CEO	Chief Executive Officer
EMSC	Executive Manager Strategy and Community
EMDS	Executive Manager Development Services
EMES	Executive Manager Engineering Services
EMCS	Executive Manager Corporate Services
EO	Executive Officer
GO	Governance Officer
MCS	Manager Corporate Services
SFO	Senior Finance Officer
CBP	Corporate Business Plan
SCP	Strategic Community Plan
OAG	Office of the Auditor General

Shire of Merredin  
Audit, Risk and Improvement Committee  
Meeting

12.45pm Tuesday 29 April 2025



## 1. Official Opening

The Chief Executive Officer acknowledged the Traditional Owners of the land on which we meet today, and paid his respects to Elders past, present and emerging. The Presiding Member then welcomed those in attendance and declared the meeting open at 12:49pm.

### Nomination of Interim Chair

#### Voting Requirements



Simple Majority



Absolute Majority

#### Resolution

Moved: Cr Simmonds Seconded: Cr Manning

83574

That the Audit, Risk and Improvement Committee nominate Cr Donna Crook to be interim Chair for the meeting.

CARRIED 4/0

*For: Cr Crook, Cr Manning, Cr Anderson, Cr Simmonds*

*Against: Nil*

## 2. Record of Attendance / Apologies and Leave of Absence

### Councillors:

Cr D Crook	President
Cr R Manning	Deputy President
Cr B Anderson	
Cr M Simmonds	

### Staff:

C Watts	CEO
L Boehme	EMCS
C Brindley-Mullen	EMS&C
M Wyatt	EO
A Bruyins	GO
N Mwale	MCO
L Richards	SFO

### Auditors:

A Ang, OAG  
S Andrewartha, OAG

Director  
Audit Manager

**Members of the Public:**

Nil

**Apologies:**

Cr M McKenzie - Chair

**Approved Leave of Absence:**

Nil

### 3. Public Question Time

Nil

### 4. Disclosure of Interest

Nil

### 5. Confirmation of Minutes of the Previous Meeting

5.1 Audit Committee Meeting held on 17 February 2025  
Attachment 5.1A

#### Voting Requirements



Simple Majority



Absolute Majority

#### Resolution

**Moved:** Cr Manning **Seconded:** Cr Anderson

**83575**

**That the minutes of the Audit Committee Meeting held on 17 February 2025 be confirmed as a true and accurate record of proceedings.**


**CARRIED 4/0**

*For: Cr Crook, Cr Manning, Cr Anderson, Cr Simmonds*

*Against: Nil*

## 6. Officer's Reports

### 6.1 Entrance Meeting with Incoming Auditors for the 2024/25 Financial Year

<div>Corporate Services</div> <div>SHIRE OF <b>MERREDIN</b> INNOVATING THE WHEATBELT</div>	
<b>Responsible Officer:</b>	Leah Boehme, EMCS
<b>Author:</b>	As above
<b>Legislation:</b>	<i>Local Government Act 1995</i> <i>Local Government (Audit) Regulations 1996</i>
<b>File Reference:</b>	Nil
<b>Disclosure of Interest:</b>	Nil
<b>Attachments:</b>	Attachment 6.1A – Entrance Meeting Agenda – Shire of Merredin – 30 June 2025 Attachment 6.1B – Planning Summary Shire of Merredin 30 June 2025

#### Purpose of Report



Executive Decision



Legislative Requirement

For the Audit Committee to note the proposed timeframes and actions relating to the Shire of Merredin (the Shire) 2024/25 Audit.

Though Audit is a legislative requirement this Item has been listed as requiring an Executive Decision due to the Audit Committee not having delegated authority.

#### Background

Pursuant to section 9 (2) and (3) of the *Local Government (Audit) Regulations 1996*:

(2) *An auditor must carry out an audit in accordance with the Australian Auditing Standards made or formulated and amended from time to time by the Auditing and Assurance Standards Board established by the Australian Securities and Investments Commission Act 2001 (Commonwealth) section 227A.*

(3) *An auditor must carry out the work necessary to form an opinion whether the annual financial report —*

(a) *is based on proper accounts and records; and*

(b) *fairly represents the results of the operations of the local government for the financial year and the financial position of the local government at 30 June in accordance with —*

(i) *the Act; and*

(ii) *the Australian Accounting Standards (to the extent that they are not inconsistent with the Act).*

On 28 October 2017, the *Local Government Amendment (Auditing) Act 2017* (the Act) was proclaimed, giving the Auditor General the mandate to audit Western Australia's 139 local governments and nine regional councils.

