



Minutes

Audit Committee

Tuesday, 6 October 2020

AUDIT COMMITTEE MEMBERS

Councillor J Natoli	Division 4
Councillor E Hungerford	Division 7
Mr P Dowling AM	Independent Member (Chair)
Mr L Scanlan	Independent Member

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1 DECLARATION OF OPENING

The Chair declared the meeting open at 9:00am.

2 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE

AUDIT COMMITTEE MEMBERS

Councillor J Natoli	Division 4
Councillor E Hungerford	Division 7
Mr P Dowling AM	Independent Member (Chair)
Mr L Scanlan	Independent Member

COUNCIL OFFICERS

Acting Chief Executive Officer
Acting Group Executive Built Infrastructure
Acting Group Executive Business Performance
Group Executive Customer Engagement and Planning Services
Group Executive Economic and Community Development
Acting Chief Financial Officer
Project Manager Asset Information System
Manager Audit & Assurance

APOLOGIES

Group Executive Built Infrastructure

ATTENDEES

Engagement Manager	Queensland Audit Office
Engagement Leader	Queensland Audit Office

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3 RECEIPT AND CONFIRMATION OF MINUTES

4 INFORMING OF PERSONAL INTERESTS

4.1 MATERIAL PERSONAL INTEREST

Pursuant to Section 175C of the *Local Government Act 2009*, no declarations of material personal interest were made during this meeting.

4.2 CONFLICT OF INTEREST / PERCEIVED CONFLICT OF INTEREST

Pursuant to Section 175E of the *Local Government Act 2009*, no declarations of conflict of interest were made during this meeting.

5 REPORTS

5.1 OFFICE OF THE CEO

Nil

5.2 EXTERNAL AUDIT

Nil

5.3 AUDIT AND ASSURANCE

Nil

5.4 GOVERNANCE REPORTING

Nil

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CLOSURE OF THE MEETING TO THE PUBLIC

Committee Recommendation

Moved: Councillor E Hungerford

Seconded: Councillor J Natoli

That the meeting be closed to the public in accordance with the endorsed Audit Committee Charter (OM20/31) and pursuant to section 275 (h) of the Local Government Regulation 2012 to consider the following items:

- 6.1.1 Draft 2019/20 Financial Statements and Current Year Financial Sustainability Statement
- 6.2.1 Confirm Project Risk Update to Audit Committee

Carried unanimously.

RE-OPENING OF THE MEETING TO THE PUBLIC

Committee Recommendation

Moved: L Scanlan

Seconded: Councillor E Hungerford

That the meeting be re-opened to the public.

unanimously.

Carried

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6 CONFIDENTIAL

6.1 EXTERNAL AUDIT

6.1.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - DRAFT 2019/20
FINANCIAL STATEMENTS AND CURRENT YEAR FINANCIAL
SUSTAINABILITY STATEMENT

File No: Financial Management
Author: Coordinator Financial Accounting
Business Performance Group

In preparing this report, the Chief Executive Officer recommends it be considered confidential in accordance with the endorsed Audit Committee Charter (OM20/31) and in accordance with section 275 (1) (h) of the *Local Government Regulation 2012* as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

EXECUTIVE SUMMARY

Council has a statutory obligation to prepare "General Purpose" Financial Statements on an annual basis, culminating in audit certification later in October, before publication in Council's Annual Report.

The general purpose financial statements and current year financial sustainability statement for 2019/20 have been audited by our external auditors, the Queensland Audit Office (QAO) to ensure accounting and legislative compliance.

A summary of the final audit is contained in the Queensland Audit Office Closing Report to the Audit Committee for the financial year ended 30 June 2020.

The Queensland Audit Office expect to issue an unmodified audit opinion in relation to the audited 2019/20 general purpose financial statements and current year financial sustainability statement.

Committee Recommendation (AC20/40)

Moved: Councillor J Natoli
Seconded: Councillor E Hungerford

That the Audit Committee:

- (a) *note the discussions held in confidential session in relation to the Draft 2019/20 Financial Statements and Current Year Financial Sustainability Statement and*
- (b) *endorse the results of the external audit and recommend management sign-off and*
- (c) *acknowledge the efforts of Council's Finance Team and the Queensland Audit Office Team.*

Carried unanimously.

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6.2 AUDIT AND ASSURANCE

6.2.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - CONFIRM PROJECT RISK UPDATE TO AUDIT COMMITTEE

File No: Audit Committee
Author: Manager Asset Management
Built Infrastructure Group

In preparing this report, the Chief Executive Officer recommends it be considered confidential in accordance with the endorsed Audit Committee Charter (OM20/31) and in accordance with section 275 (1) (h) of the *Local Government Regulation 2012* as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

EXECUTIVE SUMMARY

Phase 1 of the Confirm Project completed on June 30th 2020, with Phase 2 on target to finish on December 18th 2020.

The risk of the asset valuations module not meeting the requirements will mean that this functionality will not be included in the Phase 2 deliverables.

In addition, risks are being addressed associated with:

- The data integrity of the Confirm system and the integration with council's existing Geographical Spatial System (GIS)
- The data integrity of the standard costing data within the Confirm system

Committee Recommendation (AC20/41)

Moved: Councillor J Natoli
Seconded: Councillor E Hungerford

That the Audit Committee:

- note the discussions held in confidential session in relation to the Confirm Project Risk Update and*
- request the Chief Executive Officer provide a further report on all Confirm System/ Project Risks and proposed actions to manage the identified risks to the 21 January 2021 Audit Committee Meeting.*

Carried unanimously.

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7 NEXT MEETING

The next Ordinary Meeting will be held on 21 January 2021 in the Council Chambers, 1 Omrah Avenue, Caloundra.

8 MEETING CLOSURE

The meeting closed at 9:51am.

Confirmed 21 January 2021.

CHAIR
