



TOWN OF
VICTORIA PARK

Special Audit and Risk Committee Agenda – 19 December 2024



WE'RE OPEN
VIC PARK

Please be advised that an **Audit and Risk Committee** will be held at **1.00 PM** on **Thursday 19 December 2024** in **Council Chambers**, Administration Centre at 99 Shepperton Road, Victoria Park.

Mr Carl Askew – Chief Executive Officer
17 December 2024

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1 Declaration of opening

Acknowledgement of Country

Ngany djerapiny Wadjak – Noongar boodja-k yaakiny, nidja bilya bardook.

I am honoured to be standing on Whadjuk - Nyungar country on the banks of the Swan River.

Ngany kaaditj Noongar moort keny kaadak nidja Wadjak Noongar boodja. Ngany kaaditj nidja Noongar birdiya – koora, ye-ye, boorda, baalapiny moorditj Noongar kaaditjin, moort, wer boodja ye-ye.

I acknowledge the traditional custodians of this land and respect past, present and emerging leaders, their continuing cultural heritage, beliefs and relationship with the land, which continues to be important today.

Ngany youngka baalapiny Noongar birdiya wer moort nidja boodja.

I thank them for the contribution made to life in the Town of Victoria Park and to this region.

2 Attendance

Presiding Member	Mayor Karen Vernon
Banksia Ward	Cr Claire Anderson
Jarrah Ward	Cr Daniel Minson Cr Jesse Hamer
Independent Committee Members	Ms Tracy Destree Mr Jonathan Seth
Chief Executive Officer Chief Financial Officer	Mr Carl Askew Mr Duncan Olde
Acting Manager Governance and Strategy	Ms Rhonda Bowman
Meeting Secretary	Ms Winnie Tansanguanwong

2.1 Apologies

2.2 Approved leave of absence

3 Declarations of interest

3.1 Declarations of financial interest

A declaration under this section requires that the nature of the interest must be disclosed. Consequently, a member who has made a declaration must not preside, participate in, or be present during any discussion or decision-making procedure relating to the matter the subject of the declaration. An employee is required to disclose their financial interest and if required to do so by the Council must disclose the extent of the interest. Employees are required to disclose their financial interests where they are required to present verbal or written reports to the Council. Employees can continue to provide advice to the Council in the decision-making process if they have disclosed their interest.

3.2 Declarations of proximity interest

Elected members (in accordance with Regulation 11 of the Local Government [Rules of Conduct] Regulations 2007) and employees (in accordance with the Code of Conduct) are to declare an interest in a matter if the matter concerns: a) a proposed change to a planning scheme affecting land that adjoins the person's land; b) a proposed change to the zoning or use of land that adjoins the person's land; or c) a proposed development (as defined in section 5.63(5)) of land that adjoins the persons' land.

Land, the proposed land adjoins a person's land if: a) the proposal land, not being a thoroughfare, has a common boundary with the person's land; b) the proposal land, or any part of it, is directly across a thoroughfare from, the person's land; or c) the proposal land is that part of a thoroughfare that has a common boundary with the person's land. A person's land is a reference to any land owned by the person or in which the person has any estate or interest.

3.3 Declarations of interest affecting impartiality

Elected members (in accordance with Regulation 11 of the Local Government [Rules of Conduct] Regulations 2007) and employees (in accordance with the Code of Conduct) are required to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making process. The Elected Member/employee is also encouraged to disclose the nature of the interest.

4 Confirmation of minutes

Recommendation

That the Audit and Risk Committee confirms the minutes of the Audit and Risk Committee meeting held on 11 November 2024.

5 Presentations

6 Method of dealing with agenda business

Recommendation

That Audit and Risk Committee in accordance with clause 58 of the *Meeting Procedures Local Law 2019* suspends clause 50 - Speaking twice of the *Meeting Procedures Local Law 2019* for the duration of the meeting.