The Act allowed the Office of the Auditor General (OAG) to conduct performance audits straight away while financial audits transitioned to the Auditor General over four years, as local government's existing audit contracts expired. The 2020/21 financial year audit was the first all 148 local government entities were audited by the OAG.

Since then, the Shire have been audited by OAG Audit partners, Butler Settineri and Dry Kirkness. This year, the Shire's audit will be conducted in-house by the OAG.

#### Comment

The OAG have provided a Planning Summary document for the Audit Committee's information.

As per Attachment 6.1B the OAG will formally agree information requirements and timeframes for the Audit with the Shire's Chief Executive Officer and use the Shire's staff to have various documents readily available when they perform the Audit.

#### Policy Implications

Nil

#### Statutory Implications

*Local Government Act 1995*

*Local Government (Audit) Regulations 1996*

#### Strategic Implications

##### ➤ Strategic Community Plan

Theme:

4. Communications and Leadership

Service Area Objective:

4.2 - Decision Making

4.2.2 – The Shire is progressive while exercising responsible stewardship of its built, natural and financial resources

4.2.3 – The Council is well informed in their decision-making, supported by a skilled administration team who are committed to providing timely, strategic information and advice

Priorities and Strategies  
for Change: Nil

➤ Corporate Business Plan

Theme: 4. Communications and Leadership.

Priorities: Nil

Objectives Nil

### Sustainability Implications

Ø Strategic Resource Plan

Nil

### Risk Implications

There is a compliance risk associated with this Item as the Shire would be contravening the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* if the Audit was not completed. The risk rating is considered to be Moderate (6), which is determined by a likelihood of Unlikely (2) and a consequence of Moderate (3). This risk will be eliminated by the adoption of the Officer's Recommendation.

### Financial Implications

The cost for the 2024/25 financial year Audit is not yet known.

### Voting Requirements



Simple Majority



Absolute Majority

### Resolution

Moved: Cr Manning

Seconded: Cr Anderson

That the Audit, Risk and Improvement Committee;

83576

1. NOTES the Planning Summary, as presented in Attachment 6.1B, provided by the Office of the Auditor General, for the Shire of Merredin's 2024/25 Audit; and
2. NOTES that the Chief Executive Officer will sign the agreement for the 2024/25 Audit and provide the relevant information requested by the Auditors to complete the 2024/25 Audit.

CARRIED 4/0

For: Cr Crook, Cr Manning, Cr Anderson, Cr Simmonds

Against: Nil



## Entrance Meeting

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### ANNUAL FINANCIAL AUDIT OF THE SHIRE OF MERREDIN FOR THE YEAR ENDING 30 JUNE 2025

#### ATTENDEES:

##### Shire of Merredin

Cr Mark McKenzie	Chair of Audit Committee, Councillor
Cr Donna Crook	Audit Committee Member, President
Cr Renee Manning	Audit Committee Member, Deputy President
Cr Brad Anderson	Audit Committee Member, Councillor
Cr Megan Simmonds	Audit Committee Member, Councillor
Craig Watts	Chief Executive Officer
Leah Boehme	Executive Manager Corporate Services
Codi Brindley-Mullen	Executive Manager Strategy and Community
Nalukui Mwale	Manager Corporate Services
Leticia Richards	Senior Finance Officer
Mey Wyatt	Executive Officer
Anke Bruyns	Governance Officer

##### Office of the Auditor General

Ann Ang	Director Financial Audit
Sean Andrewartha	Audit Manager Financial Audit

#### Meeting Date & Time:

Tuesday, 29 April 2025 at 12.45 pm

#### Location:

Online meeting via Zoom

## Agenda

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1. Introduction
2. Planning Summary
3. Closing comments





## ANNUAL FINANCIAL AUDIT PLANNING SUMMARY

Year ending 30 June 2025

# Shire of Merredin



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## Introduction

This Summary of our Audit Plan explains our approach to the audit of the financial statements. We look forward to discussing this further with you on 29 April 2025. You can also contact your engagement leader, Ann Ang on 6557 7509. Ann is responsible for the overall quality of the audit process and communicating any matters arising from the audit.

