

# Audit Committee Report – 5 February 2021

**ITEM 9.1** 09/02/2021  
**Council**

Strategic Alignment - Enabling Priorities

**Program Contact:**  
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2018/04062  
Public

**Approving Officer:**  
Clare Mockler, Acting Chief  
Executive Officer

## 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 held a meeting on Friday, 5 February 2021 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 is presented within this report.

The Recommendation below is in response to the deliberation of the Audit Committee on 2020-2021 Quarter 2 Finance Report.

## RECOMMENDATION

### 1. Report of the Audit Committee – 5 February 2021

#### THAT COUNCIL

1. Notes the report of the meeting of the Audit Committee held on 5 February 2021.

### 2. 2020-2021 Quarter 2 Finance Report

#### THAT COUNCIL

1. Adopts the 2020-21 Quarter 2 Finance Report, including the proposed 2020-21 Quarter 2 Revised Forecast as summarised in Attachment A to Item 5.1 on the Agenda for the meeting of the Audit Committee held on 5 February 2021.
2. Approves a further extension of the rates hardship assistance measures, which have been made available to all City ratepayers on application through the City Support Package, until 30 June 2021.
3. Notes the 2020-21 Quarter 2 Finance Report includes adjustments of (\$0.99) million of increased operating costs as a result of Council decisions in Quarter 2.
4. Notes the updated Long Term Financial Plan, shown in appendix 2 in the Quarter 2 Finance Report as Attachment A to Item 5.1 on the Agenda for the meeting of the Audit Committee held on 5 February 2021.

### 3. Audit Committee Terms of Reference

#### THAT COUNCIL

1. Adopts the Terms of Reference as included in Attachment A to Item 5.3 on the Agenda for the meeting of the Audit Committee held on 5 February 2021.

## DISCUSSION

1. The Audit Committee met on Friday, 5 February 2021. The Agenda with Reports for the public component of the meeting can be viewed [here](#).
2. The following matters were subject of deliberations:

### **2.1. Presentation - Capitalisation Update**

### **2.2. Presentation - Strategic Asset Management Plan**

### **2.3. Presentation - 2021 – 2022 Business Plan and Budget – Setting the Scene**

### **2.4. Presentation - Service Planning and Performance**

### **2.5. Internal Audit Progress Update**

#### THAT THE AUDIT COMMITTEE

1. Notes the Internal Audit Progress Update report.

### **2.6. 2020/21 End of Year Financial Reporting Process & Proposed Timetable**

#### THAT THE AUDIT COMMITTEE

1. Endorses the proposed 2020/21 End of Year Financial Reporting process and external audit timetable as contained in Attachment C to Item 5.2 on the Agenda for the meeting of the Audit Committee held on 5 February 2021.
2. Notes that the external audit plan as contained in Attachment C to Item 5.2 on the Agenda for the meeting of the Audit Committee held on 5 February 2021 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 2021 as detailed in Attachment A to Item 5.2 on the Agenda for the meeting of the Audit Committee held on 5 February 2021.
4. Approves the External Audit terms of engagement as contained in Attachments A and B to Item 5.2 on the Agenda for the meeting of the Audit Committee held on 5 February 2021.

### **2.7. 2020-2021 Quarter 2 Finance Report**

#### THAT THE AUDIT COMMITTEE RECOMMENDS TO COUNCIL

##### That Council

1. Adopts the 2020-21 Quarter 2 Finance Report, including the proposed 2020-21 Quarter 2 Revised Forecast as summarised in Attachment A to Item 5.1 on the Agenda for the meeting of the Audit Committee held on 5 February 2021.
2. Approves a further extension of the rates hardship assistance measures, which have been made available to all City ratepayers on application through the City Support Package, until 30 June 2021.
3. Notes the 2020-21 Quarter 2 Finance Report includes adjustments of (\$0.99) million of increased operating costs as a result of Council decisions in Quarter 2.
4. Notes the updated Long Term Financial Plan, shown in appendix 2 in the Quarter 2 Finance Report as Attachment A to Item 5.1 on the Agenda for the meeting of the Audit Committee held on 5 February 2021.

### **2.8. Audit Committee Terms of Reference**

#### THAT THE AUDIT COMMITTEE RECOMMENDS TO COUNCIL

##### That Council

1. Adopts the Terms of Reference as included in Attachment A to Item 5.3 on the Agenda for the meeting of the Audit Committee held on 5 February 2021.

### **2.9. 2021 Audit Committee Meeting Schedule and Work Plan**

#### THAT THE AUDIT COMMITTEE

1. Adopts the following 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 26 March 2021 (finance reports only)
  - 1.2 Friday 30 April 2021
  - 1.3 Friday 18 June 2021
  - 1.4 Friday 30 July 2021
  - 1.5 Friday 1 October 2021 (finance reports only)
  - 1.6 Friday 29 October 2021
  - 1.7 Friday 4 February 2022
2. Approves the forward 2021 Work Plan as included in Attachment A to Item 5.4 on the Agenda for the meeting of the Audit Committee held on 5 February 2021 to assist the Administration in bringing forward reports as appropriate.

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- END OF REPORT -