

## **Notice of ExtraOrdinary Meeting**

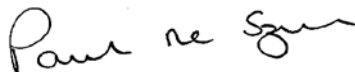
**to be held at the Council Chambers**

**Breese Parade, Forster**

**21 February 2018 at 2.00pm**

The order of the business will be as detailed below (subject to variation by Council)

1. Acknowledgement of Country
2. Declaration of Pecuniary or Conflicts of Interest (nature of interest to be disclosed)
3. Apologies
4. Consideration of officers' reports
5. Close of meeting

A handwritten signature in black ink that reads "Paul De Szell".

**Paul De Szell**  
**Acting General Manager**

**THIS PAGE IS LEFT BLANK INTENTIONALLY**

**TABLE OF CONTENTS**

**CONSIDERATION OF OFFICERS' REPORTS:.....1**

**DIRECTOR CORPORATE & BUSINESS SYSTEMS .....1**

1      2016-2017 FINANCIAL REPORTS FOR MIDCOAST WATER..... 1

**THIS PAGE IS LEFT BLANK INTENTIONALLY**

## **CONSIDERATION OF OFFICERS' REPORTS:**

### **DIRECTOR CORPORATE & BUSINESS SYSTEMS**

#### **1 2016-2017 FINANCIAL REPORTS FOR MIDCOAST WATER**

**Report Author** Phil Brennan, Manager Finance

**File No. / ECM Index** Financial Management - 2016/2017 Financial Statements

**Date of Meeting** 21 February 2018

---

#### **SUMMARY OF REPORT**

Prior to the release of the Auditor's Reports on the 2016/2017 Financial Statements for MidCoast Water the NSW Audit Office require Council to re-sign the "Statement by Councillors and Management" for the General Purpose Financial Statements and the Special Purpose Financial Statements.

#### **SUMMARY OF RECOMMENDATION**

That Council resolve to re-issue the statutory statements in relation to the 2016/2017 Annual Financial Reports for MidCoast Water.

#### **FINANCIAL/RESOURCE IMPLICATIONS**

Nil.

#### **LEGAL IMPLICATIONS**

The "Statement by Councillors and Management" is a requirement of the Local Government Act, 1993 and the Local Government Code of Accounting Practice and Financial Reporting and forms part of Council's Annual Financial Reports.

---

#### **BACKGROUND**

The Administrator at an Extraordinary Meeting of Council held on 6 September 2017 resolved to sign the statutory statements required to refer the Annual Financial Reports for both Mid-Coast Council and the former MidCoast Water to audit. This was in keeping with the requirements of the Local Government Act and Code of Accounting Practice and Financial Reporting.

With the transfer of responsibility for the audit of local government to the NSW Audit Office new requirements have been introduced for the 2016/2017 audit. The Audit Office now require councils to re-sign the statutory statements after the audit has been completed but prior to the issue of their audit reports. This is to take into account any changes to the financial statements arising from audit and aligns with private sector practices where the board signs off on the financial reports prior to their release to the public. This change in practice was identified in the report to that Extraordinary Meeting.

#### **DISCUSSION**

The Local Government Act 1993 (as amended) requires the Annual Financial Reports to include Statements signed by the Mayor, a Councillor, the General Manager and the Responsible Accounting Officer in accordance with a resolution of Council.

---

The Statements by Councillors and Management must be completed in order to comply with Section 413 (2) (c) of the Local Government Act 1993 (as amended) which states:  
*"A council's financial reports must include a statement in the approved form by the council as to its opinion on the general purpose financial reports."*

In addition the Local Government Code of Accounting Practice and Financial Reporting states with respect to the Special Purpose Financial Report that:

*"Councils' shall complete a "Councils' Statement" on its Special Purpose Financial Report. The statement must be:*

- *made by resolution of council; and signed by:*
- *The Mayor, at least one other member of the council, the responsible accounting officer and the General Manager (if not the responsible accounting officer).*

*The statement by Council must indicate whether or not the Council's Special Purpose Financial Reports have been drawn up in accordance with the Local Government Code of Accounting Practice and Financial Reporting and relevant Australian Accounting Standards."*

Copies of these Statements are included as Annexure A and B.

