



AUDIT AND RISK MANAGEMENT COMMITTEE MEETING

**Date: 23rd October 2023 Time: 2:00 pm
(Darwin Time)**

Notice of Meeting

To: Ian Swan (Independent Chairperson)
Natasha Chapman (Independent Member)
Rex Edmunds (Elected President)
John Moreen (Elected Councillor)
Noel Clifford and Vikram Sandhu (Independent Auditors)

Adherent to Section 97(3) of the Local Government Act 2019, you are invited to attend the Audit and Risk Management Committee Meeting to be held at Belyuen Council Office, Belyuen on 23rd October 2023 commencing at 2:00pm (Darwin Time). Any member(s) who cannot be physically present, is (are) invited to join the meeting via Teams.

Please declare any conflict of interest(s) relating to the items of discussion of the Audit and Risk Management Committee meeting on 23rd October 2023.

This meeting is open to public and will be recorded for minutes purposes only.

Dave Ferguson

Chief Executive Officer

Belyuen Community Government Council

Date: 20th October 2023

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1. Opening of Meeting

The meeting will be declared open at 2.00pm by Chairperson, Mr. Ian Swan

2. Attendees/People Present

Members:

IAN SWAN (Independent Chairperson)	Present Virtually via Teams
NATASHA CHAPMAN (Independent Member)	Present Virtually via Teams
REX EDMUNDS (Elected President)	
JOHN MOREEN (Elected Councillor)	

Staff:

DAVE FERGUSON (Chief Executive Officer)
JASMINE BRAR (Finance and Administration Manager)

Other Attendees (Present Virtually via Teams):

Noel Clifford: (Partner, Nexia Edwards Marshal NT)
Vikram Sandhu: (Manager, Nexia Edwards Marshal NT)

3. Apologies and Leave of Absence

REPORT NUMBER	3.1.10.23
AUTHOR	JASMINE BRAR – Finance and Administration Manager
ATTACHMENTS	NIL

Summary

This report is to table, for Council's record, any apologies and requests for leave of absence received from Members of the Audit and Risk Management Committee for meeting held on *23rd October 2023*.

Comment

Committee can choose to accept the apologies or requests for leave of absence as presented, or not accept them. Apologies or requests for leave of absence that are not accepted by Committee will be recorded as absence without notice.

The acceptance of members’ apologies or the approval for a member to be absent from a meeting is a decision of the council. The decision must meet all the legislative requirements of any decision of committee, including the need for the decision to be clearly recorded in the public minutes of the committee meeting.

Statutory Environment

As per Section 98 of the Local Government Act 2019

Financial Implications

Not applicable.

Recommendation:

The Committee accepts the apology/leave without apology of _____ for Audit and Risk Management Committee Meeting of Belyuen Community Government Council held on 23rd October 2023

Moved:

Seconded:

4. Declaration of Interests

REPORT NUMBER

4.1.10.23

AUTHOR

JASMINE BRAR – Finance and Administration Manager

ATTACHMENTS

NIL

Summary

Members, staff and other attendees are required to declare any conflicts of interest arising from the matters contained in this agenda.

Background

Members are required to disclose an interest in a matter under consideration by Committee at a meeting:

- In the case of a matter featured in an officer’s report or written agenda item by disclosing the interest to the Council by disclosure as soon as possible after the matter is raised.
- In the case of a matter raised in general debate or by any means other than the printed agenda of the Council by disclosure as soon as possible after the matter is raised.

The Committee may elect to allow the Member to provide further and better particulars of the interest prior to requesting them to leave the Chambers.

Staff Members of the Council are required to disclose an interest in a matter at any time at which they are required to act or exercise their delegate authority in relation to the matter. Upon disclosure the Staff Member is not to act or exercise his or her delegated authority unless the CEO or Acting CEO expressly directs him or her to do so.

Comment

Statutory Environment

Policy Implications

EM04 - Conflict of Interest – Code of Conduct

Financial Implications

Not applicable.