Our plan has been developed following discussions with Shire of Merredin management and will continue to be responsive to any changes in circumstances that result in us needing to adapt our approach and maximise the effectiveness and efficiency of the audit process.

We follow a risk-based approach to our audit. If there are any risks that you think we have not covered, we would be pleased to discuss these with you.

Please note that this plan is intended only for use by management and the Council and should not be circulated to anyone outside of these parties.

### **Our responsibilities**

The Auditor General audits and provides an opinion to Parliament on each local government entity's financial statements.

Our audit approach is designed to specifically focus audit attention on the key areas of risk you face in reporting on your financial statements.

The responsibilities of the CEO and Council are set out in Appendix A.



## Our audit approach

Our audit is conducted in accordance with Australian Auditing Standards. Our aim is to provide reasonable assurance whether the financial statements are free of material misstatement. We perform procedures to assess whether, in all material aspects, the financial statements are presented fairly in accordance with the *Local Government Act 1995*, Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards. In doing so, we also consider the needs of the Parliament – a primary user of the financial statements.

The audit is influenced by factors such as:

- the use of professional judgement
- selective testing
- the inherent limitations of internal controls
- the availability of persuasive rather than conclusive evidence.

As a result, an audit cannot guarantee that all material misstatements will be detected.

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, that include independence, professional standards and applicable legal and regulatory requirements.

We have also complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements.

### Materiality

Materiality is set as a benchmark to determine if there are misstatements or omissions that could influence the economic decisions of users taken on the basis of the financial report. The materiality set for our audit is a key driver in determining the nature and extent of audit procedures and is a matter of professional judgement. Our materiality is set with reference to total expenses on the basis that this is the key driver of decision makers who use the financial report.