It is suggested that the Deputy Mayor be the other member of the Council to sign the statements.

It will be necessary for these Statements to be signed on the day of the meeting so that they can be forwarded to the auditors immediately. This will facilitate the release of the Audit Reports and the finalisation of the compilation of the Financial Reports (insertion of the Statements and Auditors Reports within the document, page and index numbering etc). The Annual Financial Reports will be lodged with the Office of Local Government prior to the extended deadline date of 28 February 2018.

Council will also notify the public of the presentation of the Annual Financial Reports by advertisement in relevant local papers and set a date for a Council Meeting at which the time the Auditor will formally present his report to the Council. This meeting will need to occur during March or early April 2018 to comply with legislative requirements and as such the March 2018 Ordinary Meeting has been identified as the appropriate meeting and an invitation will be extended to the Auditor to attend this meeting.

The public are entitled to make submissions on the Annual Financial Reports during the exhibition period.

A copy of the draft Financial Statements will be circulated separately to Councillors and a copy tabled at the meeting as the Auditor's are completing their final checks. The auditors have indicated that there will be no further changes to the figures contained within these reports however they are not finalised until the Auditor's Reports are issued. As such they do not represent the finalised version, they will be issued in accordance with the information outlined above.

## RECOMMENDATION

That Council resolve to sign the:

- "Statement by Councillors and Management" in respect of the General Purpose Financial Reports for MidCoast Water for the period 1 July 2016 to 30 June 2017
- "Statement by Councillors and Management" in respect of the Special Purpose Financial Reports for MidCoast Water for the period 1 July 2016 to 30 June 2017

with the Mayor and Deputy Mayor signing these Statements on Council's behalf.



**Paul De Szell**  
**Acting General Manager**

## ANNEXURES

### A: Statement by Councillors and Management - General Purpose Financial Reports

MidCoast Water  
Statement by Councillors and Management  
For the year ended 30 June 2017

#### MidCoast Water

##### General purpose financial statements for the year ended 30 June 2017

##### Statement made by Councillors and Management made pursuant to Section 413(2) (c) of the *Local Government Act 1993* (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

- The *Local Government Act 1993* (as amended) and the Regulations made thereunder
- The Australian Accounting Standards (including Australian Accounting Interpretations) and professional pronouncements
- The Local Government Code of Accounting Practice and Financial Reporting

To the best of our knowledge and belief, these Statements:

- presents fairly the MidCoast Water's operating result and financial position for the year, and
- accords with MidCoast Water's accounting and other records

We are not aware of any matter that would render these Statements false or misleading in any way.

Signed in accordance with a resolution of MidCoast Water made on 21/02/2018.

---

David West  
Mayor

---

Katheryn Smith  
Councillor

---

Steve Embry  
Acting General Manager

---

Phil Brennan  
Responsible Accounting Officer



## B: Statement by Councillors and Management - Special Purpose Financial Reports

MidCoast Water  
Statement by Councillors and Management  
For the year ended 30 June 2017

### MidCoast Water

#### Special purpose financial statements for the year ended 30<sup>th</sup> June 2017

#### Statement made by Councillors and Management made pursuant to the Local Government Code of Accounting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- NSW Government Policy Statement "*Application of National Competition Policy to Local Government*".
- Division of Local Government Guidelines "*Pricing & Costing for Council Businesses: A Guide to Competitive Neutrality*".
- The Local Government Code of Accounting Practice and Financial Reporting
- The NSW Office of Water *Best-Practice Management of Water Supply and Sewerage Guidelines*

To the best of our knowledge and belief, these Statements:

- presents fairly the operating result and financial position for each of MidCoast Water's declared Business Activities for the year, and
- accords with MidCoast Water's accounting and other records

We are not aware of any matter that would render this Statement false or misleading in any way.

Signed in accordance with a resolution of Council made on 21/02/2018.

---

David West  
Mayor

---

Katheryn Smith  
Councillor

---

Steve Embry  
Acting General Manager

---

Phil Brennan  
Responsible Accounting Officer