



Incorporating the districts of Cunderdin and Meckering

ABN: 75 587 374 670

P.O.Box 100 Cunderdin Western Australia 6407

Tel: (08) 9635 2700

Email: [admin@cunderdin.wa.gov.au](mailto:admin@cunderdin.wa.gov.au)

Our ref:

Enquiries: Hayley Byrnes

Perth BC  
PO Box 8489  
PERTH WA 6849

Dear Madam,

### CONCERNS REGARDING AUDIT FEE INCREASE FOR 2023-24

We acknowledge receipt of your letter regarding the indicative audit fee for the 2023-24 financial report. While we appreciate the detailed explanation provided, we must express our concern and dissatisfaction with the significant fee increase from \$30,340 to \$48,500.

As a small regional council with limited resources, this substantial increase poses a significant financial burden. Our council operates with a constrained budget, and such a steep rise in audit fees is challenging to accommodate. We understand the need for cost recovery and maintaining audit quality, but the expectations placed on smaller councils like ours must consider our limited capacity and resources.

The specific reasons cited for the fee increase, including changing systems, staff shortages, complexities, and new auditing standards, are understandable. However, it is essential to recognize that smaller councils face unique challenges that differ from larger entities. Our limited staff and resources mean we are already stretched thin, and the additional scrutiny and requirements only add to our burden.

We would like to request the following considerations:

1. **Fee Adjustment:** Could the OAG reconsider the fee increase for smaller regional councils? A more gradual increase would be more manageable and fairer given our limited resources.
2. **Support and Guidance:** We would appreciate additional support and guidance from the OAG to help us meet the audit requirements more efficiently. This could include more tailored assistance and resources specific to the needs and constraints of small councils.
3. **Flexibility in Requirements:** Acknowledging our limited capacity, we request some flexibility in the audit requirements and deadlines to better align with our operational capabilities.
4. **Traceability:** In the past, there have been instances where auditors have blamed Shire staff for delays in completing the audit. However, Shire staff have experienced extended periods of waiting for the auditors, sometimes for weeks at a time.

We are committed to maintaining accountability and transparency in our financial reporting and governance. However, we urge the OAG to consider the unique challenges faced by small regional councils and to work with us in finding a more equitable solution to the audit fee increase.

Please feel free to contact me directly at [Hayley.byrnes@cunderdin.wa.gov.au](mailto:Hayley.byrnes@cunderdin.wa.gov.au) or 96352700 to discuss these points further or to arrange a meeting at your convenience. We hope for a constructive dialogue to address our concerns and work together towards a mutually beneficial outcome.

Thank you for your understanding and cooperation.

Sincerely,

Hayley Byrnes  
**DEPUTY CHIEF EXECUTIVE OFFICER**

26<sup>th</sup> June 2024





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Our ref:

Enquiries: Hayley Byrnes

7th Floor, Dumas House,  
2 Havelock Street,  
WEST PERTH WA 6005

Dear Hon Hannah Beazley BA MLA,

### CONCERNS REGARDING AUDIT FEE INCREASE FOR 2023-24

I am writing to express our significant concerns regarding the recent notification from the Office of the Auditor General (OAG) about the indicative audit fee for the 2023-24 financial report. The proposed fee increase from \$30,340 to \$48,500 represents a substantial rise that poses a serious financial burden on our small regional council.

Our council operates within a constrained budget and limited resources. Such a steep increase in audit fees is particularly challenging for us to accommodate. While we understand the necessity of cost recovery and maintaining audit quality, it is crucial that the expectations placed on smaller councils like ours take into account our limited capacity and resources.

The specific reasons cited by the OAG for the fee increase include changing systems, staff shortages, complexities, and new auditing standards. While these factors are understandable, smaller councils face unique challenges that differ significantly from larger entities. Our limited staff and resources mean we are already stretched thin, and the additional scrutiny and requirements further exacerbate our difficulties.

