



# **Minutes**

**Audit and Risk Committee Meeting**

**Thursday 7 December 2023 at 8.30am**

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**MINUTES OF SHIRE OF MURRAY  
AUDIT AND RISK COMMITTEE MEETING  
HELD AT THE COUNCIL CHAMBERS  
1915 PINJARRA ROAD, PINJARRA, WA 6208.  
ON THURSDAY, 7 DECEMBER 2023 AT 8.30AM**

**1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

The Presiding Member Cr D Bolt declared the meeting open the time being 8.51am.

**2 ATTENDANCES/APOLOGIES/LEAVE OF ABSENCE**

**PRESENT**

Cr David Bolt (President), Cr Douglas McLarty (Deputy President), Cr Ange Rogers, Cr Stewart Carter, Cr Nicole Willis

**IN ATTENDANCE**

Dean Unsworth (Chief Executive Officer), Leanne McGuirk (Director Place, Community and Economic Development), Tracie Unsworth (Director Corporate Services), Alan Smith (Director Infrastructure Services), Rod Peake (Director Planning & Sustainability), Belinda Brown (Minute Taker)

**APOLOGIES**

Cr Steve Lee, Cr Geoff Black, Cr Stuart Kirkham, Cr David Pike.

**LEAVE OF ABSENCE**

Nil.

There were two (2) members of staff in attendance at this time.

**3 CONFIRMATION OF MINUTES OF MEETING**

Nil.

**4 BUSINESS ARISING FROM THE PREVIOUS MEETING**

Nil.

## 5 BUSINESS ARISING

### 5.1 2022/23 Audited Annual Financial Report

File Ref:	D23/40794
Previous Items:	Nil.
Applicant:	Nil.
Author and Title:	Nathan Gilfellon, Manager Finance
Declaration of Interest:	Nil.
Voting Requirements:	Simple Majority
Appendices:	Item 5.1 Appendix 1 - Annual Financial Report - Shire of Murray - 30 June 2023 Item 5.1 Appendix 2 - Opinion - Shire of Murray - 30 June 2023

#### Recommendation/Committee Decision AC23/002

**Moved: Cr N Willis**

**Seconded: Cr A Rogers**

**That the Audit and Risk Committee receive and accept the Shire of Murray 2022/23 Annual Financial Report and Audit Report from the Auditor General of Western Australia as tabled.**

***NOTE: The Committee recommendation will only be a recommendation to and not a decision of Council. Council will consider this recommendation at the Ordinary Council Meeting on Thursday 21 December 2023.***

**In Favour: President David Bolt, Crs Douglas McLarty, Ange Rogers, Stewart Carter and Nicole Willis**

**Against: Nil.**

**CARRIED UNANIMOUSLY 5:0**

#### **In Brief**

This report is presented to the Audit and Risk Committee to consider the receipt of the audit report for the year ended 30 June 2023. The Audit and Risk Committee is required to consider any compliance issues or other matters raised in the report.

#### **Background**

Section 6.4 of the *Local Government Act 1995* requires local governments to prepare an annual financial report and to submit both the report and its accounts to its auditor by 30 September each year. Furthermore, in accordance with Regulation 10(4) of the *Local Government (Audit) Regulations 1996*, where it is considered appropriate to do so, the Auditor may prepare a Management Report to accompany the Auditor's Report.

The Audit and Risk Committee has a responsibility under its terms of reference, to review the external auditors report, determine if any matters raised require action to be taken by the local government, and ensure that appropriate action is taken in respect of these matters.

#### **Report Detail**

The 2022/23 Annual Financial Report and associated Audit Report is attached to this report. The Final Management Letter noting findings identified during the final audit has been attached for information.

**Council Plan**

<b>Focus Area</b>	Performance
<b>Outcome</b>	Capable and accountable leadership and governance.
<b>Strategy</b>	Establish a strong corporate governance framework to ensure high standards of integrity, ethics and accountability.

**Other Strategic Links**

The Shire of Murray 2022/23 Annual Budget.

**Statutory Environment**

*Local Government Act 1995* Part 6 and 7

*Local Government (Financial Management) Regulations 1996*

*Local Government (Audit) Regulations 1996*

**Sustainability & Risk Considerations**

*Economic - (Impact on the Economy of the Shire and Region)*

Sound management of the Shire's finances is critical to ensure funding is available for the ongoing provision of services to the Community.

*Social - (Quality of life to community and/or affected landowners)*

Nil.

*Environment – (Impact on environment's sustainability)*

Nil.

**Policy Implications**

A local government is required to examine the report of its auditor and determine if any matters raised by the report require action to be taken by the local government. The local government is to ensure that the action is taken in respect of those matters.

**Risk Management Implications**

<i>Risk Level</i>	<i>Comment</i>
Moderate	The audited Annual Financial Report is a key control measure used to report to Council and its stakeholders to provide assurance that all systems, processes and controls are in place to minimise the risk of any material misstatement or loss caused by fraud or error. The regular audit of financial matters and associated controls minimises risk exposure for Council both in operational, reputational and compliance areas.

**Consultation**

There is no legislative requirement to consult on the receipt of the audit report, or the preparation of the Annual Financial Report, but the *Local Government Act 1995* requires a General Meeting of Electors to be held, and the Shire's Annual Report, incorporating the Annual Financial Report, to be made available to the public.

**Resource Implications***Financial*

Nil.

*Workforce*

Nil.

**Options**

1. Receiving the Annual Financial Report for the year ended 30 June 2023.
2. Not receiving the Annual Financial Report for the year ended 30 June 2023.

**Conclusion**

The 2022/23 Financial Audit Report reflects the ongoing high standards in financial management that are in place. Staff will continue to review existing processes to ensure best practice financial management continues to be implemented to meet the needs of the Shire's future growth and to ensure compliance is maintained.

In order for the Shire to meet its legislative requirements, it is recommended that the Audit and Risk Committee accepts the 2022/23 Annual Financial Report.

**6 REPORTS – EXTERNAL AGENCIES**

Nil.

**7 MOTIONS WITHOUT NOTICE FOR DISCUSSION AT THE NEXT MEETING**

Nil.

**8 NEXT MEETING**

The next Audit and Risk Committee is to be confirmed in 2024.

**9 CLOSURE OF MEETING**

**There being no further business the Presiding Member declared the meeting closed the time being 8.55am.**



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PRESIDING MEMBER