

3.1 2021/22 FINANCIAL & PERFORMANCE STATEMENTS

(FIN 48: DW: YN)

Responsible Senior Officer: Danny Wain, Chief Financial Officer

RECOMMENDATION*That Council:*

1. *notes the draft City of Monash 2021/22 Annual Financial Statements and Performance Statement (the Statements) prepared in Accordance with the Local Government Act 2020;*
2. *notes the 8 September 2022 recommendation of Council's Audit & Risk Committee in relation to the Statements;*
3. *approves the Statements "in principle" prior to them being provided to the Victorian Auditor-General's Office for audit sign off;*
4. *nominates the Mayor and Deputy Mayor to certify the Statements in their final form; and*
5. *authorises the nominated Councillors to accept any further recommended changes to the Statements by the Victorian Auditor-General's Office.*

INTRODUCTION

The 2021/22 Financial Statements and Performance Statement (the Statements) of the City of Monash have been prepared in accordance with the *Local Government Act 2020* (the Act) and the Local Government (Planning and Reporting) Regulations 2020 (the Regulations). The Financial Statements also comply with the Australian International Reporting Standards (AIFRS) framework. The Statements are included in Attachment 1 of this report.

PROCESS

A statutory approvals process for the Annual Accounts requires that the following process be undertaken:

- the Auditor-General must appoint an External Auditor to review the draft set of Financial and Performance Statements (the Statements) and to make a preliminary recommendation to Council's Audit & Risk Committee. The Council's appointed External Auditor is HLB Mann Judd.
- Council's Audit & Risk Committee must meet to consider the draft statements and the preliminary recommendation made by the External Auditor, and if satisfied with the Statements as drafted, make a recommendation that the Statements be approved "In Principle" by Council;
- the Council must nominate two Councillors to certify the Statements in their final form;

- the Council considers the Statements, approves them “In Principle”, and authorises that the Statements be submitted to HLB Mann Judd;
- the Statements are then submitted to Auditor-General office for review;
- any issues arising from the draft Statements are resolved in the first instance with Council’s Principal Accounting Officer (the Chief Financial Officer), and if necessary Council’s Audit & Risk Committee, following which the Auditor-General will provide certification of the Statements;
- the Council’s Principal Accounting Officer, the Chief Executive Officer and the two nominated Councillors are then required to certify the Statements;
- Council’s Annual Report, incorporating the certified Statements, is considered by Council at a subsequent Council meeting.

AUDIT & RISK COMMITTEE

Council’s Audit & Risk Committee met on Thursday 8 September 2022 to consider the Statements, and resolved:

“The Committee:

- a) endorses the 2021/22 draft Financial Statements and Performance Statement (the Statements), subject to resolution of any outstanding audit issues and minor amendments; and*
- b) recommends that Council, at its meeting on 27 September 2022, adopts the Statements “in principle” and forwards the Statements to the Auditor-General for certification.”*

CONCLUSION

Following completion of the required processes, including review by Council’s Principal Accounting Officer, External Auditor and the Audit & Risk Committee, it is recommended that Council:

- notes the draft City of Monash 2021/22 Annual Financial Statements and Performance Statement (the Statements) prepared in Accordance with the Local Government Act 2020;
- notes the 8 September 2022 recommendation of Council’s Audit & Risk Committee in relation to the Statements;
- approves the Statements “in principle” prior to them being provided to the Victorian Auditor-General’s Office for audit sign off;
- nominates the Mayor and Deputy Mayor to certify the Statements in their final form; and
- authorises the nominated Councillors to accept any further recommended changes to the Statements by the Victorian Auditor-General’s Office.