



**RICHMOND SHIRE COUNCIL
LATE AGENDA
FOR**

**ORDINARY MEETING
TUESDAY 21 MARCH 2023
COMMENCING AT 8:00AM**

Item 1. Reports for Consideration – Works

Item 1.3 Requests from the Chief Executive Officer

EXECUTIVE SUMMARY

The Workshop Supervisor has asked that Council consider the following requests.

OFFICER'S RECOMMENDATION

That Council: Consider and approve the following requests from the Chief Executive Officer.

Budget & Resource Implications

Unknown

Background

- Request to introduce a new maintenance software into the workshop, to get away from diary entries. The most suitable one found is <https://www.mex.com.au/>
- Service of machinery to be conducted not only on hours/kilometres but also length of time since last service
- Workshop will give a minimum one (1) week notice to the works manager for when machinery is required to come into the workshop for regular servicing. Once the maintenance software is up and working this should be an automatically generated report that can be sent each week
- Where possible machinery tyres are to be changed using a proper tyre changing machine (currently council doesn't have one for trucks) and the use of an inflation cage to be used
- Where the road works team is required to camp out for extended periods of time, a workshop mechanic will camp with them to help diagnose any machine issues on site, enter pink slips into the mex system remotely or help with the construction of the road where possible

Changes to be made by Supervisors:

- Supervisors to make sure pink sheets are filled out daily for those machines in use. For machines that don't have a permanent driver, the Supervisor is to arrange an inspection at least once a week to record hours and kilometres.
- Fleet keys to be stored in an appropriate key cabinet that records operator sign in and sign out. This company was at the LGAQ conference last year and the product looked good <https://www.traka.com/global/en/solutions/electronic-key-management-systems>
- Fuel fobs are to be attached to the machine key that it is assigned to

Consultation (Internal/External)

Nil

Attachments

Nil

Item 3 Reports for Consideration – Corporate Services

Item 3.1 Monthly Financial Statements

EXECUTIVE SUMMARY

Council's monthly financial report in relation to the 2022/23 adopted budget is presented for consideration, together with Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flow as at 28 February 2023.

OFFICER'S RECOMMENDATION

That Council: *Receive the monthly financial report presenting the progress made as at 28 February 2023 in relation to the 2022/23 budget and including the:*

- ***Statement of Financial Position***
- ***Statement of Comprehensive Income***
- ***Statement of Cash Flows***

Budget & Resource Implications

N/A

Background

Council's monthly financial report in relation to the 2022/23 adopted budget is presented for consideration, together with Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flow as at 28 February 2023.

Consultation (Internal/External)

Nil

Attachments

Attachment A –

- Statement of Financial Position
- Statement of Comprehensive Income
- Statement of Cash Flows

Report prepared by **Peta Mitchell (Director of Corporate Services)**

Richmond Shire Council
Statement of Comprehensive Income
as at 28th February 2023

	2023	2023 Budget	2022
	\$	\$	\$
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	1,451,437	1,914,890	1,363,994
Less Pensioner & Write Off		(7,100)	
Fees and charges	622,895	881,000	567,715
Sales revenue	3,976,867	9,905,000	6,093,480
Grants, subsidies, contributions and donations	2,079,836	1,889,238	2,205,120
	<u>8,131,036</u>	<u>14,583,028</u>	<u>10,230,309</u>
Capital revenue			
Grants, subsidies, contributions and donations	6,103,964	16,714,000	2,898,640
Total capital revenue	<u>6,103,964</u>	<u>16,714,000</u>	<u>2,898,640</u>
Rental income	119,804	179,000	115,779
Interest received	130,166	70,000	43,560
Other income	150,425	87,000	596,195
	<u>400,396</u>	<u>336,000</u>	<u>755,534</u>
Total income	<u>14,635,396</u>	<u>31,633,028</u>	<u>13,884,483</u>
Expenses			
Recurrent expenses			
Employee benefits	(3,976,359)	(6,600,000)	(4,136,819)
Materials and services	(6,259,425)	(12,225,000)	(6,729,519)
Finance costs	(49,361)	(120,840)	(67,849)
Depreciation and amortisation			
Property, Plant and Equipment	(3,428,665)	(4,987,000)	(3,313,835)
	<u>(13,713,810)</u>	<u>(23,932,840)</u>	<u>(14,248,022)</u>
Capital expenses			
Loss on disposal of non-current assets	100,200		-
Write off of flood damaged roads			-
	<u>100,200</u>	<u>-</u>	<u>-</u>
Total expenses	<u>(13,613,610)</u>	<u>(23,932,840)</u>	<u>(14,248,022)</u>
Net result	<u>1,021,786</u>	<u>7,700,188</u>	<u>(363,539)</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus			-
Total other comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>1,021,786</u>	<u>7,700,188</u>	<u>(363,539)</u>

