

SHIRE OF BRUCE ROCK

AUDIT AND RISK COMMITTEE MEETING MINUTES - 14 DECEMBER 2023

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SHIRE OF BRUCE ROCK

AUDIT AND RISK COMMITTEE MEETING MINUTES – 14 DECEMBER 2023

1. Declaration of Opening

The Chief Executive Officer, Mr Darren Mollenoyux declared the meeting open at 10.41pm.

2. Appointment of Chair

2.1 Chair

The Chief Executive Officer called for nominations for Chair of the Audit and Risk Committee.

Cr Rajagopalan nominated himself for Chair of the Audit and Risk Committee.

The Chief Executive Officer called for further nominations for Chair of the Audit and Risk Committee.

There being no further nominations, the Chief Executive Officer declared Cr as Chair of the Audit and Risk Committee

2.2 Deputy Chair

The Chief Executive Officer called for nominations for Deputy Chair of the Audit and Risk Committee.

Cr Verhoogt nominated Cr Crooks for Deputy Chair of the Audit and Risk Committee.

The Chief Executive Officer called for further nominations for Deputy Chair of the Audit and Risk Committee.

There being no further nominations, the Chief Executive Officer declared Cr as Deputy Chair of the Audit and Risk Committee

3. Record of Attendance / Apologies / Leave of Absence (Previously Approved)

Chair	Cr R Rajagopalan
Deputy Chair	Cr AR Crooks
Proxy	Cr J Verhoogt
Chief Executive Officer	Mr DRS Mollenoyux
Manager of Finance	Mrs M Barthakur (Via Teams)
Executive Support Manager	Mrs M Schilling (Minutes)
Executive Support Office	Ms S Wood (Observer)
Apology	Cr SA Strange

4. Response to Previous Public Questions Taken on Notice

5. Public Question Time

6. Petitions / Deputations / Presentations / Submissions

7. Confirmation of Minutes

Audit and Risk Committee Meeting held on 19 October 2023.

OFFICER RECOMMENDATION AND COMMITTEE DECISION

Resolution ARCM Dec 23 – 6.1

Moved: Cr Verhoogt

Seconded: Cr Crooks

That the minutes of the Audit Committee Meeting held 19 October 2023 be confirmed as a true and correct record.

For: Cr Crooks, Cr R Rajagopalan, Cr J Verhoogt

Against: Nil

Carried 3/0

8. Reports of Officers – Audit

Agenda Reference and Subject:	8.1 Independent Auditor’s Report 2023
File Reference:	
Reporting Officer:	Manisha Barthakur, Manager of Finance
Author:	Manisha Barthakur, Manager of Finance
Disclosure of Interest	Nil
Attachment	<i>Item 8.1 Attachment A – Independent Auditor’s Report 2023</i>

Summary

Following consultants Dry Kirkness’ completion of the Shire of Bruce Rock’s (Shire) final audit for the year ending 30 June 2023 on behalf of the Office of the Auditor General (OAG), the OAG has issued an Independent Auditor’s Report (Report) on the Shire’s financial statements (Attachment A).

Background

This is the fifth audit that the OAG has overseen for the Shire, and the first audit that Dry Kirkness was contracted to conduct on its behalf.

Butler Settineri, which completed last year’s audit, was taken over by Dry Kirkness during the financial year. Mr Robert Hall, Director, has been involved in both audits.

Comment

As outlined in its Report, the OAG has found that the Shire’s financial report is:

- based on proper accounts and records;
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2023 and its financial position at the end of that period; and
- in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Consultation

Chief Executive Officer
 Manager of Governance and Community Services
 Office of Auditor General Director
 Dry Kirkness

Statutory Implications

Local Government Act 1995, section 7.9 – Audit to Be Conducted
 Local Government (Audit) Regulations 1996, regulation 10 – Report by Auditor

Policy Implications

Nil

Risk Implications

Risk: Failure to appropriately manage the Shire’s finances and to subsequently receive a qualified audit opinion.		
Likelihood	Consequence	Rating
Rare	Moderate	Low
Action / Strategy		
Management to continue to follow due processes, policies and legislative instruments in managing the Shire’s financial statements.		

