

SHIRE OF MT MARSHALL



Mt Marshall Audit Committee

**Minutes of the
Mt Marshall Audit Committee Meeting
held on Thursday 2 December 2021
in Council Chambers,
Monger St, Bencubbin
commencing at 3:00pm.**

Chairperson

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intentionally**

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5.1 Minutes of Mt Marshall Audit Committee Meeting held Tuesday 16 November 2021

Audit2021/011 COMMITTEE DECISION:

That the Minutes of the Audit Committee Meeting held on Tuesday 16 November 2021 be confirmed as a true and correct record of proceedings.

Moved Cr NR Gillett

Seconded Cr SR Putt

Carried 3/0

6.0 Reports of Officers

6.1 Finance and Administration Manager

Mr Vishal Desai and Mrs Leanne Oliver of Audit Partners Australia and Mr Kien Neoh and Mr Jeff Sweetman of the Office of the Auditor General addressed the Committee and answered questions regarding the Audit Report.

Mr Vishal Desai and Mrs Leanne Oliver of Audit Partners Australia and Mr Kien Neoh and Mr Jeff Sweetman of the Office of the Auditor General left the meeting at 3:47pm.

6.1.1 2020/2021 Annual Financial Report and Audit Report

File No:	4.0460
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author:	Tanika McLennan – Finance and Administration Manager
Attachments:	6.1.1a – Audited Financial Report to 30 June 2021 6.1.1b – Independent Auditors Report and Management Letter
Declaration of Interest:	Nil
Voting Requirements:	Simple Majority
Previously Considered:	Nil

Background:

Audit Partners Australia as contracted to the Auditor General, have conducted the annual financial audit of the Shire of Mt Marshall for the period 1 July 2020 to 30 June 2021. A copy of the audited Financial Statement is attached, along with the Independent Audit Report and Management Letter, for consideration by the Audit Committee.

Consultation:

Bob Waddell – Contract Accountant

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Statutory Environment:

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.

7.1A. Audit committee

- (1) A local government is to establish an audit committee of 3 or more persons to exercise the powers and discharge the duties conferred on it.
- (2) The members of the audit committee of a local government are to be appointed* by the local government and at least 3 of the members, and the majority of the members, are to be council members.

** Absolute majority required.*

- (3) A CEO is not to be a member of an audit committee and may not nominate a person to be a member of an audit committee or have a person to represent him or her as a member of an audit committee.
- (4) An employee is not to be a member of an audit committee.
[Section 7.1A inserted by No. 49 of 2004 s. 5.]

Division 3 — Conduct of audit

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,

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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.

[Section 7.9 amended by No. 49 of 2004 s. 7.]

Relevant Plans and Policy:

Nil

Financial Implications:

There are no financial implications associated with accepting the annual financial report.

Risk Assessment:

The failure of Council to accept the annual report before 31 December could result in a breach of legislation.

Community & Strategic Objectives:

Governance and Leadership

Implement systems and processes that meet our legal and audit obligations and the needs of the community.

Comment:

The audit is considered to be a “clean” audit, in that the auditors did not find any uncorrected misstatements, errors or omissions.

AUDIT2021/012 OFFICER’S RECOMMENDATION / COUNCIL DECISION:

That the Audit Committee recommend to Council that it adopt the:

- 1. Audited Financial Report for the year ended 30 June 2021;***
- 2. Independent Audit Report for the year ended 30 June 2021 and;***
- 3. Management Letter for the year ended 30 June 2021.***

Moved Cr SR Putt

Seconded Cr NR Gillett

Carried 3/0

7.0 Next Meeting – to be advised

8.0 Closure of Meeting

The Chairman declared the meeting closed at 3.48pm.

These Minutes were confirmed by the Mt Marshall Audit Committee at its meeting held

Date

Chairman