MINUTES OF MEETING

AUDIT & RISK ADVISORY COMMITTEE

HELD ON WEDNESDAY 5 NOVEMBER 2014

NOTE: All minutes are subject to confirmation at a subsequent Council or Planning and Strategy Committee meeting.

PRESENT:

Councillors

Clr Jean Hay	Mayor, Manly Council
Clr Hugh Burns	Manly Council
Clr Candy Bingham	Manly Council

Other Representatives

John Gordon	Community Member - Chair
Brian Hrnjak	Community Member

Council Staff

Michael Quirk	Head of Internal Audit, North Shore Councils
Anthony Hewton	Executive Manager, Corporate Services Support
Jenny Nascimento	Chief Financial Officer
Mary Rawlings	Risk Manager
Lynne Jess	Minute Taker

Invited Guests

Gary Mottau	Auditor – Hill Rogers Spencer and Steer

TO THE MAYOR AND COUNCILLORS OF THE COUNCIL

The **Audit & Risk Committee (the Committee)** met on 5 November 2014, to consider the matters referred to it and now provides the following advice to Council.

OPEN	The meeting commenced at 3.00pm • Chairperson John Gordon welcomed Mary Rawlings, Council's Risk Manager for attending the meeting to brief the Committee members. • Explained this was a special meeting of the Committee to receive a briefing from Council's Auditors on the General Purpose Financial Statement for the financial year ending 30th June 2014; and • It was noted that the Statements were being presented to a meeting of Council the following week.	**ACTION**

ITEM		ACTION

ITEM 1 **APOLOGIES AND LEAVE OF ABSENCE**

Clr James Griffin

ITEM 2 **DECLARATION OF INTEREST**

There were no declarations of interest declared by those present.

ITEM 3 **CONFIRMATION OF MINUTES**

The Minutes of the meeting held on 17 September 2014 were confirmed.

The above minutes went to Council's Ordinary meeting on 13 October 2014 for notation.

ITEM 4 **Presentation – Enterprise Risk Management**

Council's Risk Manager, Mary Rawlings gave a presentation on Councils Risk Management policies.

The Chair thanked Council's Risk Manager for coming and invited her back to give a presentation on Council's Risk Register in the March or June meeting next year.

ITEM 5 **Presentation by External auditor**

Gary Mottau from Hill Rogers Spencer Steer, Council's auditors provided a briefing for the Committee on the General Purpose Financial Statement for the Financial Year ended 30th June 2014.

He highlighted the key components of the Statements as circulated with the Agenda.

Key points of detail were raised by various committee members and responded to by the auditors.

Council's Chief Financial Officer, Jenny Nascimento explained the process of producing the accounts was required to be consistent with:

i. The Local Government Act 1993 (as amend) and the Regulations made thereunder
ii. The Australian Accounting Standards and;
iii. The Local Government Code of Accounting Practice and Financial reporting

The Committee expressed a view it would prefer to see the annual financial statements prior to lodgement with the OLG in future years. A timely review by the Committee prior to submission will provide greater assurance over the Financial Statement process. The Executive Manager Corporate Support Services noted this request for referral to the General Manager.

The Chair thanked the auditors for their attendance and the Presentation.

Recommendation:

ACTION

The Internal Audit and Risk Committee receive, note and ratify the Manly Council General Purpose Financial Statement for the Financial Year ending 30th June 2014

ITEM 6 Internal Auditor's Report on the Internal Audit Program

The Internal auditor spoke to his written report on the Internal Audit Program:

The following points were made:

- Internal Audit Resourcing – 9.7 staff days per month;
- Status of Audits – the program is behind schedule but will be up to date by Christmas.

Recommendation:

The Committee recommends to Council that:

1. The Internal Auditor's Report on the Internal audit Program be received and noted.

ITEM 7 Internal Auditor's Annual Performance Report

The Internal auditor spoke to his written report on Annual Performance Report:

The following comments were made:

- *Internal Audit Program* – slightly behind;

- *Client performance Reporting* – Unsuccessful in the form of a survey of users. Alternatively, specific feedback was requested from Committee members and management which provided useful insights on the internal audit process.

- *Shared Learning* – progressing with the General Manager

Recommendation:

The Committee recommends to Council that:

1. The Internal Auditor's Performance Report be received and noted.

ITEM 8 Report on Implementation of Audit Recommendations

The Internal Auditor presented and spoke to his written report on the Implementation of Audit Recommendations; He commented that good progress has been made.

Recommendation:

The Committee recommends to Council that the Internal Auditor's Report on the Implementation of Audit Recommendations be received and noted.

ITEM 9 Other business

The Chair requested that the next Agenda should include and update on the following:

- PID's (high level summary)
- ICAC referrals/activity
- Summary of Number of Complaints received (eg number of complaints and how they are being dealt with) including details of prior periods if available.

ITEM 10 Proposed meeting dates for 2015

Discussion arose re the meeting dates for next 2015, members felt they needed to meet in February and not March as per the original program.

The first meeting for next year was initially set for 5 March 2015 and subsequently changed to 4 February 2014

Date of next meeting:

Date:	4 February 2015
Venue:	Councillors' Room, Manly Town Hall, 1 Belgrave Street, Manly
Time:	3.00pm

The meeting closed at 4.50pm