

SHIRE OF MT MARSHALL



Mt Marshall Audit Committee

**Minutes of the
Mt Marshall Audit Committee Meeting
held on Tuesday 19 December 2017
in Council Chambers,
80 Monger St, Bencubbin
commencing at 2:32pm.**

Chairman

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intentionally**

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1.0 Declaration of Opening / Announcement of Visitors

The Presiding Member declared the meeting open at 2:32pm.

2.0 Record of Attendance / Apologies

Attendance

Cr ARC Sachse	President/ Chairman
Cr NR Gillett	Deputy President / Deputy Chairman
Cr LN Gobbart	Councillor
Cr SE Faulkner	Councillor
Cr RM Kirby	Councillor
Cr SR Putt	Councillor

Mr John Nuttall	Chief Executive Officer
Ms Nadine Richmond	Executive Assistant
Ms Tanika McLennan	Finance and Administration Manager

Apologies

Cr IC Sanders	Councillor
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3.0 Standing Orders

Audit2017/12-1 COMMITTEE DECISION:

That Standing Order number 9.2 - Limitation of Number of Speeches be suspended for the duration of the meeting to allow for greater debate on items in the agenda.

Moved Cr NR Gillett Seconded Cr SR Putt Carried 6/0

4.0 Confirmation of Minutes of Previous Meetings

4.1 Minutes of Mt Marshall Audit Committee

Audit2017/12-2 COMMITTEE DECISION:

That the Minutes of the Audit Committee Meeting held on Tuesday 16 May 2017 be confirmed as a true and correct record of proceedings.

Moved Cr RM Kirby Seconded Cr SE Faulkner Carried 6/0

5.0 Petitions / Deputations / Presentations / Submissions

Nil

6.0 Reports of Officers

6.1 Finance and Administration Manager

6.1.1 2016/2017 Annual Financial Report and Audit Report

File No:	F1/2
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 2017 6.1.1b – Independent Auditors Report and Management Letter
Declaration of Interest:	Nil
Voting Requirements:	Simple Majority
Previously Considered:	Nil

Background:

The Shire's auditor, Moore Stephens, has conducted the annual financial audit of the Shire of Mt Marshall for the period 1 July 2016 to 30 June 2017. 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:

Sue Voloczi – Contract Accountant

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.

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(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,
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.]

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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:

Outcome 4.3 A local government that is highly respected, professional, trustworthy and accountable

4.3.6 Operate in a financially sustainable manner

Comment:

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

Audit2017/12 - 3 OFFICER'S RECOMMENDATION / COMMITTEE DECISION:

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

- 1. Audited Financial Report for the year ended 30 June 2017;***
- 2. Independent Audit Report for the year ended 30 June 2017 and;***
- 3. Management Letter for the year ended 30 June 2017.***

Moved Cr RM Kirby

Seconded Cr SR Putt

Carried 6/0

7.0 Next Meeting – to be advised

8.0 Closure of Meeting

The Chairman declared the meeting closed at 2.35pm

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

Date

Chairman