Richmond Shire Council
Statement of Financial Position
as at 28th February 2023

	2023	2023	2022
	\$	Budget	\$
	\$	\$	\$
Current assets			
Cash and cash equivalents	5,880,846	1,592,000	10,173,393
Restricted Cash			
Trade and other receivables	584,551	1,217,000	549,129
Inventories	472,167	497,000	266,674
Land for Resale	126,000	-	126,000
Contract assets	1,192,593	-	354,708
Other assets	59,981	-	112,396
Total current assets	8,316,138	3,306,000	11,582,299
Non-current assets			
Property, plant and equipment	227,986,693	230,154,000	196,966,424
Intangible assets	-	112,000	112,619
Capital Work in Progress	11,636,889		15,235,221
Total non-current assets	239,623,582	230,266,000	212,314,264
Total assets	247,939,720	233,572,000	223,896,563
Current liabilities			
Trade and other payables	460,728	1,714,000	1,113,097
Contract liabilities	1,939,232	-	2,578,805
Borrowings	285,556	581,000	278,049
Provisions	1,381,668	1,368,000	1,353,731
Total current liabilities	4,067,183	3,663,000	5,323,681
Non-current liabilities			
Provisions	237,602	201,000	201,108
Borrowings	2,253,608	1,673,000	2,813,854
Total non-current liabilities	2,491,210	1,874,000	3,014,962
Total liabilities	6,558,394	5,537,000	8,338,643
Net community assets	241,381,325	228,035,000	215,557,922
Community equity			
Asset revaluation surplus	126,221,696	103,429,000	103,428,227
Operating surplus	1,021,786	-	(363,538)
Retained surplus	114,137,843	124,606,000	112,493,232
Total community equity	241,381,325	228,035,000	215,557,922

**Richmond Shire Council
Statement of Cash Flows
as at 28th February 2023**

	2023	2023 Budget	2022
	\$	\$	\$
Cash flows from operating activities			
Receipts from customers	6,201,625	11,888,000	8,621,385
Payments to suppliers and employees	(10,285,144)	(17,658,000)	(10,648,412)
	(4,083,519)	(5,770,000)	(2,027,027)
Interest received	130,166	70,000	43,560
Rental income	119,804	179,000	115,779
Grants, subsidies, contributions and donations - non-capital	2,079,836	1,889,238	2,205,120
Finance/Borrowing costs	(49,361)	(120,840)	(67,849)
Net cash inflow (outflow) from operating activities	(1,803,074)	(3,752,602)	269,583
Cash flows from investing activities			
Payments for property, plant and equipment	(9,341,443)	(21,055,000)	(5,922,489)
Net movement in loans and advances		-	-
Proceeds from sale of property plant and equipment		-	-
Grants, subsidies, contributions and donations - capital	6,103,964	16,714,000	2,898,640
Net cash inflow (outflow) from investing activities	(3,237,479)	(4,341,000)	(3,023,849)
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings	(278,068)	(665,000)	(270,028)
Net cash (outflow) from financing activities	(278,068)	(665,000)	(270,028)
Net increase in cash and cash equivalent held	(5,318,621)	(8,758,602)	(3,024,294)
Cash and cash equivalents at the beginning of the financial year	11,199,466	10,113,602	13,197,688
Cash and cash equivalents at end of the financial year	5,880,846	1,355,000	10,173,393

