

ITEM WITHOUT NOTICE

DRAFT 2023/24 FINANCIAL STATEMENTS

RECOMMENDATION

This item without notice be accepted and referred to the Extraordinary Meeting of Council held on 3 October 2024, as it requires resolution before the next scheduled meeting.

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DRAFT 2023/24 FINANCIAL STATEMENTS

Council Meeting:	3 October 2024
Report Date:	2 October 2024
Author:	Chief Financial Officer
File #:	SC133
Approval:	General Manager

EXECUTIVE SUMMARY

Council is required to provide a Statement by Councillors and Management under Section 413(2)(c) of the Local Government Act 1993 for its General Purpose and Special Purpose Financial Statements, prior to submission to the Audit Office for preparation of Independent Auditor's Reports.

Council is also required to formalise and document management's 30 June 2024 assessment of going concern.

RECOMMENDATION

That:

- 1. Following review, the going concern basis is appropriate for the financial statements for the year ended 30 June 2024, and the required disclosures within the statements with regards to going concern are fairly reflected within the applicable notes;**
- 2. Council authorise the General Manager, in consultation with the Audit Risk & Improvement Committee, Council's Auditors and the Chief Financial Officer, to make any necessary adjustments to the financial statements that may arise as the result of the audit process, and to report back to Council on any such adjustments that are made, where significant;**
- 3. Council authorises the signing of the Statement by Councillors and Management by the Mayor and Deputy Mayor, and endorse the signing by the General Manager and Chief Financial Officer (as Responsible Accounting Officer) in relation to the General Purpose Financial Statements;**
- 4. The General Purpose Financial Statements and Special Purpose Financial Statements for the year ended 30 June 2024 be formally referred to Council's Auditor for audit; and**
- 5. Council delegates to the General Manager authority, upon receipt of the Auditor's Reports to:**
 - a. forward a copy of the financial statements and Auditor's Reports to the Office of Local Government;**

- b. **arrange for public notice to be given, in the required format, on Council's website, of the Council meeting for presentation of the audited 2023/24 financial statements;**
- c. **arrange for the Council's audited financial statements and Auditor's reports to be placed on public exhibition; and**
- d. **list the audited financial statements and Auditor's reports on the agenda for the next available Council meeting for presentation to the public, which allows for the 7 days public notice requirement.**

BACKGROUND

Council's financial statements are required to be prepared and audited within 4 months after the end of the year concerned, and Council is required to provide a Statement by Councillors and Management under Section 413(2)(c) of the *Local Government Act 1993* ('the Act') for its General Purpose and Special Purpose Financial Statements. This statement is on page 3 of both the General Purpose Financial Statements and Special Purpose Financial Statements, which are included as attachments to this report).

At the time of writing, the annual financial statements are in draft form and the external auditors have commenced work on the statements.

Section 418 of the Act requires that, following receipt of the Auditor's Report, Council fix a date for a meeting to present the annual statements (within 35 days of receipt). Council must give seven days public notice of that meeting.

OFFICER COMMENT

It is proposed that Council's auditors, together with representatives of the NSW Audit Office, will provide a detailed presentation of the financial statements at the November Council meeting.

SUSTAINABILITY

N/A

STATUTORY COMPLIANCE/POLICY

- Local Government Act 1993 and associated Regulations
- Australian Accounting Standards
- Local Government Code of Accounting Practice and Financial Reporting

FINANCIAL

Council's financial performance and position is represented in the financial statements presented.

This recommendation itself will have no impact on Council's underlying financial position, other than audit fees which are required to be incurred.

INTEGRATED PLANS

Leading By Example

5.1.3 Maintain sound legislative decision-making that is ethical, accountable and transparent.

5.1.4 Provide best practice financial, corporate and operational management and reporting that meets legislative requirements.

5.2.1 Provide genuine, simple and accurate information that is accessible and inclusive

RISK MANAGEMENT

RSD Audit will be undertaking the audit of the financial statements on behalf of the NSW Audit Office.

The Audit Risk and Improvement Committee will review the financial statements at their meeting scheduled for 21 October 2024.

CONSULTATION / ENGAGEMENT

- General Manager
- Finance Manager
- Accountant
- RSD Audit
- NSW Audit Office
- Office of Local Government

OPTIONS

Option 1

That:

1. Following review, the going concern basis is appropriate for the financial statements for the year ended 30 June 2024, and the required disclosures within the statements with regards to going concern are fairly reflected within the applicable notes;
2. Council authorise the General Manager, in consultation with the Audit Risk & Improvement Committee, Council's Auditors and the Chief Financial Officer, to make any necessary adjustments to the financial statements that may arise as the result of the audit process, and to report back to Council on any such adjustments that are made, where significant;
3. Council authorises the signing of the Statement by Councillors and Management by the Mayor and Deputy Mayor, and endorse the signing by the General Manager and Chief Financial Officer (as Responsible Accounting Officer) in relation to the General Purpose Financial Statements;
4. The General Purpose Financial Statements and Special Purpose Financial Statements for the year ended 30 June 2024 be formally referred to Council's Auditor for audit; and

5. Council delegates to the General Manager authority, upon receipt of the Auditor's Reports to:
 - a. forward a copy of the financial statements and Auditor's Reports to the Office of Local Government;
 - b. arrange for public notice to be given, in the required format, on Council's website, of the Council meeting for presentation of the audited 2023/24 financial statements;
 - c. arrange for the Council's audited financial statements and Auditor's reports to be placed on public exhibition; and
 - d. list the audited financial statements and Auditor's reports on the agenda for the next available Council meeting for presentation to the public, which allows for the 7 days public notice requirement.

Option 2

Another resolution as determined by Council.

ATTACHMENTS

Attachment: Draft General Purpose Financial Statements

Attachment: Draft Special Purpose Financial Statements