Recommendation:

The Committee receives and notes the Declaration of Interests for Audit and Risk Management Committee Meeting of Belyuen Community Government Council held on 23rd October 2023

Moved:

Seconded:

5. Confirmation of Previous Minutes

REPORT NUMBER

5.1.10.23

AUTHOR

JASMINE BRAR – Finance and Administration Manager

ATTACHMENTS

MINUTES OF MEETING – 21st August 2023

Summary

Minutes of Audit and Risk Management Committee Meeting held at Belyuen Council Office on 21st August 2023

Statutory Environment

The Minutes as submitted must comply with Section 101(1) of the *Local Government Act 2019* and be confirmed at the Next Meeting as per Section 101(3) of the *Local Government Act 2019*

Policy Implications

Not applicable

Financial Implications

Not applicable



AUDIT AND RISK MANAGEMENT COMMITTEE MEETING

MINUTES OF MEETING

Date: 21st August 2023

Time: 1:30 pm (Darwin Time)

Notice of Meeting

I, hereby give notice that the Audit and Risk Management Committee Meeting will be held at Belyuen Council Training Room, Belyuen on:

Date: 21st August 2023

Time: 1:30pm (Darwin Time).

Any member(s) who cannot be physically present will be joining the meeting via Teams.

Please declare any conflict of interest(s) relating to the items of discussion of the Audit and Risk Management Committee meeting on 21st August 2023.

This meeting is open to Public

Dave Ferguson

Chief Executive Officer

Belyuen Community Government Council

Date: 18th August 2023

MINUTES

1. Opening of Meeting

The Chairperson, Mr. Ian Swan declared the meeting open at 1:46pm

2. Attendees/People Present

Members:

IAN SWAN: (Independent Chairperson)

NATASHA CHAPMAN: (Independent Member) Present Virtually via Teams

REX EDMUNDS: (Elected President)

Staff:

DAVE FERGUSON: (Chief Executive Officer)

JASMINE BRAR: (Senior Finance/Administration Officer)

Other Attendees (Present Virtually via Teams):

Noel Clifford: (Partner, Nexia Edwards Marshal NT)

Vikram Sandhu: (Manager, Nexia Edwards Marshal NT)

3. Apologies and Leave of Absence

NIL

4. Declaration of Interests

NIL

5. Confirmation of Previous Minutes

Recommendation:

That the Minutes of the Audit and Risk Management Committee meeting held on 6th June 2023 be confirmed as true and correct record of the meeting, by the Audit and Risk Management Committee

Moved: N. Chapman

Seconded: R. Edmunds

6. Action Items from Previous Meeting

NIL

7. Financial reports

Noel Clifford (Partner, Nexia Edwards Marshal) and Vikram Sandhu (Manager, Audit and Assurance Services, Nexia Edwards Marshal) joined the Audit and Risk Management Committee meeting at 2:00pm. The discussion finished at 2:16pm.

The Financial report was then discussed at the meeting.

Recommendation:

The Audit and Risk Management Committee receives and notes the Financial Report for Belyuen Council for the period ending 30th June 2023

Moved: N. Chapman

Seconded: R. Edmunds

8. General Business

The following general business items were discussed during the Audit and Risk Management Committee Meeting.

Chairman, Ian Swan asked for an update on the following:

- **Northern Land Council – Section 19 leases**
- **Insurance Renewals**

9. Confidential Items

NIL

10. Next Meeting

The next Audit and Risk Management Committee meeting will be held in October 2023, date to be advised

11. Meeting Closed

The meeting was closed at 2:49pm

Recommendation:

That the Minutes of the Audit and Risk Management Committee meeting held on 21st August 2023 be confirmed as true and correct record of the meeting, by the Audit and Risk Management Committee

Moved:**Seconded:**

6. Action Items from Previous Meeting

6.1 Northern Land Council Section 19 Leases –

Council CEO wrote to the Northern Land Council on June 5th 2023 with attached proposal from Belyuen Community Government Council to enter into Section 19 lease agreements on 11 lots with the Northern Land Council and Traditional Owners of the Delisaville/Wagait/Larrakia Land Trust.

The correspondence was addressed to the CEO, Chairperson and Project Coordinator of the NLC as well as NLC lawyers.

At the request of the NLC, expressions of interest were also completed and forwarded to the NLC.

On July 21st, council received notification from the NLC advising that the expressions of interest had been registered.