**Richmond Shire Council
Operating Statement by Function
as at 28th February 2023**

Function	Income \$	Expense \$	Surplus \$
10 Administration	1,530,628	(1,311,285)	219,343
11 Finance	1,686,014	(3,444,783)	(1,758,769)
12 Community Services	610,298	(824,562)	(214,264)
13 Engineering	10,246,506	(7,147,027)	3,099,479
14 Sewerage	274,425	(193,366)	81,059
15 Water	313,340	(578,873)	(265,533)
16 Cleansing	73,549	(200,312)	(126,763)
Environmental Services	-	(7,960)	(7,960)
18 Planning & Building	836	(5,850)	(5,014)
Net result	14,735,596	(13,714,018)	1,021,578

Item 3.2 Final Management Letter for 2021/2022

EXECUTIVE SUMMARY

Following the certification of the Financial Statements for the period ended 30 June 2022, the final management report was received from the Queensland Audit Office (signed by Pitcher Partners as delegate).

The Audit Committee was held on Tuesday 14 March 2023 where the final management letter and annual financial statements were discussed.

OFFICER'S RECOMMENDATION

That Council: *Receive the Final Management Report for the 2021/22 financial audit.*

Budget & Resource Implications

N/A

Background

Following the certification of the Financial Statements for the period ended 30 June 2022, the final management report was received from the Queensland Audit Office (signed by Pitcher Partners as delegate).

The Audit Committee was held on Tuesday 14 March 2023 where the final management letter and annual financial statements were discussed.

Consultation (Internal/External)

External: Pitcher Partners

Attachments

Attachment B – Richmond Shire Council 2022 Financial Management Letter

Report prepared by **Peta Mitchell (Director of Corporate Services)**



2022 FINAL MANAGEMENT LETTER

Richmond Shire Council

8 March 2023

8 March 2023

Cr. J. Wharton
Mayor
Richmond Shire Council
65 Goldring Street
Richmond QLD 4822

Dear Cr. Wharton,

Final management report for Richmond Shire Council

We have completed our 2022 financial audit for Richmond Shire Council. An unmodified audit opinion was issued on your financial statements.

The purpose of this letter is to provide the Council with details on audit matters and other important information related to the audited financial statements.

Please note that under section 213 of the Local Government Regulation 2012, you must present a copy of this report at the next ordinary meeting of the Council.

Reporting on issues

Issues and other matters formally reported to management and an update on actions taken by management to resolve these issues is included in Appendix A1 and A2 to this letter respectively.

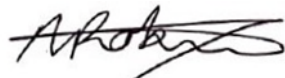
Audit fee

The final audit fee for this year is \$68,000 exclusive of GST (2021: \$73,895 which includes \$11,895 of out of scope costs). This fee is unchanged from that estimated in our external audit plan.

We would like to thank you and your staff for their engagement in the audit this year and look forward to working with your team again next year.

If you have any questions about this letter or would like to discuss any matters regarding our services and engagement, please do not hesitate to contact me on (07) 3222 8014.

Yours sincerely



Andrew Robin

Partner

Appendix A1 – Status of issues

The following table outlines control deficiencies and financial reporting issues identified since our 2021 closing report dated 31 August 2022. It includes a response from management.

Our risk ratings are as follows. For more information and detail on our rating definitions, please see the webpage here: www.qao.qld.gov.au/information-internal-controls or scan the QR code.



Internal control issues			Financial reporting issues		
Significant deficiency	Deficiency	Other matter	High	Medium	Low

Internal control issues

Significant deficiencies

22CR-1 – Authorisation of payments

COSO Component: Control activities

Observation

It was noted that the Director of Corporate Services (DCS) and CEO have the permission and capability to process invoices, prepare a payment run, and perform bank upload and approval. Further, only one account signatory is required to release payments and there is no formal review of bank reconciliations.

