

Audit Provisions of the Local Government Act

Terms of Reference

In 1975 the Commission was given a reference to review sections of the *Local Government Act 1960–1967* (WA) (“the Act”) relating to audit matters.

Background of Reference

The Commission received the reference following suggestions by accountants that many provisions of the Act were defective and no longer in accordance with modern commercial audit practice.

At the Commission’s request, the Institute of Chartered Accountants (WA Branch) made a detailed submission explaining the alleged defects and suggesting amendments. The submission was forwarded to the Department of Local Government (“the Department”) and the Local Government Association of Western Australia Inc for comment. The Commission received detailed comments on the various issues from the Department.

Reference Withdrawn

The Commission considered that the substance of the project concerned accounting procedures and practice rather than legal issues. In addition, a government decision had been made to transfer local government audit services from the Department to the Auditor General.

In August 1980 the Commission drew the Attorney-General’s attention to these issues and suggested that consideration be given to withdrawal of the reference. The reference was formally withdrawn in June 1982.