Considering these challenges, we respectfully request the following considerations:

1. **Fee Adjustment:** Could the OAG reconsider the fee increase for smaller regional councils? A more gradual increase would be more manageable and fairer given our limited resources.
2. **Support and Guidance:** We would appreciate additional support and guidance from the OAG to help us meet the audit requirements more efficiently. This could include more tailored assistance and resources specific to the needs and constraints of small councils.
3. **Flexibility in Requirements:** Acknowledging our limited capacity, we request some flexibility in the audit requirements and deadlines to better align with our operational capabilities.
4. **Traceability:** In the past, there have been instances where auditors have blamed Shire staff for delays in completing the audit. However, Shire staff have experienced extended periods of waiting for the auditors, sometimes for weeks at a time.

We remain committed to maintaining accountability and transparency in our financial reporting and governance. However, it is imperative that the unique challenges faced by small regional councils are recognised and addressed in a manner that is fair and sustainable.

We seek your assistance in addressing our concerns and finding a more equitable solution to the audit fee increase. Please feel free to contact me directly at [Hayley.byrnes@cunderdin.wa.gov.au](mailto:Hayley.byrnes@cunderdin.wa.gov.au) to discuss these points further or to arrange a meeting at your convenience.

Thank you for your attention to this matter and your understanding.

Sincerely,

Hayley Byrnes  
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Our ref:

Enquiries: Hayley Byrnes

Mr Rick Wilson MP  
PO Box 10415  
Kalgoorlie, WA, 6430

Dear Mr Rick Wilson MP,

### REQUEST FOR ASSISTANCE REGARDING SIGNIFICANT AUDIT FEE INCREASE AFFECTING MULTIPLE COUNCILS

I am writing to bring to your attention a pressing issue that is not only affecting our council but also having a significant impact on other small regional councils.

Recently, the Office of the Auditor General (OAG) notified us of a substantial increase in the indicative audit fee for our 2023-24 financial report, rising from \$30,340 to \$48,500. This considerable increase represents a severe financial burden for councils like ours, which operate within constrained budgets and with limited resources.

The OAG has provided several reasons for this increase, including cost recovery for their audit work program, additional audit effort due to changing systems, staff shortages, and the implementation of new auditing standards. While we recognize the importance of maintaining high audit standards, the expectations placed on smaller councils like ours do not sufficiently consider our limited capacity to meet such financial demands.

It has come to our attention that other councils in our region are facing similar challenges with the audit fee increases. This issue is not isolated to our council alone, and it highlights a broader problem that could jeopardize the financial sustainability of multiple small regional councils.

We have already taken the step of drafting a letter to the Minister, expressing our concerns and requesting reconsideration of the fee increase. However, given the widespread implications of this issue, we believe it is critical to bring this matter to your attention as our elected representative.

We kindly request your support in the following areas:

1. **Advocacy:** We would greatly appreciate your assistance in advocating on behalf of all affected councils to ensure that our collective concerns are heard at the highest levels of government. A more equitable audit fee structure and additional support for councils with limited resources are essential for our continued financial sustainability.
2. **Awareness:** By raising awareness of this issue within parliamentary discussions, you can help ensure that the unique challenges faced by small regional councils are recognized and addressed.
3. **Support:** Any guidance or support you can provide in our efforts to address this matter with the OAG and relevant authorities would be invaluable.

We are committed to upholding accountability and transparency in our financial reporting. However, it is critical that we work towards a solution that takes into account the financial realities of smaller councils. We are more than willing to collaborate with you and other stakeholders to achieve a fair and sustainable outcome.

Thank you for your attention to this matter. We look forward to your response and any assistance you can provide.

Yours sincerely

Hayley Byrnes  
**DEPUTY CHIEF EXECUTIVE OFFICER**

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7th Floor, Dumas House,  
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Our council operates within a constrained budget and limited resources. Such a steep increase in audit fees is particularly challenging for us to accommodate. While we understand the necessity of cost recovery and maintaining audit quality, it is crucial that the expectations placed on smaller councils like ours take into account our limited capacity and resources.

The specific reasons cited by the OAG for the fee increase include changing systems, staff shortages, complexities, and new auditing standards. While these factors are understandable, smaller councils face unique challenges that differ significantly from larger entities. Our limited staff and resources mean we are already stretched thin, and the additional scrutiny and requirements further exacerbate our difficulties.

