



TOWN OF
VICTORIA PARK

Special Audit and Risk Committee Minutes – 19 December 2024



WE'RE OPEN
VIC PARK

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

Her Worship the Mayor Karen Vernon
20 December 2024

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1 Declaration of opening

Mayor Karen Vernon opened the meeting at 1:05 pm

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 (Online)

Jarrah Ward

Cr Daniel Minson
Cr Jesse Hamer (Online)

Independent Committee Members

Ms Tracy Destree (Online)
Mr Jonathan Seth

Chief Executive Officer

Mr Carl Askew

Chief Financial Officer

Mr Duncan Olde

Acting Manager Governance and Strategy

Ms Rhonda Bowman

Manager Technology and Digital Strategy

Mr Ernie Prandl

Manager Strategic Accounting

Ms Nana McIntosh

Acting Manager Finance

Ms Dimple Kaur

Senior Rates Officer

Mr Saul Gordon

Executive Assistant to the Chief Financial Officer

Ms Nat Cameron

RSM

Partner of the Assurance and Advisory Division in Perth

Mr Matthew Beevers

Meeting Secretary

Ms Winnie Tansanguanwong

2.1 Apologies

Nil.

2.2 Approved leave of absence

Nil.

3 Declarations of interest

3.1 Declarations of financial interest

Nil.

3.2 Declarations of proximity interest

Nil.

3.3 Declarations of interest affecting impartiality

Nil.

4 Confirmation of minutes

COMMITTEE RECOMMENDATION

Moved: Mayor Karen Vernon

Seconded: Cr Claire Anderson

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

Carried (6 - 0)

For: Mayor Karen Vernon, Cr Claire Anderson, Ms Tracy Destree, Cr Jesse Hamer, Cr Daniel Minson and Mr Jonathan Seth

Against: Nil

5 Presentations

Nil.

6 Method of dealing with agenda business

COMMITTEE RECOMMENDATION

Moved: Mayor Karen Vernon

Seconded: Cr Jesse Hamer

That the 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.

Carried (6 - 0)

For: Mayor Karen Vernon, Cr Claire Anderson, Ms Tracy Destree, Cr Jesse Hamer, Cr Daniel Minson and Mr Jonathan Seth

Against: Nil

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 - Final Management Letter Attachment A - Town of Victoria Park - 30 June 2024 [7.1.1 - 5 pages]2. CONFIDENTIAL - Final Management Letter Attachment B - Town of Victoria Park - 30 June 2024 [7.1.2 - 8 pages]3. CONFIDENTIAL - 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.

- 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

- 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.
- 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.
- 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

Not applicable.

COMMITTEE RECOMMENDATION

Moved: Mayor Karen Vernon

Seconded: Cr Daniel Minson

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.

PROCEDURAL MOTION

Moved: Mayor Karen Vernon

Seconded: Cr Claire Anderson

1. That the meeting moves behind closed doors at 1:26pm.
2. Permits the Audit and Risk Committee Members and Mr Matthew Beevers to remain in the Chamber during discussion.

Carried (6 - 0)

For: Mayor Karen Vernon, Cr Claire Anderson, Ms Tracy Destree, Cr Jesse Hamer, Cr Daniel Minson and Mr Jonathan Seth

Against: Nil

PROCEDURAL MOTION

Moved: Mayor Karen Vernon

Seconded: Mr Jonathan Seth

That the meeting come out from behind closed doors at 1:31pm.

Carried (6 - 0)

For: Mayor Karen Vernon, Cr Claire Anderson, Ms Tracy Destree, Cr Jesse Hamer, Cr Daniel Minson and Mr Jonathan Seth

Against: Nil

COMMITTEE RECOMMENDATION

Moved: Mayor Karen Vernon

Seconded: Cr Daniel Minson

That Council:

1. Receives the independent auditor's report and management matters for the 2023/24 audit.
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Carried (6 - 0)

For: Mayor Karen Vernon, Cr Claire Anderson, Ms Tracy Destree, Cr Jesse Hamer, Cr Daniel Minson and Mr Jonathan Seth

Against: Nil

8 Motion of which previous notice has been given

Nil.

9 Meeting closed to the public

Nil.

9.1 Matters for which the meeting may be closed

9.2 Public reading of resolutions which may be made public

10 Closure

There being no further business, Mayor Karen Vernon closed the meeting at 1:32 pm.

I confirm these minutes to be a true and accurate record of the proceedings of the Committee.

Signed:

Dated this: Day of: 2024