



AUDIT COMMITTEE MINUTES

AUDIT COMMITTEE GENERAL MEETING
WEDNESDAY 17 NOVEMBER 2021 – 2.00PM



NOTICE OF ORDINARY MEETING OF THE AUDIT COMMITTEE

Dear Elected Member & Community Members,

You are respectfully advised the next Ordinary Audit Committee Meeting of the Shire of Williams will be held on Wednesday 17 November 2021, in the Shire of Williams Council Chambers, 9 Brooking Street, Williams, commencing at 2.00 pm.

A handwritten signature in black ink, appearing to read 'Geoff McKeown', is positioned above the printed name.

Geoff McKeown
Chief Executive Officer

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1.0 Declaration of Opening

The President, Cr Logie declared the meeting open at 2.00pm.

2.0 Record of Attendance / Apologies / Leave of Absence

Elected Members

Cr Jarrad Logie – President (Presiding Member)
Cr Simon Harding
Cr Tracey Price
Cr Bernie Panizza

Staff

Geoff McKeown - Chief Executive Officer
Cara Ryan - Manager of Finance

Visitors

Cr Major
Cr Carne
Cr Cowcher
Cr Baker

Suraj Karki – Assistant Director, Financial Audit, Office of the Auditor General WA
Tim Partridge – Director, AMD Chartered Accountants

3.0 Confirmation of Previous Minutes

3.1 Audit Committee Meeting Held 23 June 2021

Officer's Recommendation

That the Minutes of the Audit Committee Meeting held 23 June 2021, as previously circulated, be confirmed as a true and accurate record.

Committee Decision

Harding/Panizza

That the Minutes of the Audit Committee Meeting held 23 June 2021, as previously circulated, be confirmed as a true and accurate record.

Carried 4/0

4.0 Matters to be discussed

4.1 Presentation of the 2020-2021 Annual Financial Report, and the draft Independent Auditors Report

File Reference	4.22.00
Statutory Ref.	<i>Local Government Act 1995</i>
Author & Date	Geoff McKeown 15 November 2021
Attachments	Appendix 1 – 2020-2021 Annual Financial Report Appendix 2 – AMD Exit Meeting Agenda Appendix 3 – Draft Independent Auditors Report – 30 June 2021

Purpose

To consider and review the Independent Auditors Report of the Annual Financial Report for the year ending 30 June 2021 and address any issues presented in the report and recommend to Council any matters that require action to be taken.

Background

Following proclamation of the *Local Government Amendment (Auditing) Act 2017*, the Auditor General has become responsible for the annual financial report audit of the Shire of Williams.

The Auditor General has contracted AMD Chartered Accountants to perform the Shire of Williams annual financial report audit for the year ending 30 June 2021. The audit procedure has been conducted under the direction of the Auditor General, who retains responsibility for forming the audit opinion and issuing the Audit Report to the Shire.

Comment

Mr Tim Partridge from AMD Chartered Accountants will be presenting an Exit Meeting Agenda and discussing the Independent Auditors Report and any issues that arose during the audit of the Annual Financial Report for June 2021.

Once again the Auditor's Report will report on the Operating Surplus Ratio as a significant adverse trend. It is below the Department of Local Government, Sport and Cultural Industries (DLGSCI) basic standard of 0.01, and has remained below this for the last three years. The 2020/2021 calculated Operating Surplus Ratio is (0.05).

The draft Independent Auditors Report also includes a finding from the interim audit in relation to daily and monthly reconciliations. Although reconciliations are taking place and are on file they did not evidence who prepared and who reviewed them. In addition they noted that the Trust and Reserves bank accounts were not formally reconciled every month, but understanding that there were no transactions during the months reconciliations were not formally undertaken.

There were no other unresolved issues or outstanding matters. The Auditor has issued an unqualified audit opinion.

Strategic Implications

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017 to 2032. Specifically, it relates to the following strategy(s):

CL 2.2 Maintain accountability, transparency and financial responsibility.

Financial Implications

Nil

Voting Requirements

Simple Majority

Officer's Recommendation

That the Audit Committee receives the 2020-2021 Annual Financial Report, including draft Independent Auditor's Report as presented. Further, the Audit Committee recommends to Council that it endorse the 2020-2021 Annual Financial Report and note the draft Independent Auditor's report.

Committee Decision

Panizza/Price

That the Audit Committee receives the 2020-2021 Annual Financial Report, including draft Independent Auditor's Report as presented. Further, the Audit Committee recommends to Council that it endorse the 2020-2021 Annual Financial Report and note the draft Independent Auditor's report.

Carried 4/0

5.0 Business of Urgent Nature

6.0 Closure of Meeting

Cr Logie declared the meeting closed at 2.21pm.