



MINUTES

Audit Committee Meeting

(Subject to confirmation)

26 February 2019

**MINUTES OF YORKE PENINSULA COUNCIL
AUDIT COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBERS , MINLATON TOWN HALL, 57 MAIN STREET,
MINLATON
ON TUESDAY, 26 FEBRUARY 2019 AT 3.00 PM**

1 WELCOME BY CHAIRPERSON

Member Peter Brass welcomed everyone to the meeting and declared the meeting open 3:00pm.

2 PRESENT

Member Peter Brass, Member Rob Reiman, Cr Leanne O'Brien, Cr Adam Meyer, Cr Tania Stock

In Attendance

David Harding (Director Corporate and Community Services), Renee Edwards (Minute Taker), Mayor Darren Braund, Bobbi Pertini (Manager People Culture and Safety), Sid Jain (Manager Financial Services), Michael McCauley (Asset Manager), Jackie Reddaway (Executive Assistant to CEO & Mayor)

3 LEAVE OF ABSENCE

Nil

4 APOLOGIES

Andrew Cameron (CEO), Amanda Pitt (Business Improvement Officer).

5 CONFLICT OF INTEREST

Member Peter Brass reminded the Audit Committee of the requirement to disclose any conflict of interest in relation to any matters brought to it for consideration.

6 MINUTES OF PREVIOUS MEETING – FOR CONFIRMATION

COMMITTEE RESOLUTION

Moved: Member Rob Reiman

Seconded: Member Peter Brass

That the minutes of the Audit Committee Meeting held on 30 October 2018 be confirmed.

CARRIED 001/2019 (26/02/2019)

7 VISITORS TO THE MEETING

Nil

REPORTS**8 NEW BUSINESS****8.1 AUDIT COMMITTEE ANNUAL REVIEW 2018****PURPOSE**

For the Committee to review its performance for the 2018 calendar year, in accordance with the Terms of Reference (TOR), report the outcome to Council in the form of an Annual Report and recommend any changes to its Terms of Reference.

COMMITTEE RESOLUTION

Moved: Member Rob Reiman
Seconded: Cr Adam Meyer

That the Audit Committee endorse the 2018 Audit Committee Annual Report and recommend to Council that it be adopted as presented.

CARRIED 002/2019 (26/02/2019)

Cr Adam Meyer requested more information to enhance understanding of the role of the Audit committee. Mr David Harding to provide self-assessment forms to new Committee Members to ensure they have a general understanding on how the Committee operates and are able to prepare for future meetings.

Discussion around the Committee Terms of Reference with Chair Peter Brass suggesting attendance of meetings via teleconference. A question on notice from Chair Peter Brass to follow-up to ascertain if members can be counted towards a quorum if attending via teleconference.

8.2 AUDIT COMMITTEE WORK PLAN 2019**PURPOSE**

To consider and endorse a work plan for 2019.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock
Seconded: Cr Leanne O'Brien

That the Audit Committee endorse the 2019 Work Plan.

CARRIED 003/2019 (26/02/2019)

Discussion in relation to the number of meetings and dates of meetings to be held in 2019.

A decision was made to hold five meetings per year and for the meetings to occur on a Wednesday afternoon. Mr David Harding and Mr Sid Jain to review the best options and distribute dates to Committee Members for review with discussion at the May 2019 meeting.

8.3 EXTERNAL AUDITORS REPORT (AUDIT OPINION) 2017/2018**PURPOSE**

To provide the Audit Committee with the external auditor's report (audit opinion) on Council's General Purpose Financial Statements and Internal Controls for 2017/2018 and associated letters, reports and declarations.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Member Rob Reiman

That the Audit Committee receive and note the 2018 external auditor's reports (audit opinions) and associated letters, noting a correction to the date on the Auditors balance date letter, reports and declarations.

CARRIED 004/2019 (26/02/2019)

Mr David Harding and Chair Peter Brass thanked and congratulated Mr Sid Jain and the Finance team on their good work in completing the Financial Statements and the excellent audit results.

8.4 SEPTEMBER QUARTERLY BUDGET REVIEW 2018/2019**PURPOSE**

To receive Council's endorsed September quarter review of the 2018/2019 Budget and associated financial statements, ratios and changes.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Cr Tania Stock

That the Audit Committee receive the Council endorsed, September 2018/2019 Budget review changes as presented in the attached Summary of Changes, Statement of Comprehensive Income and Uniform Presentation of Finances and receive the updated Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and Financial Indicators (Ratios).

CARRIED 005/2019 (26/02/2019)

Members requested that the March budget review 2018/2019 be distributed to independent committee members, before the May 2019 Council Meeting. The question was taken on notice by Mr David Harding to seek advice and approval from Mr Andrew Cameron (CEO).

8.5 DECEMBER QUARTERLY BUDGET REVIEW 2018/2019**PURPOSE**

To receive Council's endorsed December quarter review of the 2018/2019 Budget and associated financial statements, ratios and changes.

COMMITTEE RESOLUTION

Moved: Member Rob Reiman
Seconded: Cr Leanne O'Brien

That the Audit Committee receive the Council endorsed, December 2018/2019 Budget Review changes as presented in the attached Summary of Changes, Statement of Comprehensive Income and Uniform Presentation of Finances and receive the updated Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and Financial Indicators (Ratios).

