

8.3 MINUTES OF THE AUDIT & RISK MANAGEMENT COMMITTEE MEETING HELD ON 11 SEPTEMBER 2019

Corporate Services - Governance
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The minutes of the Audit & Risk Management Committee meeting held on 11 September 2019 which forms an attachment are presented in camera in accordance with the Local Government Act 1989 Section 89(2)(h) – any other matter which the Council or a Special Committee considers would prejudice the Council or any person.

Should Councillors wish to discuss the content of the minutes it would be appropriate that Council resolves to consider the matter in-camera.

Executive summary

Purpose and background

To advise Council of the business transacted at the Audit & Risk Management Committee held on 11 September 2019.

The Audit & Risk Management Committee is an independent Advisory Committee to Council appointed by Council pursuant to Section 139 of the *Local Government Act 1989*.

The primary objective of the Audit & Risk Management Committee is to assist Council to fulfil its corporate governance responsibilities through the effective conduct of its responsibilities for accounting and financial reporting practices, management of risk, maintaining a reliable system of internal controls, operation of good governance and facilitation sound organisational ethics.

The Audit & Risk Management Committee does not have executive powers or authority to implement actions in areas over which management has responsibility and does not have any delegated financial responsibilities. The Committee does not have any management function and is therefore independent of management.

As part of Council's governance obligations to its community, the Committee was established to provide the Council with guidance on:

- *Internal and external financial reporting;*
- *Management of financial and other risks;*
- *Effectiveness of the internal and external audit functions;*
- *Provision of an effective means of communication between the external auditor, internal auditor, management and Council; and*
- *Advice and recommendations on various matters within the charter in order to facilitate decision making by Council in relation to the discharge of its responsibilities.*

The internal, external auditors and other assurance providers support the Committee by providing independent and objective assurance on internal corporate governance, risk management, internal control and compliance.

Key issues

The matters discussed at the meeting on 11 September 2019 include:

- *VAGO – Closing Report and Management Letter*
- *Annual Financial Statements for year ended 30 June 2019*
- *Performance Statement for year ended 30 June 2019*

Recommendation

That the Audit and Risk Management Committee recommends to Council that:

1. Council notes the minutes of the Audit & Risk Management Committee held on 11 September 2019; and
2. Adopts the following recommendations of the Audit and Risk Management Committee:

Item 9.2.2. – Draft Annual financial Statements for year ended 30 June 2019

That the Audit and Risk Management Committee:

- 1 *Receives and notes the Financial Report and draft management representation letter as amended for the financial year ended 30 June 2019.*
- 2 *Notes the questions of clarification raised by Committee members and the organisations responses.*
- 3 *Recommends to Council that Council resolves subject to changes recommended by the Audit & Risk Management Committee to give in principle approval of the Financial Report for the financial year ended 30 June 2019.*

Item 9.2.3. – Performance Statement for year ending 30 June 2019

That the Audit & Risk Management Committee:

1. *Notes the changes of the indicator descriptors pertaining to Rates Concentration as included in the Performance Statement.*
2. *Records its approval in principle of the Performance Statement for year ended 30 June 2019 and recommends to Council, that Council resolves to adopt the Performance Statement for the financial year ending 30 June 2019.*
3. *Notes the Governance and Management Checklist.*
4. *Recommends to Council that the Audit & Risk Management Committee Councillor representatives, Cr Sonia Castelli and Cr Rob Grinter (Deputy Mayor), representing the Audit & Risk Management Committee certify the Performance Statement in their final form.*

Support Attachments

1. 11 September 2019 Audit and Risk Management Committee Minutes (separately enclosed) (confidential)