Considering these challenges, we respectfully request the following considerations:

1. **Fee Adjustment:** Could the OAG reconsider the fee increase for smaller regional councils? A more gradual increase would be more manageable and fairer given our limited resources.
2. **Support and Guidance:** We would appreciate additional support and guidance from the OAG to help us meet the audit requirements more efficiently. This could include more tailored assistance and resources specific to the needs and constraints of small councils.
3. **Flexibility in Requirements:** Acknowledging our limited capacity, we request some flexibility in the audit requirements and deadlines to better align with our operational capabilities.
4. **Traceability:** In the past, there have been instances where auditors have blamed Shire staff for delays in completing the audit. However, Shire staff have experienced extended periods of waiting for the auditors, sometimes for weeks at a time.

We remain committed to maintaining accountability and transparency in our financial reporting and governance. However, it is imperative that the unique challenges faced by small regional councils are recognised and addressed in a manner that is fair and sustainable.

We seek your assistance in addressing our concerns and finding a more equitable solution to the audit fee increase. Please feel free to contact me directly at [Hayley.byrnes@cunderdin.wa.gov.au](mailto:Hayley.byrnes@cunderdin.wa.gov.au) to discuss these points further or to arrange a meeting at your convenience.

Thank you for your attention to this matter and your understanding.

Sincerely,

Hayley Byrnes  
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Enquiries: Hayley Byrnes

WALGA President, Cr Karen Chappel AM JP  
ONE70, LV1, 170 Railway Parade,  
West Leederville, WA, 6007

Dear President, Cr Karen Chappel AM JP,

### CONCERNS REGARDING AUDIT FEE INCREASE FOR 2023-24

I am writing to bring to your attention a matter of significant concern for our council that may also affect other small regional councils in our area. The Office of the Auditor General (OAG) recently notified us of a substantial increase in the indicative audit fee for our 2023-24 financial report, rising from \$30,340 to \$48,500.

As a small regional council with limited resources, this dramatic fee increase presents a considerable financial strain. The reasons provided for this increase include cost recovery for the OAG's expenses, increased audit effort due to changing systems, staff shortages, and the implementation of new auditing standards. While we understand the need for thorough audits and maintaining high standards, the expectations placed on smaller councils like ours do not fully account for our limited capacity to absorb such costs.

We have drafted a letter to the Minister outlining our concerns and requesting reconsideration of the fee increase. We also seek additional support and flexibility to meet these requirements effectively.

Given your role as a representative and advocate for local governments, we would greatly appreciate your assistance in addressing this issue. We believe that a collective approach involving industry bodies could be more effective in communicating the challenges faced by small councils and advocating for a fairer and more manageable solution.

We kindly request your support in the following ways:

- 1. Advocacy:** We ask that you consider advocating on behalf of small regional councils to the OAG and relevant government authorities to reconsider the audit fee structure and provide additional support where necessary.
- 2. Collaboration:** We would appreciate the opportunity to collaborate with you and other councils in our area to present a united front on this issue.
- 3. Guidance:** Any advice or guidance you can provide on how to navigate this situation and mitigate the financial impact on our council would be invaluable.

We are committed to upholding accountability and transparency in our financial reporting, but we need a fair and sustainable approach that considers the unique challenges of small regional councils.

We are willing to work closely with you and contribute to any initiatives or discussions that could help us reach a mutually beneficial outcome. Together, we can ensure that the unique challenges of small regional councils are recognised and addressed in a fair and sustainable manner.

Thank you for your attention to this matter. We look forward to your response and any assistance you can provide.

Yours sincerely,

Hayley Byrnes  
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Our ref:

Enquiries: Hayley Byrnes

Anthony Vuleta, MLGP- President  
LG Professionals WA  
PO Box 42  
KALAMUNDA WA 6926

Dear Anthony Vuleta, MLGP - President,

### CONCERNS REGARDING AUDIT FEE INCREASE FOR 2023-24

I am writing to bring to your attention a matter of significant concern for our council that may also affect other small regional councils in our area. The Office of the Auditor General (OAG) recently notified us of a substantial increase in the indicative audit fee for our 2023-24 financial report, rising from \$30,340 to \$48,500.

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Thank you for your attention to this matter. We look forward to your response and any assistance you can provide.

Yours sincerely,

Hayley Byrnes  
**DEPUTY CHIEF EXECUTIVE OFFICER**

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