Despite these incompatibilities in duties, the usual process is as follows:

1. Creditor Officer enters the approved invoices and processes the payment run in SynergySoft. Creditor Officer also creates the bank file to be approved.
2. Finance Officer checks the bank file and the invoices and checks the bank accounts and amount entered.
3. Director of Corporate Services, CEO or Director of Communities approve the payments in the bank.

If there is no-one in the office able to process invoices, the Director of Corporate Services may undertake steps 1 and 2 above, however the CEO or Director of Communities would be required to approve the bank payment file if this is the case..

Implication

If duties are not appropriately segregated, or dual signatories are not required, there is a residual risk of fraud and error occurring. There appears to be no preventative controls to prevent the risk of fraud and/or error, and with no formal review of bank reconciliations, there may be inadequate controls in place to detect fraud and/or error.

QAO recommendation

It is recommended that processes, roles and responsibilities are reviewed and that controls are established to segregate preparer and authorisers of cash payments to mitigate the risk of fraud or error.

Key controls that should be considered are:

- Ensure segregation of preparer and reviewer roles through a formal finance policy for the payroll and supplier payment runs;
- Establishing review controls prior to processing a payment from Council's bank account; and
- Establishing dual authorisation in net banking for all payments released from Council's bank account.

Management response

Council uses a process where there are 3 levels of checking/authorisation of a payment before it is made. There are times when either the CEO or the Director of Corporate Services may have to do more than 1 of these levels of checking, this is mainly due to staffing levels. In the past 12 months Council has had a large turnover in staff and we have had 3 creditors officers. Council acknowledge that this is a risk however it is managed risk. Council is putting training in place to upskill employees to enter invoices if needed. This would then allow the DCS not to have to enter invoices.

Council are also implementing end of month reporting that looks at the actuals versus the budget. This would be provided to the relevant manager or director for review, and require any variances greater than 10% to be explained.

Council will look at dual authorisation of banking payments.

Responsible officer: Director of Corporate Services

Status: Work in Progress

Action date: June 2023



Deficiencies

22CR-2 – Accruals reconciliation

COSO Component: Control activities

Observation

It was noted that Council does not prepare a reconciliation of Accrued Expenses. Audit was required to prepare one based on the general ledger postings.

Implication

If a reconciliation is not prepared, and subsequently not reviewed, there is a risk of material misstatement in relation to liabilities due to inaccurate or incomplete accruals.

QAO recommendation

It is recommended that Council prepares a reconciliation to support the Accrued Expenditure balance in the general ledger, and reviews this reconciliation for accuracy and completeness.

Management response

Council will prepare a more complete reconciliation of the accrued expenditure balance.

Responsible officer: Director of Corporate Services

Status: Work in Progress

Action date: June 2023

Financial reporting issues



High risk issues

22FR-1 – Revenue recognition

Observation

As detailed in section 4, Audit noted a prior period material error in relation to recognition of grant revenue. Revenue for these grants should be recognised over time based on the costs incurred. The error occurred due to project costs for these grants not being correctly and completely allocated to the respective grant in previous years in Council's Revenue Analysis.

Implication

If costs are not appropriately allocated to such grants, there is a risk of material misstatement in relation to revenue recognition.

QAO recommendation

It is recommend Council continues to review their revenue recognition practices, including continuing to compile and review their Revenue Analysis schedule with due care and attention.

Management response

Council continues to work on the revenue recognition of new operating and capital grants. Council will continue to compile and review their Revenue Analysis schedule.










Responsible officer: Director of Corporate Services







Status: Work in progress

Action date: June 2023





Appendix A2 – Matters previously reported

The following table summarises all control deficiencies, financial reporting issues and other matters that have previously been raised but are not yet resolved.

