

MINUTES

Audit and Risk Committee Meeting

Special Meeting

12.00pm Monday 23 September 2024

VENUE:

Online via Teams

1 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

We acknowledge that the activities of Yarriambiack Shire Council are held under the traditional skies and in the waterways and lands of the Wotjobaluk, Jaadwa, Jadawadjali, Wergaia and Jupagulk people and Council pays respects to their Elders past, and present.

2 WELCOME

Welcome by Bruce ██████████, Chairperson

3 PRESENT

Bruce ██████████, Michael ██████████, Peter ██████████, Cr Corinne ██████████, Cr Kylie ██████████

Tammy ██████████ (CEO), Tony ██████████ (COO), Anita ██████████ (Manager Corporate Services), Peter ██████████ (Assets Coordinator)

Bruce ██████████, Crowe (External Auditors) - from 12.45pm

4 APOLOGIES

Nil

5 CONFLICT OF INTEREST

Nil

6 ANNUAL FINANCIAL REPORT

In accordance with the Local Government Act 2020 (Section 98 and 99), that came into effect on 24 October 2020, Council is required to approve a set of financial statements in principle and submit the resolution with the Financial Statements to the Victorian Auditor General Office (VAGO).

The Audit and Risk Committee (ARC) is to consider the Annual Financial Statements and Performance Statement at its meeting scheduled for 25 September 2024. It is recommended that the Committee move a recommendation that Council approve the Annual Financial Statements and Performance Statement in principle, subject to no material change as a result of VAGO's review.

Attachments:

6.1 Annual Financial Statements and Performance Report

6.2 Asset Capitalisation Update

6.3 Audit and Risk Committee Questions and Responses

7 EXTERNAL AUDIT

Attachments:

7.1 Auditors' Draft Closing Report

7.2 Auditors' Draft Final Management Letter

7.3 Management Representation Letter

7.4 Governance and Management Checklist

During the meeting the external auditor explained that one of the items requiring close out of audit was consideration of whether impairments recognised to road networks as part of flooding events in October 2022 is appropriately presented in the financial statements in 2023/24 financial accounts. Further information has been requested of management with testing to follow on this item. which could potentially have the material consequence of restating the prior year asset revaluation reserve.

Tammy [REDACTED] discussed that the resolution for the Council meeting on 25 September 2024 will be updated to enable the financial statements being endorsed at the Council Meeting with consideration to this potential adjustment.

Resolution

- 1 The Annual Financial Report and Performance Statement, including the approved final closing report from the Auditor-General's appointed auditors, be received and noted.
- 2 The Management Representation Letter and the Governance and Management Checklist be received and noted.
- 3 The Audit and Risk Committee recommends that Council approve in principle the annual financial report and performance statement (the statements) for the year ended 30 June 2024 and that Council authorises the:
 - Chief Executive Officer, the Mayor and a Councillor to certify the final version of the statements;
 - Principal Accounting Officer to implement any non-material changes to the statements discussed at this meeting or as recommended by the Auditor-General and provide a summary of any such changes to the Audit and Risk Committee at its next meeting;
 - Principal Accounting Officer to discuss any material changes required by the Auditor-General with the Audit and Risk Committee Chair prior to reporting to the Council.
- 4 The Committee records its appreciation to all the employees involved in the end of year closing of the Shire's accounts and the preparation of the Financial Statements and Performance Statement.

Moved: Michael [REDACTED] **Second:** Peter [REDACTED]

Motion Carried Unanimously

The independent committee members congratulated Councillor members of the committee, Cr Kylie [REDACTED] and Cr Corrine [REDACTED] on their re-election to the Council for the next term.

8 In Camera Session with External Auditor

An in camera sessions was held with the Committee and the External Auditor

9 NEXT MEETING

14 October 2024

10 MEETING CLOSED

Time: 1.10pm