

Audit Committee Report – 22/2/2019

ITEM 9.3 26/02/2019
Council

2018/04062
Public

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Approving Officer:
Steve Mathewson, Director
Services

EXECUTIVE SUMMARY:

The Audit Committee plays a critical role supporting the Council and Chief Executive Officer in the financial reporting framework of Council, by overseeing and monitoring the participation of management and external auditors in the financial reporting process. It also addresses issues such as the approach being adopted by Council and management to address business risks, corporate and financial governance responsibilities and legal compliance.

The Audit Committee met on Friday, 22 February 2019 and is required to report to Council after every meeting to identify and present advice and recommendations.

A precis of the matters considered by the Audit Committee are presented within this report.

The Recommendation below is in response to the deliberation of the Audit Committee on the 2018/19 End of Year Financial Reporting Process & Proposed Timetable.

RECOMMENDATION:

1. Report of the Audit Committee - 22 February 2019 [C]

THAT COUNCIL

- Notes the report of the meeting of the Audit Committee held on 22 February 2019.

2. 2018/19 End of Year Financial Reporting Process & Proposed Timetable [C]

THAT COUNCIL

- Endorses the proposed 2018/19 End of Year Financial Reporting process and external audit timetable as contained in Attachment C to Item 4.1 on the Agenda for the meeting of the Audit Committee held on 22 February 2019.
- Notes that the external audit plan as contained in Attachment C to Item 4.1 on the Agenda for the meeting of the Audit Committee held on 22 February 2019 is consistent with the scope of the External Audit engagement and relevant legislation and standards.
- Notes the external auditor's independence declaration in relation to the audit engagement for the year ended 30 June 2019 as detailed in Attachment C to Item 4.1 on the Agenda for the meeting of the Audit Committee held on 22 February 2019.
- Approves the External Audit terms of engagement as contained in Attachments A and B to Item 4.1 on the Agenda for the meeting of the Audit Committee held on 22 February 2019.

DISCUSSION

1. The Audit Committee met on Friday, 22 February 2019. The agenda with reports for the public component of the meeting can be viewed [here](#).
2. The following matters were the subject of deliberation. The Audit Committee resolved as follows for each subject:

2.1. 2018/19 End of Year Financial Reporting Process & Proposed Timetable

THAT THE AUDIT COMMITTEE RECOMMENDS TO COUNCIL THAT COUNCIL:

1. Endorses the proposed 2018/19 End of Year Financial Reporting process and external audit timetable as contained in Attachment C to Item 4.1 on the Agenda for the meeting of the Audit Committee held on 22 February 2019.
2. Notes that the external audit plan as contained in Attachment C to Item 4.1 on the Agenda for the meeting of the Audit Committee held on 22 February 2019 is consistent with the scope of the External Audit engagement and relevant legislation and standards.
3. Notes the external auditor's independence declaration in relation to the audit engagement for the year ended 30 June 2019 as detailed in Attachment C to Item 4.1 on the Agenda for the meeting of the Audit Committee held on 22 February 2019.
4. Approves the External Audit terms of engagement as contained in Attachments A and B to Item 4.1 on the Agenda for the meeting of the Audit Committee held on 22 February 2019.

2.2. 2018/19 End of Year Financial Reporting Process & Proposed Timetable

THAT THE AUDIT COMMITTEE

1. Receives and notes the proposed methodology outlined in Item 4.2 on the Agenda for the meeting of the Audit Committee held on 22 February 2019.

2.3. 2019 Audit Committee Meeting Schedule and Work Plan

THAT AUDIT COMMITTEE:

1. Adopts the following quarterly meeting schedule for the City of Adelaide Audit Committee to be held in the Colonel Light Room, Town Hall, Adelaide at 8.30am on:
 - 1.1. Friday 3 May 2019
 - 1.2. Friday 26 July 2019
 - 1.3. Friday 4 October 2019
 - 1.4. Friday 18 October 2019 (special) and
 - 1.5. Friday 21 February 2020
2. Approves the forward work plan for the 2019 calendar year, contained in Attachment A to Item 4.3 on the Agenda for the meeting of the Audit Committee held on 22 February 2019, to assist the preparation of reports as appropriate.

2.4. Results of the LGA Risk Evaluation 2018

THAT AUDIT COMMITTEE:

1. Receives and notes the report.

2.5. Results of the LGA Risk Evaluation 2018

THAT THE AUDIT COMMITTEE:

1. Receives and notes the report.

2.6. Update on Activities of the Strategic Risk and Internal Audit Group Meetings

THAT

1. The Audit Committee receives and notes the report.
2. The report is provided to the next meeting of the Council as part of the confidential report of the Audit Committee meeting,
3. In accordance with Section 91(7) & (9) of the *Local Government Act 1999 (SA)* and on the grounds that Item 9.1 listed on the Agenda for the meeting of the Audit Committee held on 22 February 2019 was received, discussed and considered in confidence pursuant to Section 90(3) (i) of the *Local Government Act 1999 (SA)*, this meeting of the Audit Committee, do order that:
 - 3.1. The resolution becomes public information and included in the Minutes of the meeting.
 - 3.2. The report, the discussion and any other associated information submitted to this meeting and the Minutes of this meeting in relation to the matter remain confidential and not available for public inspection until December 2026.
 - 3.3. The confidentiality of the matter be reviewed in December 2019.
 - 3.4. The Chief Executive Officer be delegated the authority to review and revoke all or part of the order herein and directed to present a report containing the Item for which the confidentiality order has been revoked.

- END OF REPORT -