Council is waiting to find out the result of the EOI's.

6.2 Insurance Renewal –

Council have renewed the following insurances for the 2023-24 financial year:

- Public and Products Liability Insurance
- Business Insurance
- Commercial Fleet Insurance
- Workers Compensation Insurance
- Marine Cargo Insurance
- Corporate Directors Liability Insurance

Council CEO wrote to the NTG - Department of Infrastructure, Planning and Logistics regarding ownership of infrastructure in Belyuen in August and September. The CEO has also written to and met with the Regional Executive Director - Department of the Chief Minister and Cabinet to ascertain

ownership and responsibility of various lot numbers in Belyuen. The results of these enquiries are still pending.

6.3 Draft Procurement Policy –

Draft BCGC Procurement Policy tabled for discussion and endorsement.

Recommendation:

The Audit and Risk Management Committee receives and notes action Items for Belyuen Council

Moved:

Seconded:

7. Financial reports

REPORT NUMBER

7.1.10.23

AUTHOR

JASMINE BRAR – SENIOR FINANCE/ADMINISTRATION OFFICER

ATTACHMENTS

FINANCIAL REPORT (Jul-Sept 2023)

Summary

To provide the Audit and Risk Management Committee with the update on the financial position of the Council

Background

NIL

Rates and Charges

- The Council received Rates and Charges for 2023-24 from Larrakia Nation, Belyuen School and Belyuen Health Clinic. The Council is still waiting to receive rates and charges from Department of Territory Families, Housing and Communities for community housing
- The Council has received waste management charges inter-company from store, council office and aged care.

Operating Income and Expenditure

- Council's Operating Income was less than Year-to-date budget by \$280K. This is due to Council waiting on income from Grant and Subsidies and Other Income. There was also a reduction in income from Fees and Charges
- Operating expenditure is less than Year to Date budget by \$237K. This is due to reduction in expenses such as Materials and Contracts and majorly Insurance. The employee expenditure went up due to increase in payment of Workers Compensation Insurance and employee entitlements payout.

Overall, the Council was in **\$268,811 in Operating Surplus**

Grants and Subsidies

- The Council received a top-up payment for Financial Assistance Grants for Quarter 1 - \$393 for FAGS – Roads and \$155 for FAGS – General Purpose
- The Council received \$39,000 for 1st instalment of Operational Funding for 2023-24 in Aug 2023 and first instalment of SNP grant in Sept 2023
- The Council did not receive any capital grants and did not do any capital expenditure

Interest/Investment Income

- Belyuen Council does not receive interest/investment income

Tax and Other Liabilities

Council is compliant with payment and reporting all tax liabilities as outlined below:

- The July-Sept 2023 Business Activity Statement and Sept PAYG Withholdings will be lodged on before due date in Nov 2023. The Council collected \$83,768 in PAYG from Jul-Sep 2023

Table 1.1 Monthly Income and Expenditure Statement

Period		3		
	YTD Actuals \$	YTD Budget \$	YTD Variance \$	Annual Budget \$
OPERATING INCOME				
Rates	108,415	108,415	0	108,415
Charges	95,251	95,251	0	95,251
Fees and Charges	62,267	70,443	(8,176)	170,700
Operating Grants and Subsidies	628,503	835,558	(207,055)	1,738,399
Interest / Investment Income	0	0	0	0
Other Income	497,471	562,416	(64,945)	2,249,650
TOTAL OPERATING INCOME	1,391,907	1,672,083	(280,176)	4,362,415
OPERATING EXPENDITURE				
Employee Expenses	491,472	493,547	(2,075)	1,906,291
Materials and Contracts	298,761	430,929	(132,168)	1,058,396
Elected Member Allowances	7,576	18,501	(10,925)	74,000
Elected Member Expenses	189	1,500	(1,311)	6,000
Council Committee & LA Allowances	800	1,026	(226)	4,100
Council Committee & LA Expenses	0	0	0	0
Depreciation, Amortisation and Impairment	54,467	76,500	(22,033)	306,000
Interest Expenses	0	0	0	0
Other Expenses	269,831	338,743	(68,912)	1,192,823
TOTAL OPERATING EXPENDITURE	1,123,096	1,360,746	(237,650)	4,547,610
OPERATING SURPLUS / DEFICIT	268,811	311,337	(42,526)	(185,195)