Financial Implications

Nil

Strategic Implications

Shire of Bruce Rock – Strategic Community Plan 2022-2032

Governance

4.1 Our organisation is well positioned and has capacity for the future

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION AND COMMITTEE DECISION

Resolution ARCM Dec 23 – 8.1

Moved: Cr Crooks
Seconded: Cr Verhoogt

That the Audit and Risk Committee:

- 1. accept the positive Independent Auditor’s Report 2023; and**
- 2. submit the report to Council for its consideration.**

For: Cr Crooks, Cr R Rajagopalan, Cr J Verhoogt

Against: Nil

Carried 3/0

9. Report of Officers – Risk Management

Nil

10. Confidential Items

Agenda Reference and Subject:

10.1 Final Audit Management Letter

File Reference:

Reporting Officer:

Manisha Barthakur, Manager of Finance

Author:

Manisha Barthakur, Manager of Finance

Disclosure of Interest

Nil

Attachment

Item 10.1 Attachment A – CONFIDENTIAL Final Audit Management Letter

OFFICER RECOMMENDATION AND COMMITTEE DECISION

Resolution ARCM Dec 23 – 10.1.1

Moved: Cr Verhoogt

Seconded: Cr Crooks

(f) a matter that if disclosed, could be reasonably expected to –
(ii) endanger the security of the local government's property

For: Cr Crooks, Cr R Rajagopalan, Cr J Verhoogt

Against: Nil

Carried 6/0

OFFICER RECOMMENDATION AND COMMITTEE DECISION

Resolution ARCM Dec 23 – 10.2.2

Moved: Cr Verhoogt

Seconded: Cr Crooks

That in accordance with Section 5.23(2) of the Local Government Act 1995, the Committee reopens the meeting to the members of the public.

For: Cr Crooks, Cr R Rajagopalan, Cr J Verhoogt

Against: Nil

Carried 3/0

OFFICER RECOMMENDATION AND COMMITTEE DECISION

Resolution ARCM Dec 23 – 10.1.3

Moved: Cr Verhoogt

Seconded: Cr Crooks

That the Audit and Risk Committee:

- 1. receive the Final Audit Management Letter for the year ended 30 June 2023; and**
- 2. recommend that Council direct the Shire of Bruce Rock’s Chief Executive Officer to ensure that the audit recommendations are addressed as outlined in the Final Audit Management Letter.**

For: Cr Crooks, Cr R Rajagopalan, Cr J Verhoogt

Against: Nil

Carried 3/0

Agenda Reference and Subject:

10.2 Strategic Risk Register

Reporting Officer:

Nerea Ugarte, Manager of Governance and Community Services

Author:

Nerea Ugarte, Manager of Governance and Community Services

Disclosure of Interest

Nil

Attachments

Item 10.2 Attachment A – CONFIDENTIAL Strategic Risk Register

OFFICER RECOMMENDATION AND COMMITTEE DECISION

Resolution ARCM Dec 23 – 10.2.1

Moved: Cr Verhoogt

Seconded: Cr Crooks

**(f) a matter that if disclosed, could be reasonably expected to –
(ii) endanger the security of the local government’s property.**

For: Cr Crooks, Cr KP Foss, Cr P Hodgkiss, Cr R Rajagopalan, Cr J Verhoogt and Cr Waight

Against: Nil

Carried 6/0

OFFICER RECOMMENDATION AND COMMITTEE DECISION

Resolution ARCM Dec 23 – 10.2.2

Moved: Cr Verhoogt

Seconded: Cr Crooks

That in accordance with Section 5.23(2) of the Local Government Act 1995, the meeting is reopened to the members of the public.

For: Cr Crooks, Cr R Rajagopalan, Cr J Verhoogt

Against: Nil

Carried 3/0

OFFICER RECOMMENDATION AND COMMITTEE DECISION

Resolution ARCM Dec 23 – 10.2.3

Moved: Cr Crooks

Seconded: Cr Verhoogt

That the Audit and Risk Committee:

- 1. approve the Strategic Risk Register, as attached; and**
- 2. recommend that Council approve the Strategic Risk Register.**

For: Cr Crooks, Cr R Rajagopalan, Cr J Verhoogt

Against: Nil

Carried 3/0

11. New Business of an urgent nature introduced by discussion of the meeting.

A discussion was held regarding recommending a Proxy for the Audit and Risk Committee.

The CEO provided an update to the Committee regarding the recruitment of an independent community member to sit on the Audit and Risk Committee, the position is currently being advertised.

Applications will then be assessed and brought back to the Committee in February 2024.

12. Closure of Meeting.

The Chair, Ram Rajagopalan thanked everyone for their attendance and declared the meeting closed at 11.00pm.

These minutes were confirmed at a meeting on

Cr Ram Rajagopalan
Chair