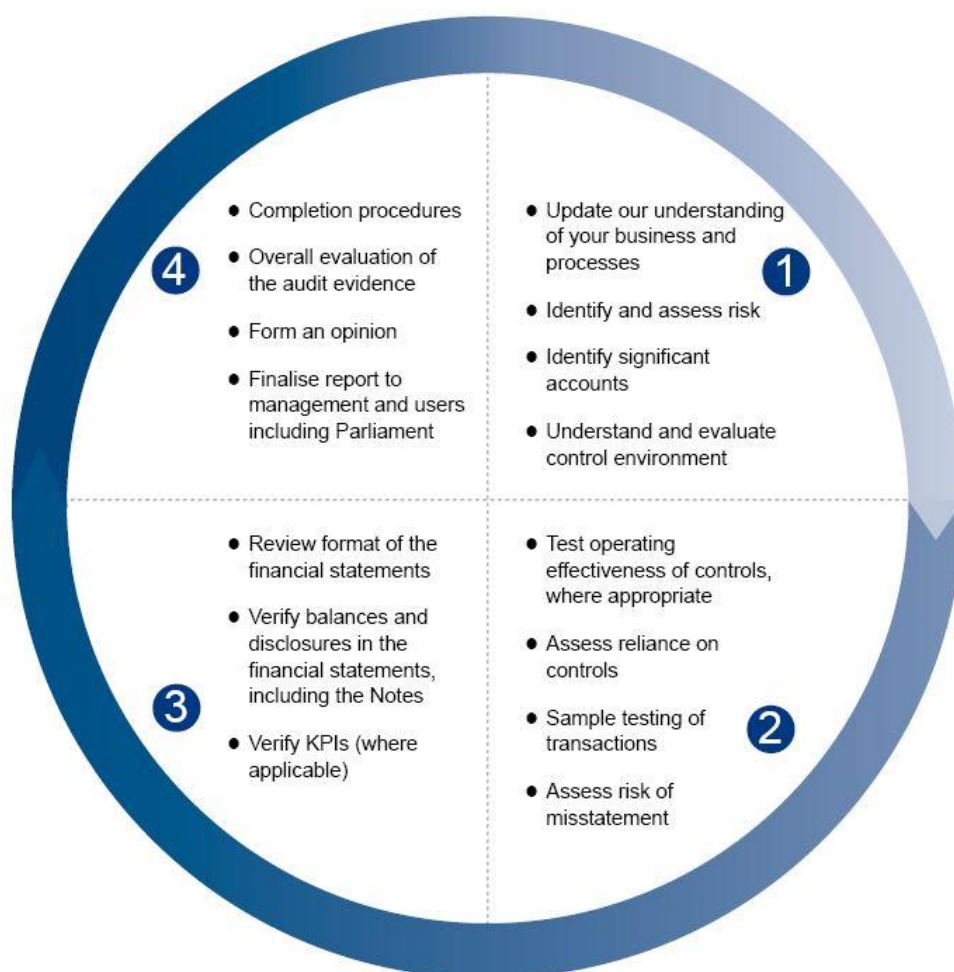
# Our Audit Methodology and Tool

## Our new audit tool and methodology

We are now into the second year of using our new financial audit methodology and audit tool, TeamMate+. The new methodology and audit tool are designed to deliver increased audit quality and efficiencies to our audit process as they become more embedded.

## Our audit approach

Our audit approach is set out in detail in our Audit Practice Statement. In summary, the following steps are undertaken:



## Key audit focus areas

Our audit procedures are focused on areas that are considered to represent risks of material misstatement to the financial report. These focus areas are identified as part of our risk assessment procedures during the planning phase, and we will continue to be alert for changing or emerging risks throughout the course of the audit.

We will assess design and implementation of key controls for the following business cycles, and where appropriate will also test the operating effectiveness of controls on a rotational basis as follows:

- Revenue
- Expenditure
- Payroll
- Cash and Financing
- Property, Plant and Equipment, and Infrastructure.

Through discussions with your staff, our prior knowledge of your operations and as part of our risk assessment, we have identified the following key areas of audit focus.

### Management override of controls

Background	Our Response
<b>Reasons for area of key focus</b> <ul style="list-style-type: none"><li>- Key fraud risk required to be responded to under the auditing standards</li></ul>	<ul style="list-style-type: none"><li>- Test unusual journal entries and adjustments made during the year to determine if they are appropriately supported.</li><li>- Review key estimates and judgements applied by management for biases.</li><li>- Consider if any misstatements found represent management biases or intentional misstatements.</li></ul>

### Valuation and classification of property, plant and equipment and infrastructure

Background	Our Response
<b>Reasons for area of key focus</b> <ul style="list-style-type: none"><li>- High value of assets</li><li>- Significant judgement and estimates involved</li></ul> <b>Key estimates/judgements</b> <ul style="list-style-type: none"><li>- Useful life of assets</li><li>- Fair value of land, buildings and infrastructure</li></ul> <b>Relevant accounting Standards</b> <ul style="list-style-type: none"><li>- AASB 116: Property, plant and equipment</li><li>- AASB 13: Fair value measurement</li><li>- AASB 136: Impairment of assets</li></ul>	<ul style="list-style-type: none"><li>- Assess design and implementation of key controls.</li><li>- Perform substantive analytical procedures to determine appropriateness of depreciation expense.</li><li>- Test a sample of additions, disposals and capital works in progress to supporting documents.</li><li>- Obtain and review management's assessment of indicators of impairment.</li></ul>

## Revenue recognition and accuracy of receivables

Background	Our Response
<p><b>Reasons for area of key focus</b></p> <ul style="list-style-type: none"> <li>- High volume of transactions related to rates, grants and subsidies, fees and charges</li> <li>- Risk of grants not being appropriately recognised under the requirements of accounting standards</li> </ul> <p><b>Key estimates/judgements</b></p> <ul style="list-style-type: none"> <li>- Revenue recognition</li> </ul> <p><b>Relevant accounting Standards</b></p> <ul style="list-style-type: none"> <li>- AASB 15: Revenue from contracts with customers</li> <li>- AASB 1058: Income of not-for-profit entities</li> </ul>	<ul style="list-style-type: none"> <li>- Assess design and implementation of key controls.</li> <li>- Test a sample of revenue transactions to supporting documents and determine if they have been correctly recognised.</li> <li>- Perform substantive analytical procedures on selected revenue streams.</li> <li>- Test a sample of grants to determine whether they have been appropriately recognised in the correct period, including any relevant capital grant liabilities and contract assets.</li> </ul>

