



Minutes for the Audit and Risk Committee Meeting

19 December 2023

COUNCIL CALENDAR		
Date	Time	Meeting
19 December 2023	2:00pm	Audit and Risk Committee Meeting
19 December 2023	2:30pm	Councillor Discussion Forum
19 December 2023	5.00pm	Ordinary Council Meeting

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# MINUTES

**Shire of Narembeen  
Audit and Risk Committee Meeting  
Tuesday 19 December 2023, commencing at 1.55pm**

## 1.0 Opening & Welcome

The President, Cr Scott Stirrat, welcomed everyone to the meeting and declared the meeting open at 1.55pm.

## 2.0 Attendance & Apologies

### Attendance

#### **Councillors**

Cr Scott Stirrat	President
Cr Holly Cusack	Deputy President
Cr Chris Bray	
Cr Any Hardham	
Cr Trevor Cole	
Cr Hannah Bald	
Cr Michael Currie	

#### **Staff**

Rebecca McCall	Chief Executive Officer
Ken Markham	Acting Executive Manager Infrastructure Services
Kathryn Conopo	Senior Administration Officer (minute-taker)

### Apologies

Ben Forbes	Executive Manager Corporate Services
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## 3.0 Declarations of Interest

*Nil*

## 4.0 Public Question Time & Deputations (15 min)

*Nil*

## 5.0 Minutes of Previous Meetings

### 5.1 Confirmation of Minutes of Audit Committee Meeting – 16 May 2023

#### 5.1.1 Confirmation of Minutes

Confirmation of Minutes from the Shire of Narembeen Audit and Risk Committee Meeting held on Tuesday 16 May 2023.

## **RECOMMENDATION**

That the minutes of the Shire of Narembeen Audit Committee Meeting held on Tuesday 16 May 2023 be confirmed as a true and accurate record of the proceedings.

## **AUDIT & RISK COMMITTEE RESOLUTION**

**MIN 7704/23**

**MOTION** – Moved Cr. Cole

Seconded Cr. Hardham

**CARRIED 7 / 0**

UNCONFIRMED

## 6.0 REPORTS

### AGENDA ITEM: 6.1 – Annual Report for the year ended 30 June 2023

<b>Subject:</b>	Annual Report for the year ended 30 June 2023
<b>Applicant:</b>	Not applicable
<b>File Ref:</b>	ADM477
<b>Disclosure of Interest (Staff):</b>	Nil
<b>Author:</b>	Ben Forbes – Executive Manager Corporate Services
<b>Date:</b>	6 December 2023
<b>Attachments:</b>	Shire of Narembeen – Independent auditor’s report, 30 June 2023 Shire of Narembeen – 2023 Annual Report Shire of Narembeen – Final management letter, 30 June 2023

### PURPOSE

For the Audit and Risk Committee to review and promote to Council for adoption the:

- Shire of Narembeen Annual Report for the year ended 30 June 2023
- independent auditor’s report for the 2023 annual report
- final audit management letter for the year ended 30 June 2023, and
- recommended date for the Annual Elector’s Meeting.

### BACKGROUND

A Local Government is to prepare an annual report each financial year containing such information as prescribed by the *Local Government Act 1995* Section 5.53(2) and Regulation 19 of the *Local Government (Administration) Regulations 1996*

Throughout the audit process each year, areas of non-compliance or matters of concern are raised by the Shire’s contract auditors, which are appointed by the Office of the Auditor General. Each year there are two audits (interim and final) that focus on different aspects of the accounting records, administrative practices and pertinent areas of risk, the findings for which are noted in the attached management letter.

### CONSULTATION

Chief Executive Officer  
Office of Auditor General  
Dry Kirkness (contract auditors for OAG)

### STATUTORY IMPLICATIONS

*Local Government Act 1995,*

#### Part 5, Section 5.53

- (1) The local government is to prepare an annual report for each financial year.
- (2) The annual report is to contain —
  - a) a report from the mayor or president; and
  - b) a report from the CEO; and
  - e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and
  - f) the financial report for the financial year; and

- g) such information as may be prescribed in relation to the payments made to employees; and
- h) the auditor's report prepared under section 7.9(1) or 7.12AD(1) for the financial year; and
- ha) a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and
- hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —
  - i. the number of complaints recorded in the register of complaints; and
  - ii. how the recorded complaints were dealt with; and
  - iii. any other details that the regulations may require; and
  - iv. and such other information as may be prescribed.