7 Reports

7.1 Independent Auditor's Report and Annual Financial Report 2023/24

Location	Town-wide
Reporting officer	Manager Finance
Responsible officer	Chief Financial Officer
Voting requirement	Simple majority
Attachments	<ol style="list-style-type: none">1. CONFIDENTIAL REDACTED - Final Management Letter Attachment A - Town of Victoria Park - 30 June 2024 [7.1.1 - 5 pages]2. CONFIDENTIAL REDACTED - Final Management Letter Attachment B - Town of Victoria Park - 30 June 2024 [7.1.2 - 8 pages]3. CONFIDENTIAL REDACTED - Interim Management Letter Attachment - Town of Victoria Park - June 2024 [7.1.3 - 6 pages]4. Opinion - Town of Victoria Park - 30 June 2024 [7.1.4 - 3 pages]5. To VP Financial Report 2023-24 Signed Stamped [7.1.5 - 75 pages]

Summary

As part of Council's committee structure, the Audit and Risk Committee has been established to review areas of an audit or compliance nature. The Office of the Auditor General has provided an independent auditor's report, management letters and have signed off on the Town's annual financial statements for the 2023/24 financial year.

Recommendation

That Council:

1. Receives the independent auditor's report and management matters for the 2023/24 audit.
2. Accepts the 2023/24 annual financial statements, as attached.

Background

1. Each year, as part of Council's audit process, an independent audit is undertaken to assess Council's Annual Financial Statements and the legitimacy and accuracy of Council's accounts. An Independent Audit Report is then produced by the Auditor. The Auditor, after completing the audit, is to forward a copy of the audit and/or management report to the:
 - a. Mayor
 - b. Chief Executive Officer
 - c. Minister for Local Government, via the Department of Local Government, Sport and Cultural Industries.

2. The Independent Auditor’s Report is also required to be included in Council’s Annual Report. Any issues arising from the Independent Audit Report are to be investigated and action taken to resolve those issues.

Discussion

3. The Annual Financial Report was audited by the Office of Auditor General. It is recommended that the Audit and Risk Committee recommends Council to accept the 2023/24 Annual Financial Report.
4. In accordance with the *Local Government Act 1995* (Section 7.12A – Duties of local government with respect to audits) a representative(s) who conducted the audit, will also attend the meeting to speak to the audit and take questions from committee members.
5. The Independent Auditor’s Report notes that: “In my opinion, the financial report:
 - is based on proper accounts and records.
 - presents fairly, in all material respects, the results of the operations of the Town for the year ended 30 June 2024 and its financial position at the end of that period.
 - is in accordance with the Local Government Act 1995 (the Act) and to the extent that they are not inconsistent with the Act, Australian Accounting Standards Continue numbered paragraphs.

Relevant documents

Not applicable

Legal and policy compliance

[Local Government Act 1994 - Part 7](#)

Financial implications

Current budget impact	Not applicable
Future budget impact	Not applicable

Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Misstatement or significant error in annual financial report.	Moderate	Low	TREAT risk by conducting daily and monthly reconciliations and internal audits, external interim audits and annual report audits.
Financial	Fraud and illegal acts.	Moderate	Low	TREAT risk by strengthening internal controls, internal audits and segregation of duties.
Environmental	Not applicable		Medium	
Health and safety	Not applicable		Low	
Data, Information Technology and Cyber	Not applicable		Medium	
Assets	Not applicable		Medium	
Compliance Breach	Annual financial report not complying with the requirements of the Local Government (Financial Management) Regulations 1996.	Moderate	Low	TREAT risk by engaging external auditors to audit the annual financial statements.
Reputation	Council not accepting the Independent Auditor's Report.	Moderate	Low	TREAT risk by providing reasoning and detailed explanations to Council to enable informed decision making.
Service delivery interruption	Not applicable		Medium	

Engagement

Internal engagement	
Service Area Leaders and Senior Management	Service area leaders were consulted and engaged during the external annual audit to provide information and responses to auditor queries.

External engagement	
Stakeholders	Office of the Auditor General (OAG), and OAG appointed auditors.
Period of engagement	Interim audit – May. Final audit – through October to December.
Level of engagement	3. Involve
Methods of engagement	On-site visits, email correspondence, and in-person.

Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL2 - Communication and engagement with the community.	To make available timely and relevant information on the annual financial position and performance of the Town so that Council and public can make informed decisions for the future.
CL3 - Accountability and good governance.	Ensure Town meets its legislative responsibility in accordance with Part 7 of the Local Government Act 1995.

Further consideration

8 Motion of which previous notice has been given

9 Meeting closed to the public

9.1 Matters for which the meeting may be closed

9.2 Public reading of resolutions which may be made public

10 Closure