CARRIED 006/2019 (26/02/2019)

8.6 PO139 TREASURY MANAGEMENT POLICY REVIEW**PURPOSE**

For the Committee to consider and endorse the PO139 Treasury Management Policy which has been recently reviewed and updated.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Cr Tania Stock

That the Audit Committee endorse the changes to the PO139 Treasury Management Policy, noting the change to biennial review and recommend to Council that the changes be adopted.

CARRIED 007/2019 (26/02/2019)

8.7 PO084 CORPORATE PURCHASE CARD POLICY REVIEW**PURPOSE**

For the Committee to consider and endorse of the PO084 Corporate Purchase Card Policy which has been recently reviewed and updated.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock
Seconded: Cr Leanne O'Brien

That the Audit Committee endorse the updated PO084 Corporate Purchase Card Policy.

CARRIED 008/2019 (26/02/2019)

8.8 PO166 RELATED PARTY DISCLOSURES POLICY**PURPOSE**

For the Audit Committee to consider and endorse the new Related Party Disclosures Policy.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Member Rob Reiman

That the Audit Committee endorse the PO166 Related Party Disclosures Policy and recommend to Council that it be adopted as presented.

CARRIED 009/2019 (26/02/2019)

8.9 INTERNAL AUDIT ACTIVITY REPORT**PURPOSE**

The Business Improvement Officer presents an update on recent Internal Audit Activity.

COMMITTEE RESOLUTION

Moved: Member Rob Reiman
Seconded: Cr Tania Stock

That the report be received.

CARRIED 010/2019 (26/02/2019)

Cr Adam Meyer advised that 'project 9' of the *Internal Audit Activity Report (September 2018-February 2019)* was missing a project title and scope overview. It was also suggested to include project status completion dates on the report. Taken on notice by Internal Audit to amend the report and re-distribute to Committee members.

Internal Audit Report – Mobile Devices- 3.1 Asset Disposal and 4.1 Bring your Own Device Policy – requires a risk rating. Taken on notice by Internal Audit to include in report and report back to Committee members.

8.10 CQR - CYBER RISK ASSESSMENT REPORT**PURPOSE**

To inform the Audit Committee members of recent audit activity undertaken by external Information Technology (IT) consultants, CQR.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the report be received.

CARRIED 011/2019 (26/02/2019)

8.11 INTERNAL AUDIT PLAN 2019-2021**PURPOSE**

The Business Improvement Officer seeks an endorsement of the Internal Audit Plan for 2019 – 2021.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock

Seconded: Cr Adam Meyer

That the Audit Committee endorse the three year Internal Audit Plan for 2019 - 2021.

CARRIED 012/2019 (26/02/2019)

Questions raised by Committee members on the plan were responded to by Internal Audit.

Audit Committee requested additional internal audit to review implementation of recommendations from the CQR Cyber Risk Assessment Report.

8.12 ASSET MANAGEMENT UPDATE**PURPOSE**

To update the Audit Committee members on Asset Management activities.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock
Seconded: Cr Adam Meyer
That the report be received.

CARRIED 013/2019 (26/02/2019)

8.13 RISK MANAGEMENT ACTIVITY REPORT - 26/02/2019**PURPOSE**

To provide the Audit Committee with an update in respect of Council's Risk Management systems.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Member Rob Reiman
That the report be received.

CARRIED 014/2019 (26/02/2019)

8.14 PO027 BUSINESS CONTINUITY POLICY AND BUSINESS CONTINUITY PLAN**PURPOSE**

To consider and endorse the updated PO027 Business Continuity Policy and Business Continuity Plan 2019.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock
Seconded: Member Rob Reiman

1. That the Audit Committee endorse the updated PO027 Business Continuity Policy.
2. That the Audit Committee endorse the updated Business Continuity Plan 2019.

CARRIED 015/2019 (26/02/2019)

Chair Peter Brass requested under the BCP Policy, Section 9 *Related Council Policies and Documents*, replace Business Continuity Plan (BCP) with Business Continuity Framework (BCF).

Chair Peter Brass requested that Management review the Business Impact Analysis tables to ensure timeframes and critical functions have been correctly reviewed and considered. Final versions to be circulated to Committee members.

8.15 PO091 RISK MANAGEMENT POLICY

PURPOSE

To consider and endorse the updated PO091 Risk Management Policy.

COMMITTEE RESOLUTION

Moved: Member Rob Reiman

Seconded: Cr Adam Meyer

That the Audit Committee endorse the updated PO091 Risk Management Policy.

CARRIED 016/2019 (26/02/2019)

Chair Peter Brass recommended that ‘timelines’ be included in the *Likelihood Rating Table*.

9 GENERAL BUSINESS

Chair Peter Brass thanked all Council representatives for their services on the Audit Committee during the previous term.

10 NEXT MEETING

Date in May 2019 to be determined and advised.

11 CLOSURE

The Meeting closed at 5:22pm.

The minutes of this meeting were confirmed at the Audit Committee Meeting held on TBA.

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CHAIRPERSON