Table 1.2 Monthly Operating Position

	YTD Actuals \$	YTD Budget \$	YTD Variance \$	Annual Budget \$
BUDGETED OPERATING SURPLUS / DEFICIT	268,811.00	311,337.00	-42,526.00	-185,195.00
Remove NON-CASH ITEMS				
Less Non-Cash Income		0	0	
Add Back Non-Cash Expenses	54,467	76,500	(22,033)	306,000
TOTAL NON-CASH ITEMS	54,467	76,500	(22,033)	306,000
Less ADDITIONAL OUTFLOWS				
Capital Expenditure		(111,122)	(111,122)	(444,488)
Borrowing Repayments (Principal Only)		0	0	
Transfer to Reserves		(30,201)	(30,201)	(120,805)
Other Outflows		0	0	
TOTAL ADDITIONAL OUTFLOWS	-	-141,323.25	-141,323.25	-565,293.00
Add ADDITIONAL INFLOWS				
Capital Grants Income		46,917	46,917	187,668
Prior Year Carry Forward Tied Funding		0	0	
Other Inflow of Funds		0	0	
Transfers from Reserves		64,205	64,205	256,820
TOTAL ADDITIONAL INFLOWS	-	111,122	111,122	444,488
NET OPERATING POSITION	323,278	357,636	-94,760	-

2.1 Capital Income and Expenditure

CAPITAL EXPENDITURE	YTD Actuals \$	YTD Budget \$	YTD Variance \$	Annual Budget \$
Land and Buildings		-	-	-
Infrastructure (including roads, footpaths, park furniture)	-	49,457	49,457	197,827
Plant and Machinery	-	61,665	61,665	246,661
Fleet		-	-	
Other Assets (including furniture and office equipment)		-	-	-
Leased Land and Buildings		-	-	-
Other Leased Assets		-	-	-
TOTAL CAPITAL EXPENDITURE	-	111,122	111,122	444,488
TOTAL CAPITAL EXPENDITURE FUNDED BY:				
Operating Income (amount allocated to fund capital items)	-	-	-	-
Capital Grants		46,917	46,917	187,668
Transfers from Cash Reserves	-	64,205	64,205	256,820
Borrowings	-	-	-	-
Sale of Assets (including trade-ins)	-	-	-	-
Other Funding	-	-		
TOTAL CAPITAL EXPENDITURE	-	111,122	111,122	444,488
FUNDING				

Balance Sheet

BELYUEN COMMUNITY GOVERNMENT COUNCIL

As at 31 August 2023

Account	31 Aug 2023
Assets	
Bank	1,172,370.80
Accounts Receivables	223,411.04
Current Assets	223,507.96
Fixed Assets	1,405,954.90
Non-current Assets	7209.53
Total Assets	3,032,454.23
Liabilities	
Accounts Payable	116,637.63
Current Liabilities	234,994.19
Non-current Liabilities	401,109.53
Total Liabilities	733,056.89
Net Assets	2,279,712.88
Equity	
Current Year Earnings	268,810.02
Reserves	133,609.00
Retained Earnings	1,877,293.86
Total Equity	2,279,712.88