### **7.12A. Duties of local government with respect to audits**

- (1) A local government is to do everything in its power to —
  - (a) assist the auditor of the local government to conduct an audit and carry out the auditor's other duties under this Act in respect of the local government; and
  - (b) ensure that audits are conducted successfully and expeditiously.
- (2) Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.
- (3) A local government must —
  - (aa) examine an audit report received by the local government; and
  - (a) determine if any matters raised by the audit report, require action to be taken by the local government; and
  - (b) ensure that appropriate action is taken in respect of those Matters
- (4) A local government must —
  - (a) 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.
- (5) 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.

#### Local Government (Financial Management) Regulations 1996, Part 4 Financial Reports

Regulations 36 to 49 prescribe the contents and disclosures required in the financial statements and accompanying notes.

Regulation 51 prescribes that the Local Government's CEO provide a copy of the audited financial report to the CEO of the Department of Local Government Sport and Cultural Industries within 30 days of the receipt of the audit report.

#### Local Government (Audit) Regulations 1996, Regulation 10

- (1) An auditor's report is to be forwarded to the persons specified in section 7.9(1) within 30 days of completing the audit.
- (2) The report is to give the auditor's opinion on —
  - a. the financial position of the local government; and
  - b. the results of the operations of the local government.

- (3) The report must include a report on the conduct of the audit.
- (4) Where it is considered by the auditor to be appropriate to do so, the auditor is to prepare a management report to accompany the auditor's report and to forward a copy of the management report to the persons specified in section 7.9(1) with the auditor's report.

Local Government (Administration) Regulations 1996, Regulation 10

**19B. Information to be included in annual report**

(2) For the purposes of section 5.53(2)(g) and (i), the annual report for a financial year beginning on or after 1 July 2020 must contain the following —

- (a) the number of employees of the local government entitled to an annual salary of \$130,000 or more;
- (b) the number of employees of the local government entitled to an annual salary that falls within each band of \$10 000 over \$130 000;
- (c) any remuneration and allowances paid by the local government under Schedule 5.1 clause 9 during the financial year;
- (d) any amount ordered under section 5.110(6)(b)(iv) to be paid by a person against whom a complaint was made under section 5.107(1), 5.109(1) or 5.114(1) to the local government during the financial year;
- (e) the remuneration paid or provided to the CEO during the financial year;
- (f) the number of council and committee meetings attended by each council member during the financial year;
- (g) if available, the gender, linguistic background and country of birth of council members;
- (h) if available, the number of council members who are aged —
  - (i) between 18 years and 24 years; and
  - (ii) between 25 years and 34 years; and
  - (iii) between 35 years and 44 years; and
  - (iv) between 45 years and 54 years; and
  - (v) between 55 years and 64 years; and
  - (vi) over the age of 64 years;
- (i) if available, the number of council members who identify as Aboriginal or Torres Strait Islander;
- (j) details of any modification made to a local government's strategic community plan during the financial year;
- (k) details of any significant modification made to a local government's corporate business plan during the financial year.

**FINANCIAL IMPLICATIONS**

There are no financial implications directly associated with the endorsement of the annual report.

**POLICY IMPLICATIONS**

Not applicable

**RISK MANAGEMENT IMPLICATIONS**

Not applicable

**STRATEGIC PLAN REFERENCE**

Strategic Community Plan 2017-2027

Goal 2: Internal and external relationships actively grow our Shire population and positive financial position.

## VOTING REQUIREMENTS

Majority

## COMMENT

The OAG has issued an unqualified audit opinion for the financial reports for the year ended 30 June 2023. This means that the OAG found no material misstatement or case of non-compliance in the financial statements. Management is satisfied that there is a workable plan to address identified control deficiencies or areas of non-compliance in the final management letter.

Council should note that the Annual Elector's Meeting must be held within 56 days from the day the annual report is adopted. The recommended date (6<sup>th</sup> of February 2024) is the last possible day for this to occur.

## OFFICER RECOMMENDATION

That the Audit and Risk Committee recommends that Council:

1. Endorse the Independent auditor's report for the year ended 30 June 2023
2. Endorse the Final management letter for the year ended 30 June 2023
3. Endorse the 2023 Annual Report
4. Schedule the Shire of Narembeen Annual Elector's Meeting for 6:00pm on Tuesday 6 February 2024 in Council Chambers.

**MIN 7705/23**

**MOTION** – Moved Cr. Currie

Seconded Cr. Bray

**CARRIED 7 / 0**

### 7.0 Other Business

*Nil*

### 8.0 Next Meeting

To be advised.

### 9.0 Closure

There being no further business the Chair declared the meeting closed at 2.01pm.