## Completeness and accuracy of expenses and liabilities

Background	Our Response
<p><b>Reasons for area of key focus</b></p> <ul style="list-style-type: none"> <li>- High volume of transactions</li> <li>- Procurement risk considerations</li> </ul> <p><b>Relevant accounting Standards</b></p> <ul style="list-style-type: none"> <li>- AASB 137: Provisions, contingent liabilities and contingent assets</li> </ul>	<ul style="list-style-type: none"> <li>- Assess design and implementation of key controls.</li> <li>- Test a sample of expense transactions to supporting documents and determine if they have been correctly recognised.</li> <li>- Perform testing of subsequent payments and unpaid invoices at year-end to determine if there are unrecorded liabilities.</li> <li>- Perform specific procedures in response to risks in procurement activities.</li> </ul>

## Accuracy of employee expenses, completeness and valuation of employee related provisions

Background	Our Response
<p><b>Reasons for area of key focus</b></p> <ul style="list-style-type: none"> <li>- High volume of transactions</li> </ul> <p><b>Key estimates/judgements</b></p> <ul style="list-style-type: none"> <li>- Actuarial / Management assumptions for employee liabilities</li> </ul> <p><b>Relevant accounting Standards</b></p> <ul style="list-style-type: none"> <li>- AASB 119: Employee benefits</li> <li>- AASB 137: Provisions, contingent liabilities and contingent assets</li> </ul>	<ul style="list-style-type: none"> <li>- Assess design and implementation of key controls.</li> <li>- Perform substantive analytical procedures on employee expenses for the year.</li> <li>- Test a sample of employee expenses to supporting documents and determine if they have been correctly recognised.</li> <li>- Test a sample of leave balances for accuracy and completeness.</li> <li>- Assess the reasonableness and appropriateness of the methods and assumptions used for leave provisions.</li> </ul>

## Existence and classification of cash and cash equivalents

Background	Our Response
<b>Reasons for area of key focus</b> <ul style="list-style-type: none"> <li>- Significant cash at bank balance</li> </ul>	<ul style="list-style-type: none"> <li>- Assess design and implementation of key controls.</li> <li>- Obtain bank confirmations to confirm year-end cash balances.</li> <li>- Review bank reconciliations and appropriateness of reconciling items</li> <li>- Review classification between restricted and unrestricted cash.</li> <li>- Test a sample of movements in reserve accounts.</li> </ul>

## Audit findings reported in the previous audit

We will also follow up on the resolution of findings raised in the previous audit, of which there were three moderate findings.

## Information Systems Audit Approach

Our approach to information systems audit is to obtain an understanding of the IT environment and information system related to key business processes and audit key information systems controls.

The key objectives of the information systems audit are to provide a preliminary conclusion over the General IT Controls covering the following:

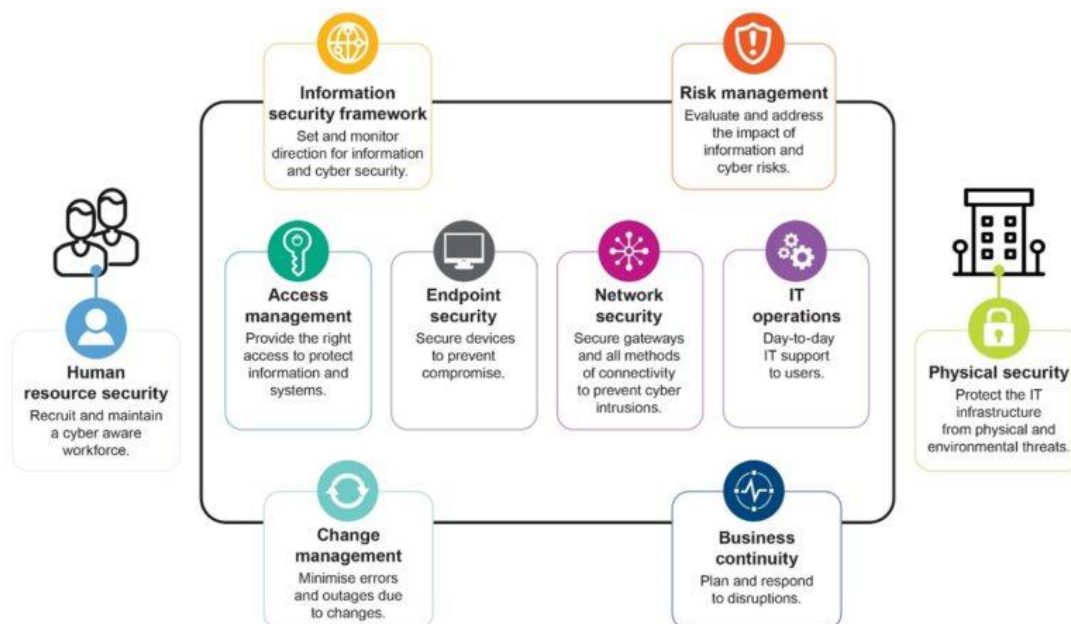


Figure 1: General computer controls categories

## Environmental, Social and Governance

Entities should refrain from disclosing ESG matters or climate-related risks in financial statements as there is currently no established reporting and auditing frameworks for local government entities. These frameworks are still in the development phase.



## Proposed Audit Schedule

	Date
Planning	April 2025
Interim Audit	12 May to 23 May 2025
Final Audit	3 Nov to 14 Nov 2025
<b>Critical Target Dates*</b>	
Draft Interim Management Letter to management for comments	By 30 May 2025
Receipt of Proforma Financial Statements	By 30 May 2025
Final Trial Balance	30 Sept 2025
Receipt of Draft Financial Report (certified by CEO confirming audit readiness)	30 Sept 2025
Exit Meeting	25 Nov 2025
Receipt of Signed Financial Report and Management Representation Letter	25 Nov 2025
Issue of Auditor's Report and Final Management Letter	By 3 Dec 2025

*\* Based on timely receipt of audit information and reporting documentation.*

## Your Audit Team

	Name	Contact
Assistant Auditor General	Grant Robinson	6557 7526
Signing Officer	Tim Sanya	6557 7616
Engagement Leader	Ann Ang	6557 7509
Audit Manager	Sean Andrewartha	6557 7587
Team Member	Genaz Lim	6557 7635
Team Member	Ramanpreet Kaur	6557 7560

## Appendix A – Other audit communications

### Responsibilities of the CEO and Council

The CEO and Council are responsible for:

- keeping proper accounts and records, maintaining effective internal controls, preparing the annual financial report, and complying with the Local Government Act and Regulations, and other legislative requirements.
- ensuring the accuracy and fair presentation of all information in its annual report, and that it is consistent with the audited annual financial report. We do not provide assurance over your annual report.
- maintaining internal controls that prevent or detect fraud or error and to ensure regulatory compliance.
- preparing the financial report, and the CEO is also responsible for assessing the entity's ability to continue as a going concern, disclosing matters related to going concern, and using the going concern basis of accounting unless the government has made policy or funding decisions affecting the continued existence of the entity.

The CEO and Council have responsibility for maintaining internal controls that prevent or detect fraud or error and to ensure regulatory compliance. The Audit Committee and the Auditor General should be informed by management of any fraud or material errors. During the audit, we will consider management programs and controls intended to deter and detect fraud and make inquiries of the CEO and Council. It should be noted that our audit is not designed to detect fraud, however, should instances of fraud come to our attention, we will report them to you. Information relating to the fraud will be provided to our forensic division and our office may decide to conduct further investigation.

### Timelines for Provision of Information

To help deliver audit opinions on time as agreed by the entity in the proposed audit schedule above, please follow the requirements and timelines for provision of information to the audit team as listed below:

- provide certified financial statements on 30 September 2025
- submit audit information that supports the financial statements in two working days from the date the certified financial statements are provided to the auditors, unless another date is agreed with your engagement leader
- submit audit information in two working days from the date of request, unless another date is agreed with your auditors
- respond to management letter issues in five working days from the date you are provided with the audit findings unless another date is agreed with your engagement leader.

In summary, please provide the information in a timely manner in order to avoid delays to the agreed reporting timeline and potential impact on the audit report.

## **Audit Evidence – Specific Audit Requirements**

We will discuss our requirements with your staff to facilitate a timely, efficient and effective audit. We will formally agree our information requirements and timeframes for the interim and final audits with your Executive Manager Corporate Services using our ***Prepared by Client Listing***. This Listing is to help your staff have various documents readily available when we perform our audit. Please note however that in several instances, particularly during our audit sampling at the interim visit, our auditors will need to retrieve some evidence themselves, rather than being given the evidence by your staff. This is essential for an independent audit.