Internal control issues			Financial reporting issues		
					
Significant deficiency	Deficiency	Other matter	High	Medium	Low
Ref.	Rating	Issue	Status and comment		
18IR-1		Compliance with Procurement Policy and Procedures <i>COSO Component: Control activities</i>	Resolved (merged with 19IR-5)		
19IR-4		Store Inventory Reconciliation No inventory listing report generated from system to support GL balance, and no stocktake reconciliation report. <i>COSO Component: Control activities</i>	Work in progress In the current year Audit continued to observe variances between Inventory listing provided and General Ledger (GL) balance. We understand SynergySoft only allows Council to run a report at a point in time, rather than backdate the report to 30 June. As a consequence of the client not running the report at 30 June 2022 to support the balance, the inventory listing provided did not reconcile to the GL. The difference was not material. Audit recommends Council run the inventory report at 30 June 202X going forward, and reconciles the balance to the GL. Council comment: In the 21/22 financial year Council engaged an internal audit review on their Stores and Inventory. There are recommendations in that final report that Council will implement in the second half of the 22/23 financial year. Responsible officer: Director of Corporate Services Action date: 30 June 2023		
19IR-5		Compliance with Procurement Policy and Procedures Required number of quotes or contracts were not obtained, purchase orders did not match invoices, no support for write-off. <i>COSO Component: Control activities</i>	Work in progress In the 21/22 financial year Council engaged an internal audit review on their Procurement Process. There are recommendations in that final report that Council will implement in the second half of the 22/23 financial year. Responsible officer: Director of Corporate Services Action date: 30 June 2023		

Ref.	Rating	Issue	Status and comment
19IR-9		<p>Information Technology General Controls (ITGCs)</p> <ul style="list-style-type: none"> • Passwords – Windows domain passwords are required to be changed every 45 days except for Council's management • IT policies & procedures – IT policies and procedures for managing IT assets and/or software, cyber security, business continuity plan or disaster recovery plan not available. <p><i>COSO Component: Control activities</i></p>	<p>Work in progress</p> <p>Council is in the process of adopting a multiple factor authenticator for passwords.</p> <p>Council continues to review their IT policies and procedures.</p> <p>Responsible officer: Director of Corporate Services Action date: June 2023</p>
20CR-4		<p>Grant acquittal reporting requirements</p> <p>Grant acquittal deadlines missed</p> <p><i>COSO Component: Control activities</i></p>	<p>Resolved</p> <p>Management aware and communicating audit requirements ahead of due dates.</p>
20CR-5		<p>Maintenance of a Contracts Register</p> <p>A contracts register is not available</p> <p><i>COSO Component: Control activities</i></p>	<p>Resolved</p> <p>Council continues to review the contract register and update Council's website for significant contracts in a timely manner.</p>
21CR-1		<p>Rates calculation</p> <p>In our rates sample, we identified instances where rates had been incorrectly calculated.</p> <p><i>COSO Component: Control activities</i></p>	<p>Resolved</p> <p>Council has included a spreadsheet as part of the review and approval to check the rates calculation to ensure that this does not occur in the future. No issues noted during current year audit.</p>
21CR-2 (previously 21FR-1)		<p>Account Reconciliations</p> <p>Difference between bank and ledger. Reconciliation not prepared, nor prepared throughout year.</p> <p><i>COSO Component: Control activities</i></p>	<p>Work in Progress</p> <p>Audit noted that this occurred again in FY22 audit.</p> <p>Council comment: The implementation of the new bank reconciliation module has helped with the reconciliation of the bank and the general ledger. Council continues to work towards having this fully reconciled on a monthly basis.</p> <p>Responsible officer: Director of Corporate Services Action date: June 2023</p>
20FR-1		<p>Revenue recognition observation</p> <p>Recognition of revenue and related costs on capital grants were noted to be incorrectly recognised.</p>	<p>Resolved – however new finding raised in current year.</p> <p>Council improved processes in current year. Council continues to work on the revenue recognition of new operating and capital grants.</p>

