



That the minutes of the Audit Committee meeting held on 28<sup>th</sup> October as circulated, be confirmed as a true record.

**CARRIED 059/2015 (9/12/2015)**

### **CONFLICT OF INTEREST**

The Chairperson reminded all members of the requirement to disclose any conflict of interest and provide full and accurate details of the relevant interest to the Audit Committee prior to consideration of that item on the Agenda.

### **ITEM 2 REPORTS**

#### **1. AUDIT COMMITTEE WORKPLAN DRAFT 2016**

Mr David Harding spoke to the report and answered questions from the Committee.

**Cr Hoyle moved                      David Hurley seconded**

That the Audit Committee endorse the 2016 draft Audit Committee Work plan, with the inclusion of:

- A further review of the credit card policy following the completion of the credit card audit report and;
- The annual "in camera" session with the external auditors to be held at the meeting on Wednesday 26<sup>th</sup> October 2016.

**CARRIED 060/2015 (9/12/2015)**

*3.07pm Mayor Agnew entered the chamber and was seated in the gallery.*

#### **2. RECEIVE FINAL FINANCIAL STATEMENTS AND AUDITORS REPORT TO COUNCIL**

Mr Harding spoke to the report and answered questions from the Committee.

**Cr Rich moved                      Cr Stock seconded**

That Audit Committee receives the audited Annual Financial Statements including the final Audit Report for the year ended 30 June 2015.

**CARRIED 061/2015 (9/12/2015)**

#### **3. RECEIVE JUNE 2015 BUDGET REVIEW**

Mr Harding spoke to the report and answered questions from the Committee.

Cr Stock queried increase in employee costs, Mr Harding advised that he would take the question on notice and provide additional information as required.

**David Hurley moved                      Cr Rich seconded**

That the audit committee receives the June Budget Review report, with explanations of major variances between the 2014/15 Adopted Budget and the Audited Financial Statements as at 30 June 2015.

**CARRIED 062/2015 (9/12/2015)**

#### **4. LONG TERM FINANCIAL PLAN UPDATE**

Mr Harding provided a verbal update. Some matters to be decided by Council that will impact the 10 year forecast, Mr Harding advised that the expectation this process will commence at this evenings Council meeting.

**David Hurley moved                      Cr Stock seconded**

That the Audit Committee notes the verbal update.

**CARRIED 063/2015 (9/12/2015)**

#### **5. INTERNAL AUDIT ACTIVITY REPORT**

Mrs Litster spoke to the report and answered questions from the Committee

Peter Brass queried item 5 PIR Asset Management System delay. Mrs Pitt advised it is delayed until all data has been entered into the system and confirmed it has been captured in the 3 year plan.

**Cr Rich moved                              David Hurley seconded**

That the report be received.

**CARRIED 064/2015 (9/12/2015)**

#### **6. INTERNAL CONTROLS PROJECT UPDATE**

Mrs Pitt provided a verbal update.

Assessments will be completed on time, in line with Audit visit in January, outcome of control track to be reviewed at the February meeting.

Mr Harding attended the LGAFMG Conference - where reports were presented on Internal Controls Audits. A Metro Council received a qualification on their first audit, because they focussed too widely on all controls, as a result many high risk controls were incomplete at the time of audit. Message from outcome is to focus on high risk items.

Mrs Pitt & Mrs Litster have recently met with Councils independent auditors. Outcome is to also focus on high risk areas such as Accounts Payable, Accounts Receivable, IT access and Master File Maintenance.

**Cr Stock Moved                              Cr Hoyle seconded**

That the Audit Committee notes the verbal report.

**CARRIED 065/2015 (9/12/2015)**

#### **7. ASSET MANAGEMENT UPDATE**

Mr McCauley provided a verbal update.

Data is under review before entering into Conquest. CWMS has been updated and loaded to Conquest.

Mr Harding updated the meeting on Asset revaluations based the new accounting standard. Residual value can only be used for depreciation purposes, under the new standard. and salvage value is to be used to reduce the cost of the new asset on reconstruction. The new

standard appears more appropriate for sealed roads than unsealed. Mr McCauley advised a meeting of all Councils with Tonkins to discuss this matter is scheduled in the New Year.

**David Hurley moved            Cr Hoyle seconded**

That the Audit Committee r notes the verbal report.

**CARRIED 066/2015 (9/12/2015)**

## **8. RISK MANAGEMENT UPDATE**

Mrs Wood spoke to the report and answered questions from the Committee.

Mr Brass congratulated the Council in relation to its recent risk management incentive award.

Mr Brass requested the 5-year risk maturity plan be brought back to a future meeting for review and feedback.

Mrs Wood asked for confirmation that a verbal update will suffice for some meetings, and a written report will be provided when review and feedback is required.

**Cr Rich moved                    Cr Stock seconded**

That the report be received.

**CARRIED 067/2015 (9/12/2015)**

## **9. POLICY REVIEWS**

Mr David Harding spoke to the report regarding the credit card policy update and answered questions from the Committee.

Mr Brass recommended the credit card process that is required to be adhered to and noted in the policy also make reference to the credit card procedure.

**Cr Rich moved                    Cr Hoyle seconded**

That the Audit Committee recommends Council endorse and adopt the updated Credit card Policy as presented in the Agenda for inclusion in Council's policy manual and on the website.

**CARRIED 068/2015 (9/12/2015)**

## **ITEM 3 GENERAL BUSINESS**

Cr Rich wished all a Merry Christmas. Mr Brass wished everyone a Merry Christmas and a Happy New Year.

## **ITEM 4 NEXT MEETING**

Wednesday 24<sup>th</sup> February 2016, 3.00pm

## **ITEM 5 CLOSURE**

The Meeting Closed at 3.49 pm

.....  
**Mr Peter Brass**