

# Audit and Risk Committee Report - 9 August 2024

Tuesday, 27 August 2024  
Council

Strategic Alignment - Our Corporation

**Program Contact:**  
Kathryn Goldy, Acting Manager  
Governance

Public

**Approving Officer:**  
Anthony Spartalis, Acting Chief  
Operating Officer

## EXECUTIVE SUMMARY

The Audit and Risk Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to its Terms of Reference in order to facilitate informed decision making in relation to discharging its legislative responsibilities and duties.

The Audit and Risk Committee is required to report to Council after every meeting. This report presents the outcomes of the Audit and Risk Committee following their Special meeting on 9 August 2024 (view the meeting documents at [Agenda for Audit and Risk Committee on Friday, 9th August, 2024, 9.00 am - City of Adelaide](#)).

The Audit and Risk Committee resolved to present a recommendation on the following matter to Council for Council determination:

Item 4.1 - 2023/24 Business Plan and Budget Quarter 4 Update

## RECOMMENDATION

### THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

#### THAT COUNCIL

1. Notes the 2023/24 Preliminary Financial Position as presented in Attachment A to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024, which include:
  - 1.1 Total operating income of \$238.598 million (\$234.470 million estimated in Q3)
  - 1.2 Total operating expenditure (including depreciation) of \$229.614 million (\$227.655 million estimated in Q3)
  - 1.3 An operating surplus of \$8.984 million (\$6.815 million estimated in Q3)
2. Notes results presented are subject to external audit, and therefore are estimates at this stage.
3. Notes the Capital Works Quarter 4 update as presented in Attachment A to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024, which include:
  - 3.1 Major Projects expenditure of \$27.338 million (\$28.551 million estimated in Q3)
  - 3.2 New and Upgrades expenditure of \$9.343 million (\$16.862 million estimated in Q3)
  - 3.3 Renewals expenditure of \$54.085 million (\$54.143 million estimated in Q3)
  - 3.4 Capital Program expenditure of \$90.766 million (\$99.556 million estimated in Q3)
  - 3.5 Grant funding to support capital expenditure on new/upgraded assets of \$5.524 million (\$7.152 million estimated in Q3)
4. Receives the Council Subsidiary Quarter 4 updates as provided as Attachments B, C, D and E to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024.

5. Notes that at the end of this Quarter 83% of Projects were capitalised within 10 weeks, exceeding the 70% target proposed by the Audit and Risk Committee at its meeting of 5 February 2021.
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# DISCUSSION

1. The Audit and Risk Committee met on 9 August 2024 and considered the following items:
  - 1.1. Item 4.1 – 2023/24 Business Plan and Budget Quarter 4 Update (Report)
  - 1.2. Item 5.1 – 2024/25 Long Term Financial Plan Update (Workshop)

## Resolution of the Committee

2. Item 4.1 – 2023/24 Business Plan and Budget Quarter 4 Update – Presented to Council via the City Finance and Governance Committee on 20 August 2024.

### THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

#### THAT COUNCIL

1. Notes the 2023/24 Preliminary Financial Position as presented in Attachment A to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024, which include:
  - 1.4 Total operating income of \$238.598 million (\$234.470 million estimated in Q3)
  - 1.5 Total operating expenditure (including depreciation) of \$229.614 million (\$227.655 million estimated in Q3)
  - 1.6 An operating surplus of \$8.984 million (\$6.815 million estimated in Q3)
2. Notes results presented are subject to external audit, and therefore are estimates at this stage.
3. Notes the Capital Works Quarter 4 update as presented in Attachment A to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024, which include:
  - 3.1. Major Projects expenditure of \$27.338 million (\$28.551 million estimated in Q3)
  - 3.2. New and Upgrades expenditure of \$9.343 million (\$16.862 million estimated in Q3)
  - 3.3. Renewals expenditure of \$54.085 million (\$54.143 million estimated in Q3)
  - 3.4. Capital Program expenditure of \$90.766 million (\$99.556 million estimated in Q3)
  - 3.5. Grant funding to support capital expenditure on new/upgraded assets of \$5.524 million (\$7.152 million estimated in Q3)
4. Receives the Council Subsidiary Quarter 4 updates as provided as Attachments B, C, D and E to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024.
5. Notes that at the end of this Quarter 83% of Projects were capitalised within 10 weeks, exceeding the 70% target proposed by the Audit and Risk Committee at its meeting of 5 February 2021.

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# DATA AND SUPPORTING INFORMATION

**Link 1** – Audit and Risk Committee Agenda – 9 August 2024

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# ATTACHMENTS

Nil

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