

4.6: FINANCIAL ACTIVITY STATEMENT REPORTING VARIANCE 2011-12

Responsible Officer(s) : Acting Executive Director Corporate Services

IN BRIEF

- Local Government (Financial Management) Regulations 1996 require annual adoption of a percentage or value to apply in reporting variances in the Statement of Financial Activity.

ITEM 4.6: AMENDMENT BY COUNCILLOR LEAVESLEY

MOVED: COUNCILLOR LEAVESLEY
SECONDED: COUNCILLOR D BOSTOCK

THAT the value to apply in reporting variances in the Financial Activity Statement for the 2011-2012 Financial Year be \$50,000.

LOST 5-6

Record of Vote

For the Motion: Councillors Leavesley, D Bostock, J Bostock, Sutton and Wolfe

ITEM 4.6: RESPONSIBLE OFFICER RECOMMENDATION

THAT the value to apply in reporting variances in the Financial Activity Statement for the 2011-2012 Financial Year continue to be \$100,000.

ITEM 4.6: RESOLUTION (Responsible Officer Recommendation)

MOVED: COUNCILLOR MATLA
SECONDED: COUNCILLOR WELLINGTON

CARRIED 8-3

10.22PM COUNCILLOR HAMMOND LEFT THE MEETING.

BACKGROUND

- At the Ordinary Council Meeting on 20 April 2010, Council at Item 18.1:

Directed the CEO to provide immediate disclosure to Council, details of any event which may result in a material non recoverable financial loss or financial loss arising from an uninsured event, or budget variation in excess of \$100,000 Year to date.

- This value has been applied to variance reporting for the 2010-11 Financial Year.

DISCUSSION

- Nil.

GOVERNMENT CONSULTATION

4. Nil.

PUBLIC CONSULTATION / ENGAGEMENT

5. Nil

STATUTORY IMPLICATIONS

6. Local Government (Financial Management) Regulations 1996, s.6.4 and r.34 (5) states that:

Each financial year, a local government is to adopt a percentage or value in accordance with the AAS, to be used in statements of financial activity for reporting material variances.

7. In the Local Government (Financial Management) Regulations 1996, AAS means the Australian Accounting Standards made and amended from time to time by the Australian Accounting Standards Board

STRATEGIC IMPLICATIONS

8. This item directly relates to the following elements from the Albany Insight ~ Beyond 2020 Corporate Plan...

Priority Goals and Objectives:

Goal 4: Governance..... The City of Albany will be an industry leader in good governance and service delivery.

Objective 4.1: The City of Albany will be a cohesive Council delivering ethical and responsible government committed to excellence in board governance.

City of Albany Mission and Values Statement:

At the City of Albany we apply Council funds carefully.

POLICY IMPLICATIONS

9. Nil.

RISK IDENTIFICATION & MITIGATION

10. The risk identification and categorisation relies on the City's Risk Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Percentage or value not agreed to by Council	Unlikely	High	High	Responsible Officer continues to report under adopted variance value until agreement is reached and compliance with Local Government (Financial Management) Regulations 1996 is achieved.

FINANCIAL IMPLICATIONS

11. The adopted value will be applied to variance reporting in the 2011-12 year.

LEGAL IMPLICATIONS

12. Nil.

ALTERNATE OPTIONS

13. Nil.

SUMMARY CONCLUSION

14. Continued application of the existing variation reporting amount of \$100,000 is recommended.

Consulted References	Local Government (Financial Management) Regulations 1996
File Number (Name of Ward)	FM.BUG.2
Previous Reference	OCM on 20 April 2010, Item 18.1