

Audit & Risk Committee Minutes

January 2023



Minutes of an Audit & Risk Committee Meeting of Council held in the Council Chambers on Wednesday 18 January 2023 commencing at 2:45pm

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

President Grant Robins declared the meeting open at 2:45pm

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

ATTENDANCE

In Person

G Robins	President	Central Ward
R Bowey	Councillor	Town Ward
B West	Councillor	West Ward
A Leeson	Acting Chief Executive Officer	
F Murphy	Deputy Chief Executive Officer	

Via Teams (Electronic)

B Smoker	Deputy President	West Ward
J Noble	Councillor	Town Ward
C Mullan	Councillor	West Ward
T Gangell	Councillor	Town Ward
L Varone	Councillor	East Ward
M Lucchesi	Councillor	Central Ward

APOLOGIES

Nil

ATTENDANCE VIA ELECTRONIC MEANS

As per the minutes of the Council Meeting held on 20 December 2022, Cr Smoker, Cr Noble and Cr Mullan will be attending the meeting via electronic means. Cr Robins explained that Cr Varone, Cr Lucchesi and Cr Gangell were also unable to attend the meeting in person and would be attending via electronic means which requires approval by Council.

AR 01/0123

Moved Cr West Seconded Cr Bowey that Council approve attendance via electronic means for Councillors Varone, Lucchesi & Gangell for this Special Council Meeting.

Carried 9/0

3 PUBLIC QUESTION TIME

4 APPLICATIONS FOR LEAVE OF ABSENCE

5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 Audit & Risk Committee Meeting Minutes – 27 July 2022

6 MATTERS REQUIRING DECISION

6.1 Annual Report & Financial Statements for the Year Ended 30 June 2022

7 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

8 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

9 DATE AND TIME OF NEXT MEETING

10 CLOSURE OF MEETING

5. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 Shire of Kulin Audit & Risk Committee Meeting – Minutes 27 July 2022

AR 02/0123

Moved Cr Noble Seconded Cr Mullan that the minutes of the Audit & Risk Committee Meeting held on 27 July 2022 be confirmed as a true and correct record.

Carried 9/0

6. MATTERS REQUIRING DECISION

6.1 Annual Report & Financial Statements for the Year Ended 30 June 2022

RESPONSIBLE OFFICER: DCEO
FILE REFERENCE: 12.03 Audit
AUTHOR: DCEO
DISCLOSURE OF INTEREST: Nil

SUMMARY:

The Shire of Kulin's Financial Statements for the year ended 30 June 2022 have been audited by AMD Chartered Accountants on behalf of the Office of the Auditor General (OAG). The OAG has issued its unqualified Audit Report. The Annual Report and Financial Statements for the year ended 30 June 2022 must now be accepted by Council.

BACKGROUND & COMMENT:

Representatives from AMD on behalf of the Office of the Auditor General, conducted an interim audit onsite in June 2022 and the final audit remotely in October 2022.

The Audit Exit meeting was held on Tuesday 20 December 2022 via video conference. Kien Neoh, Director Financial Audit from the OAG and Maria Cavallo, Director at AMD Chartered Accountants attended. The Shire was represented by President Robins, Councillor Bowey and Councillor West, along with the CEO and DCEO. Mr Neoh and Ms Cavallo provided an overview of the 2021/22 Financial Statement Audit and issues raised in the management letter.

The CEO received the final stamped version of the Financial Statements and Auditor's Report for the year ended 30 June 2022, along with the Final Management Letter on 22 December 2022. Management have responded to issues raised in the management letter. A copy of the Financial Statements, Auditors Report and Management Letter are included as attachments to this item.

In accordance with s5.53 of the Local Government Act 1995 a local government is required to prepare and accept an annual report for each financial year, no later than 31 December after that financial year. If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than two months after the auditor's report becomes available. As this Auditors Report was received so close to Christmas, there was not enough time for it to be accepted by Council before 31 December.

The CEO is required to publish the annual report within 14 days after it has been accepted by the local government. A copy of the annual financial report of a local government is to be submitted to the Departmental CEO within 30 days of the receipt by the local government.

STATUTORY AND PLANNING IMPLICATIONS:

Local Government Act 1995

5.54. *Acceptance of annual reports*

- (1) *Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.*

** Absolute majority required.*

- (2) *If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.*

[Section 5.54 amended: No. 49 of 2004 s. 49.]

5.55. *Notice of annual reports*

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

5.55A. *Publication of annual reports*

The CEO is to publish the annual report on the local government's official website within 14 days after the report has been accepted by the local government.

Local Government (Financial Management) Regulations 1996

51. *Annual financial report to be signed etc. by CEO and given to Department*

- (1) *After the annual financial report has been audited in accordance with the Act the CEO is to sign and append to the report a declaration in the form of Form 1.*
- (2) *A copy of the annual financial report of a local government is to be submitted to the Departmental CEO within 30 days of the receipt by the local government's CEO of the auditor's report on that financial report.*

FINANCIAL IMPLICATIONS:

Audit fees provided for the in 2021/22 Shire of Kulin budget.

POLICY IMPLICATIONS:

Nil

COMMUNITY CONSULTATION:

Nil

WORKFORCE IMPLICATIONS:

Nil

OFFICER'S RECOMMENDATION:

That the committee recommends to Council to accept the Annual Report and Audited Financial Statements, Auditors Report and Management Letter for year ended 30 June 2022 as presented in the attachments.

VOTING REQUIREMENTS:

Absolute Majority.

AR 03/0123

Moved Cr Smoker Seconded Cr Lucchesi that the committee recommends to Council to accept the Annual Report (including changes to the Presidents Report noted by Councillor Bowey outlined in the Attachment to these minutes) and Audited Financial Statements, Auditors Report and Management Letter for year ended 30 June 2022 as presented.

Carried by Absolute Majority 9/0

7. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

8. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

Nil

9. DATE AND TIME OF NEXT MEETING

Date and time of next meeting to be set.

10. CLOSURE OF MEETING

There being no further business the meeting was closed at 2:52pm