Ref.	Rating	Issue	Status and comment
19FR-10		Timeliness of statutory financial reporting	<p>Work in Progress</p> <p>Council continues to work on the timeliness of their statutory financial reporting.</p> <p>Council has worked closely with their Internal and External Auditors to improve the timeliness of their statutory financial reporting.</p> <p>In the 2021/2022 year there have been issues with the delay of receiving valuation reports regarding asset valuations that have caused a delay in the completion of the 21/22 statements.</p> <p>Responsible officer: Director of Corporate Services Action date: October 2023</p>
19FR-7		<p>Annual Leave and Long Service Leave Calculation</p> <p>Errors identified</p>	<p>Work in Progress</p> <p>A reconciling difference was noted in current year audit. This continues to remain a work in progress.</p> <p>Responsible officer: Director of Corporate Services Action date: June 2023</p>
20FR-2		<p>Accruals process</p> <p>Council does not post accruals on a monthly basis generating inconsistent monthly reporting.</p>	<p>Resolved – however new finding raised in current year.</p> <p>Audit have raised a new finding in relation to this matter for the current year.</p>
20FR-3		<p>Restoration provision</p> <p>Council's restoration provision has not been externally assessed, as such may not be complete and accurate.</p>	<p>Resolved</p> <p>Council has written off the intangible asset that had been previously created for the landfill.</p> <p>Responsible officer: Director of Corporate Services Action date: June 2022</p>
20FR-4		<p>Long service leave calculation errors</p> <p>Errors within the LSL calculation were noted, generating an inaccurate output.</p>	<p>Work in Progress</p> <p>A misstatement was identified in current year audit. Council will continue to review the calculation split between current and non-current for long service leave.</p> <p>Council comments: Council will continue to review the calculation split between current and non-current for long service leave.</p> <p>Responsible officer: Director of Corporate Services Action date: June 2023</p>
20FR-5		<p>Overdue rates</p> <p>In 2020 we noted a number of aged rates within the debtors ledger, some for which payments had last been received in 2018.</p>	<p>Resolved</p> <p>Council have gone through a legal process to recover the outstanding rates. This will be an ongoing process. Council will review the overdue rates in the second half of the 2022/2023 financial year.</p>
19IR-8		<p>Lack of Review and Involvement of Finance Committee on Revaluation</p>	<p>Work in Progress</p> <p>Council continues to work on the involvement of the Finance Committee on Revaluations.</p> <p>Responsible officer: Director of Corporate Services Action date: June 2023</p>

Ref.	Rating	Issue	Status and comment
20OM-2		Council Engineer's involvement in Asset Valuation process	<p>Work in Progress</p> <p>Council currently is using a contract engineering firm to provide engineering services. Council will consider using them as part of the asset valuation process. Council is also actively trying to recruit an engineer.</p> <p>Responsible officer: Director of Corporate Services Action date: June 2023</p>
20OM-3		Excessive annual leave	<p>Work in Progress</p> <p>Council acknowledges the staff that have excessive leave and continues to work on a solution to this issue.</p> <p>Responsible officer: Director of Corporate Services Action date: June 2023</p>
20OM-4		Inactive suppliers in supplier masterfile	<p>Work in Progress</p> <p>Council is continuing to review the masterfile of suppliers. Duplicates are being removed as found.</p> <p>Responsible officer: Director of Corporate Services Action date: June 2023</p>
21OM-1		<p>BAS error</p> <p>On review of BAS lodgements, we identified that net GST receivable/payable differed to general ledger balance</p>	<p>Work in Progress</p> <p>Audit noted that this occurred again in FY22 audit.</p> <p>Council comments: Council will undertake a reconciliation of the BAS to ensure that the net GST are correct and balanced to the general ledger.</p> <p>Responsible officer: Director of Corporate Services Action date: June 2023</p>



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Item 3.3 Audit Committee Meeting

EXECUTIVE SUMMARY

An audit committee meeting was held 14 March 2023 to discuss the Final Management Letter and the Annual Financial Statements.

