



*Audit
Committee
Meeting
Minutes*

21st July

2022

Table of Content

1. Declaration of Opening.....	2
2. Record of Attendance.....	2
3. Response to Previous Public Questions Taken on Notice.....	2
4. Public Question Time.....	2
5. Confirmation of Minutes.....	2
6. Declarations by Members & Officers.....	2
7. Status of Actions Previously Tabled.....	2
8. Risk Developments.....	3
9. Presentation.....	3
9. Officers Reports	
9.1.1 2021/2022 Interim Audit Management Report.....	4
10. Closure of meeting.....	7

UNCONFIRMED

1. DECLARATION OF OPENING

The Presiding member declared the meeting open at 2.30pm

2. ATTENDANCE

Cr W Della Bosca	Member	(Chair)
Cr B Close	Member	
Cr J Cobden	Member	
Mrs. J Della Bosca	Community Member	
Mr. N Warren	Chief Executive Officer	
Mr. C Watson	Executive Manager Corporate Services	
Mr. B Forbes	Manager of Finance	
Apologies:	Cr P Nolan	Member
Observers:	Cr L Granich	
Leave of Absence:	Nil	

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

4. PUBLIC QUESTION TIME

Nil

5. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

Minutes of the Audit Committee Meeting, 17 February 2022

AC5/2022

Moved Cr Cobden/Seconded Cr Della Bosca

That the minutes of the Audit Committee Meeting held on 17 February, 2022 be confirmed as a true and correct record of proceedings.

CARRIED (4/0)

6. DECLARATIONS BY MEMBERS AND OFFICERS

Nil

7. STATUS OF ACTIONS PREVIOUSLY TABLED

All actions resulting from items previously tabled are complete.

8. RISK DEVELOPMENTS

The Office of the Auditor General recently published “Fraud Risk Management – Better Practice Guide” was included in the attachments for this meeting.

This document will be reviewed and a fraud risk management program will be developed and present to the Audit Committee at a subsequent meeting.

9. PRESENTATIONS

Nil

UNCONFIRMED

9.1 Officers Report – Executive Manager Corporate Services

9.1.1 2020/21 Audit & Management Report

File Reference	8.2.3.3
Disclosure of Interest	Nil
Voting Requirements	Simple Majority
Attachments	Confidential Attachment 1 – Auditors Interim Management Report for Year Ending 30 June 2022.

Purpose of Report

The Audit Committee is requested to receive the Interim Management Report relating to the year ending 30th June 2022.

Background

The purpose and responsibilities of the Audit Committee is outlined in Part 7 of the Local Government Act 1995.

One of the Audit Committee's responsibilities is to examine the reports of the auditor including the interim management report and note its contents.

Comment

Over the period 9th to the 13th of May, Councils auditors completed the interim audit for the financial year ended 30 June 2022.

Statutory Environment

Local Government Act 1995 –

7.9. Audit to be conducted

- (1) An auditor is required to examine the accounts and annual financial report submitted for audit and, by the 31 December next following the financial year to which the accounts and report relate or such later date as may be prescribed, to prepare a report thereon and forward a copy of that report to —
 - (a) the mayor or president; and
 - (b) the CEO of the local government; and
 - (c) the Minister.
- (2) Without limiting the generality of subsection (1), where the auditor considers that—
 - (a) there is any error or deficiency in an account or financial report submitted for audit; or

- (b) any money paid from, or due to, any fund or account of a local government has been or may have been misapplied to purposes not authorised by law; or
 - (c) there is a matter arising from the examination of the accounts and annual financial report that needs to be addressed by the local government, details of that error, deficiency, misapplication or matter, are to be included in the report by the auditor.
- (3) The Minister may direct the auditor of a local government to examine a particular aspect of the accounts and the annual financial report submitted for audit by that local government and to —
- (a) prepare a report thereon; and
 - (b) forward a copy of that report to the Minister, and that direction has effect according to its terms.
- (4) If the Minister considers it appropriate to do so, the Minister is to forward a copy of the report referred to in subsection (3), or part of that report, to the CEO of the local government to be dealt with under section 7.12A.

7.12 A Duty 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 his or her 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 is to examine the report of the auditor prepared under section 7.9(1), and any report prepared under section 7.9(3) forwarded to it, and is to —
- (a) determine if any matters raised by the report, or reports, 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 is to —
- (a) prepare a report on any actions under subsection (3) in respect of an audit conducted in respect of a financial year; and
 - (b) forward a copy of that report to the Minister, by the end of the next financial year, or 6 months after the last report prepared under section 7.9 is received by the local government, whichever is the latest in time.

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.

Local Government (Audit) Regulations 1996 –

10. Report by auditor

- (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 is to include —
 - (a) any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the local government; and
 - (b) any matters indicating non-compliance with Part 6 of the Act, the Local Government (Financial Management) Regulations 1996 or applicable financial controls in any other written law; and
 - (c) details of whether information and explanations were obtained by the auditor; and
 - (d) a report on the conduct of the audit; and
 - (e) the opinion of the auditor as to whether or not the following financial ratios included in the annual financial report are supported by verifiable information and reasonable assumptions —
 - (i) the asset consumption ratio; and
 - (ii) the asset renewal funding ratio.

(4A) In subregulation (3)(e) —

asset consumption ratio has the meaning given in the Local Government (Financial Management) Regulations 1996 regulation 50(2);

asset renewal funding ratio has the meaning given in the Local Government (Financial Management) Regulations 1996 regulation 50(2).

- (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.

The recommendation that follows is consistent with the legislative requirements.

Strategic Implications

There are no strategic implications as a result of this report.

Policy Implications

There are no policy implications as a result of this report.

Financial Implications

There are no financial implications as a result of this report.

Officer Recommendation and Council Decision

AC6/2022

Moved Cr Cobden/Seconded Cr Close

That the Audit Committee accepts the Interim Management Report provided by Councils auditors and endorses Managements comments as they relate to the two issues raised.

CARRIED (4/0)

10. CLOSURE OF MEETING

With there being no further business to discuss the Presiding member declared the meeting closed at 2.41pm

Cr Wayne Della Bosca
PRESIDENT