TIED FUNDING: \$548,357

UNTIED FUNDING: \$624,014

Aged Receivables Summary

BELYUEN COMMUNITY GOVERNMENT COUNCIL

As at 30 September 2023

Ageing by due date

Council Functions	Current	< 1 Month	1 Month	2 Months	Older	Total
	0.00	(300.00)	(3,377.69)	(1,093.95)	(4,811.06)	(9,582.70)
C56 Civil Community Services	2,997.53	0.00	0.00	292.60	6,320.01	9,610.14
E10 Belyuen Store	7,460.27	7,055.78	15.31	0.00	4,015.20	18,546.56
E10 Belyuen Store, G10 Council Admin	121.00	0.00	4,000.00	0.00	0.00	4,121.00
E10 Belyuen Store, G10 Council Admin, C56 Civil Community Services	460.00	176,246.35	0.00	0.00	0.00	176,706.35
G10 Council Admin	2,500.00	0.00	0.00	0.00	517.68	3,017.68
G10 Council Admin, E10 Belyuen Store	0.00	21.08	0.00	0.00	3,080.00	3,101.08
S11 Aged Care	634.00	154.50	(186.29)	(200.00)	(366.10)	36.11
S11 Aged Care, S12 Home Care Package	0.00	0.00	0.00	0.00	365.84	365.84
S11B - Residential Income - Aged Care, S11 Aged Care	1,299.50	1,422.00	0.00	54.00	1,711.20	4,486.70
S12 Home Care Package	0.00	744.47	213.97	32.00	1,321.07	2,311.51
S12 Home Care Package, S11 Aged Care	0.00	31.00	31.00	0.00	264.00	326.00
Total	15,472.30	185,375.18	696.30	(915.35)	12,417.84	213,046.27
Percentage of total	7.26%	87.01%	0.33%	-0.43%	5.83%	100.00%

Aged Payables Summary

BELYUEN COMMUNITY GOVERNMENT COUNCIL

As at 30 September 2023

Ageing by due date

Contact	Current	< 1 Month	1 Month	2 Months	Older	Total
Aged Payables						
Active Occupational Therapy	581.97	0.00	0.00	0.00	0.00	581.97
Bega	284.98	0.00	0.00	0.00	0.00	284.98
Beta Meats	0.00	653.09	0.00	0.00	0.00	653.09
Bridge Toyota	429.58	108.04	95.48	0.00	0.00	633.10
Coco-Cola Amatil	1,681.14	0.00	0.00	0.00	0.00	1,681.14
Colemans Printing	1,893.51	0.00	0.00	0.00	0.00	1,893.51
COLES	0.00	0.00	0.00	0.00	234.81	234.81
Darwin Business Machines Office National	934.00	0.00	0.00	0.00	0.00	934.00
Dundee Support Services	0.00	1,625.00	0.00	0.00	0.00	1,625.00
FVS Fire Pty Ltd	701.99	0.00	0.00	0.00	0.00	701.99
Harvey Distributors	642.94	0.00	0.00	0.00	0.00	642.94
Holdfast Insurance Brokers	824.78	0.00	0.00	0.00	0.00	824.78
IGA - Independent Grocers 49178	1,160.53	0.00	0.00	0.00	0.00	1,160.53
Independence Australia	75.80	1,017.60	0.00	0.00	0.00	1,093.40
Independent Grocers Darwin	10,515.75	0.00	0.00	0.00	0.00	10,515.75
Jamie Marr	0.00	1,259.74	0.00	0.00	0.00	1,259.74
Janett Cole Fidock	0.00	157.43	0.00	0.00	0.00	157.43
Keep moving	1,013.00	2,882.68	160.60	0.00	0.00	4,056.28
KMART AUSTRALIA	0.00	0.00	0.00	0.00	802.00	802.00
L.H. Perry & Sons Pty Ltd.	41,263.36	0.00	0.00	0.00	0.00	41,263.36
Local Government Association of the NT	0.00	0.00	5,290.35	0.00	0.00	5,290.35
McIntosh Holdings Pty Ltd	898.46	2,070.29	0.00	0.00	0.00	2,968.75
Nexia Edwards Marshall NT	1,100.00	0.00	0.00	0.00	0.00	1,100.00
OZ FRESH INVESTMENTS PTY LTD	347.79	0.00	0.00	0.00	0.00	347.79
Pest Off	255.00	680.00	0.00	0.00	0.00	935.00
Power & Water Corporation	4,000.00	(298.78)	12,676.36	(193.02)	6,841.14	23,025.70
Repco	114.01	0.00	0.00	0.00	0.00	114.01
Rex Edmunds	0.00	2,083.33	0.00	0.00	0.00	2,083.33
Ruth Morley Legal Services	4,159.83	0.00	0.00	0.00	0.00	4,159.83
Sealink Ferries	3,456.00	0.00	0.00	0.00	0.00	3,456.00
Simone Moreen	0.00	60.00	0.00	0.00	0.00	60.00
Tyre Traders NT	988.78	144.29	0.00	0.00	0.00	1,133.07
Wagait Shire Council	680.00	0.00	0.00	0.00	0.00	680.00
WOOLWORTHS	0.00	0.00	0.00	0.00	284.00	284.00
Total Aged Payables	78,003.20	12,442.71	18,222.79	(193.02)	8,161.95	116,637.63
Total	78,003.20	12,442.71	18,222.79	(193.02)	8,161.95	116,637.63
Percentage of total	66.88%	10.67%	15.62%	-0.17%	7.00%	100.00%