OFFICER'S RECOMMENDATION

That Council: Receive the Minutes of the Audit Committee meeting held 14 March 2023 and that the recommendations contained within these minutes be adopted.

Budget & Resource Implications

N/A

Background

An audit committee meeting was held 14 March 2023 to discuss the Final Management Letter and the Annual Financial Statements.

Consultation (Internal/External)

Nil

Attachments

Attachment C – Minutes from the Audit Committee Meeting

Report prepared by **Peta Mitchell (Director of Corporate Services)**

**Minutes of the Internal Audit Committee held in
Richmond Shire Council Board Room
Tuesday 14 March 2023**

Meeting Opened: 9.13am

PRESENT

Chair: Cr June Kuhl
Independent member: Bob Baker (Via Teams)

Attendees: Cr Nick Buick
Peta Mitchell (Director of Corporate Services)

2022 Final Management Letter

Following the certification of the Financial Statements for the period ended 30 June 2022, the final management report was received from the Queensland Audit Office (signed by Pitcher Partners as delegate).

Appendix A1 Status of Issues

- Cr Kuhl requested that DCS to investigate the dual authorisation of payments made through the NAB regarding 22CR-1, authorisation of payments.
- 22CR-2 Accruals reconciliation and 22FR-1 Revenue Recognition were noted. The DCS advised that improvements have been made in both areas.

Appendix A2 Matters previously reported.

- Cr Buick requested that staff do more regular stocktakes to improve the reconciliation of the stores to the general ledger. This relates to 19IR-4, stores inventory reconciliation.
- Cr Kuhl requested that cyber security be considered as one of the internal audit reviews. This relates to 19IR-9.
- Cr Kuhl requested that the Audit Committee look at the desktop valuations this year before being signed off. This relates to 19IR-8, lack of review and involvement of Finance Committee on Revaluation.
- Cr Kuhl and Cr Buick requested that as part of the Enterprise Bargaining Agreement (EBA) Council looks at the introduction to allow for paying out excessive annual or long service leave. This relates to 20OM-3, excessive annual leave.
- Cr Kuhl and Cr Buick requested that now that Council finance team is back to full staff levels that upskilling of staff occurs.
- All other matters previously reported were noted. The DCS advised that most were an ongoing improvement in processes.

**Minutes of the Internal Audit Committee held in
Richmond Shire Council Board Room
Tuesday 14 March 2023**

2022 Annual Financial Statements

The Annual Financial Statements for the year ended 30 June 2022 were certificated by Queensland Audit Office on the 6th March 2023.

- Related Parties Note – for future change Golden Run to be North West Hardware and Kuhl & Co – Councillor June Kuhl is a silent partner but it is controlled by a close family member.
- Financial Instruments – Cr Kuhl requested more details on what made up the breakdown of the more than 90 days.
- Rental Income – Cr Kuhl requested on what the difference was between the rental income between 2021 and 2022.

General Business

There was no general business.

Close of Meeting 10.38 am

Next Meeting: To be confirmed

This is to certify that the minutes are a true and correct copy of the Richmond Shire Council Audit Committee Meeting.

Cr June Kuhl

Item 3.4 Annual Report 2021/2022

EXECUTIVE SUMMARY

That Council review the Annual Report for the financial year 2021/2022 including the Financial Statements.

OFFICER'S RECOMMENDATION

That Council: Review the Annual Report for the financial year 2021/2022 including the Financial Statements.

Budget & Resource Implications

N/A

Background

That Council review the Annual Report for the financial year 2021/2022 including the Financial Statements.

Consultation (Internal/External)

Internal:

Peter Bennett – Chief Executive Officer

Peta Mitchell – Director of Corporate Services

Angela Henry – Director of Community Services and Development

Jodie Fox – General Manager of Kronosaurus Korner

Leonie Johnston – Finance Officer

Stephanie Fields – Community Support Officer

Attachments

Annual Report to be sent separately

Report prepared by **Peta Mitchell (Director of Corporate Services)**