



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



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Mr Don Burnett
Chief Executive Officer
Shire of Peppermint Grove
PO Box 221
COTTESLOE WA 6911

Dear Mr Burnett

The Department of Local Government, Sport and Cultural Industries (the Department) has received the Shire's 2017-18 Audit Report from Butler Settineri (Audit) Pty Ltd dated 20 December 2018.

The Audit Report identifies matters as significant in regard to adverse trends, qualified audits and other matters. The following matter is identified as significant by the auditor:

- Significant adverse trend in the financial position of the Shire: Asset Sustainability Ratio below the Department standard.

Section 7.12A(4) of the *Local Government Act 1995* states that a local government must:
prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and
(b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.
Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.

To date it appears that a report has not been received and has not been published on the Shire's official website in accordance with Section 7.12A.

As a matter of priority the Shire must prepare a report for its Audit Committee and seek council's endorsement before forwarding a copy to the Department at audits@dlgsc.wa.gov.au

As this report is now overdue, the Department requires the local government to remedy this non-compliance within the next 60 days from the date of this letter.

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For further information please review the Department's Circulars 05-2019 Local Government Auditing and 02-2018 Guide to Local Government Auditing Reforms (page 8) which are published on the Department's website.

Should you have any queries please contact the Department on the above email address or phone 65527300.

Yours sincerely



Narrell Lethorn
Director Industry and Sector Regulation

28 June 2019

cc Cr Rachel Thomas, President, Shire of Peppermint Grove