Information obtained during the audit can be used to carry out an examination or investigation for one or more of the purposes mentioned in Section 18 of the *Auditor General Act 2006*.

We also refer you to our various [Better Practice](#) guides, which are available on our website.

## **Management Representation Letter**

The above audit procedures assume that management expects to be in a position to sign a management representation letter. This letter should be reviewed and tailored to meet your local government's particular circumstances and be signed and dated by the CEO and Executive Manager Corporate Services as close as practicable to the date of the proposed audit opinion. Ordinarily, this would be no longer than five working days prior to the issue of the auditor's report.

Please bring to the attention of the President that we will also be relying on the signed Statement by the CEO in the annual financial report as evidence that they confirm:

- they have fulfilled their responsibility for the preparation of the annual financial report in accordance with the *Local Government Act 1995*, Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards
- they have provided us with all relevant information necessary or requested for the purpose of the audit
- all transactions have been recorded and reflected in the annual financial report.

## Other Audit Activities

The OAG has recently tabled a number of reports to Parliament, which are available at [www.audit.wa.gov.au](http://www.audit.wa.gov.au). The findings and recommendation from the reports listed below may be of interest or relevance to your entity.

Report Title	Tabled Date
Fraud Risks in the WA Greyhound Racing Association	11 April 2025
Local Government 2023-24 – Information Systems Audit Results	11 April 2025
Child Protection Case Management System - Assist	21 March 2025
Implementation of the Aboriginal Procurement Policy	21 November 2024
Supplier Master Files – Better Practice Guide	1 August 2024
Controls Over Agency Special Purpose Accounts	28 June 2024
Staff Exit Controls at Large Local Government Entities	28 June 2024
Fraud Risks in the Management of Client Funds by the Public Trustee	26 June 2024
Local Government Physical Security of Server Assets	24 June 2024
Local Government Management of Purchasing Cards	12 June 2024
Local Government 2022-23 – Financial Audit Results	6 June 2024
Local Government IT Disaster Recovery Planning	31 May 2024

Details of other audits in progress are also available on our website: [Audit in progress](#)

## Appendix B – Key Changes to Accounting Standards

Key changes to accounting standards that impact state and local government entities for the first time this year are shown below.

Nº	Accounting Standard	First year end	Summary
1	<p>AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i></p> <p>AASB 2023-3 <i>Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2</i></p>	31 December 2024	<p>This Standard amends AASB 101 <i>Presentation of Financial Statements</i> to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. The amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.</p> <p>AASB 2023-3 amends AASB 1060 to:</p> <p>(a) clarify that a liability is classified as non-current if an entity has the right at the reporting date to defer settlement of the liability for at least 12 months after the reporting date;</p> <p>(b) clarify the reference to settlement of a liability by the issue of equity instruments in classifying liabilities; and</p> <p>(c) require the disclosure of information that enables users of the financial statements to understand the risk that non-current liabilities with covenants could become repayable within 12 months.</p>
2	AASB 2022-5 <i>Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback</i>	31 December 2024	This Standard amends AASB 16 <i>Leases</i> to add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15 <i>Revenue from Contracts with Customers</i> to be accounted for as a sale.
3	AASB 2022-10 <i>Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i>	31 December 2024	<p>This Standard amends AASB 13 <i>Fair Value Measurement</i> for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.</p> <p>Changes include:</p> <p>(a) For the purpose of fair value measurement, current use of land used for a public sector community purpose (e.g. land used for a school) is presumed to be the highest and best use, except if:</p> <ul style="list-style-type: none"> <li>The land is classified as held for sale or held for distribution to owners in accordance with AASB 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>; or</li> <li>It is highly probable that the land will be used for an alternative purpose and the current use is expected to cease within one year.</li> </ul> <p>(b) Guidance on costs to be considered in determining the current replacement cost of an asset.</p>
4	AASB 2023-1 <i>Amendments to Australian Accounting Standards - Supplier Finance Arrangements</i>	31 December 2024	This Standard amends AASB 107 and AASB 7 to require an entity to provide additional disclosures about its supplier finance arrangements. The additional information will enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cash flows and exposure to liquidity risk.

**Office of the Auditor General  
for Western Australia**

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Office of the Auditor General  
for Western Australia

## **2. Closure**

There being no further business, the Presiding Member thanked those in attendance and declared the meeting closed at 1:01pm.



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