Depreciation Schedule

BELYUEN COMMUNITY
GOVERNMENT COUNCIL

For the 3 months ended
30 September 2023

Cost Account	Name	Cost	Opening Value	Purchases	Disposals	Depreciation	Closing Value
Fixed Asset - Buildings at Valuation		835,456.00	665,248.77	0.00	0.00	14,676.66	650,572.11
Fixed Asset - Infrastructure at valuation		533,234.00	434,716.49	0.00	0.00	10,277.27	424,439.22
Fixed Asset - Plant & Equipment -Costed as Plant		549,812.93	291,924.79	0.00	0.00	23,618.43	268,306.36
Fixed Assets - Store Furniture and Fittings at Cost		243,326.00	40,859.31	0.00	0.00	5,495.33	35,363.98
Fixed Assets - Store Improvements at Cost		32,070.92	27,637.23	0.00	0.00	399.76	27,237.47
Total		2,193,899.85	1,460,386.59	0.00	0.00	54,467.45	1,405,919.14

Statement of Cash Flows

BELYUEN COMMUNITY GOVERNMENT COUNCIL

For the 3 months ended 30 September 2023

Account	Jul-Sep 2023
Operating Activities	
Receipts from customers	1,329,184.28
Payments to suppliers and employees	(1,058,694.32)
Cash receipts from other operating activities	(15,238.87)
Net Cash Flows from Operating Activities	255,251.09
Investing Activities	
Other cash items from investing activities	8,916.36
Net Cash Flows from Investing Activities	8,916.36
Financing Activities	
Other cash items from financing activities	(303,446.90)
Net Cash Flows from Financing Activities	(303,446.90)
Net Cash Flows	(39,279.45)
Cash and Cash Equivalents	
Cash and cash equivalents at beginning of period	1,211,650.25
Net change in cash for period	(39,279.45)
Cash and cash equivalents at end of period	1,172,370.80

Recommendation:

The Audit and Risk Management Committee receives and notes the Financial Report for the last quarter for Belyuen Council

Moved:

Seconded:

8. General Business

8.1 Belyuen Community Government Council Procurement Policy

9. Confidential Items

Recommendation:

Adherent to Regulation 51 of the Local Government (General) Regulations 2021, the following information is prescribed as confidential:

- (a) information about the employment of a particular individual as a member of staff or possible member of the staff of the Council that could, if publicly disclosed, cause prejudice to the individual;**
- (b) information about the personal circumstances of a resident or ratepayer;**
- (c) information that would, if publicly disclosed, be likely to:**
 - (i) cause commercial prejudice to, or confer an unfair commercial advantage on, any person;**
 - or**
 - (ii) prejudice the maintenance or administration of the law; or**
 - (iii) prejudice the security of the council, its members or staff; or**
 - (iv) subject to sub regulation (3) – prejudice the interests of the council or some other person;**
- (d) information subject to an obligation of confidentiality at law, or in equity;**
- (e) subject to sub regulation (3) – information provided to the council on condition that it be kept confidential and would, if publicly disclosed, be likely to be contrary to the public interest;**
- (f) subject to sub regulation (2) – information in relation to a complaint of a contravention of the code of conduct.**

Moved:

Seconded:

9.1 Draft Audited Financial Statements for 2022-23

10. Re-Opening of the Meeting

Recommendation:

The Committee reopens the meeting to the general public in accordance with Regulation 51 of the Local Government (General) Regulations 2021

Moved:

Seconded:

11. Next Meeting

The next Audit and Risk Management Committee meeting will be held on a date to be advised

12. Meeting Closed

The meeting was closed at _____

