



Minutes

Audit Committee

Tuesday, 8 October 2019

Council Chambers, 1 Omrah Avenue, Caloundra

AUDIT COMMITTEE MEMBERS

Councillor T Dwyer	Division 2
Councillor C Dickson	Division 6
Mr P Dowling AM	Independent Member (Chair)
Mr L Scanlan	Independent Member

AUDIT COMMITTEE MINUTES

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Please Note: The resolutions as shown in italics throughout these minutes are the resolutions carried by the Audit Committee.

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1 DECLARATION OF OPENING

The Chair declared the meeting open at 9:04am.

2 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE

AUDIT COMMITTEE MEMBERS

Mr P Dowling AM Independent Member (Chair)
Mr L Scanlan Independent Member

BOARD OF MANAGEMENT

Chief Executive Officer
A/Group Executive Business Performance
Chief Strategy Officer

APOLOGIES

Councillor T Dwyer Division 2
Councillor C Dickson Division 6
Group Executive Built Infrastructure
Group Executive Business Performance
Group Executive Customer Engagement and Planning Services
Group Executive Economic and Community Development
Group Executive Liveability and Natural Assets

ATTENDEES

Director Audit Queensland Audit Office
Director of Information Systems Audit Queensland Audit Office

COUNCIL OFFICERS

Coordinator Financial Accounting
Manager Audit & Assurance

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.

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5 REPORTS

5.1 CHIEF EXECUTIVE OFFICER'S UPDATE

Nil

5.2 EXTERNAL AUDIT

**5.2.1 DRAFT 2018/19 FINANCIAL STATEMENTS AND CURRENT YEAR
FINANCIAL SUSTAINABILITY STATEMENT**

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

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 2018/19 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 Draft Closing Report to the Audit Committee for the financial year ended 30 June 2019.

AUDIT COMMITTEE DISCUSSION POINTS

- QAO's Draft Closing Report was discussed with QAO stating the quality of the financial statements was a key focus with additional work done around prior period adjustments, contributed assets, and reconciliation of asset data between the financial and spatial asset registers in preparation for implementation of Council's new asset management system, CONFIRM. It was confirmed that an unmodified audit opinion was expected
- The position of the financial ratios was noted and that additional information will be included to provide context around the short term debt strategy for the airport runway expansion and retirement of that debt in 2022 on receipt of revenue
- The timing in recording of contributed assets was re-raised as an improvement opportunity
- The reporting of traffic light results for Financial Statements preparation process, Internal Controls and Financial Sustainability will be included in the annual Auditor-General Report to Parliament on the results of Local Government audits. Council staff provided quality work papers, were responsive to QAO requests with good interaction and the overall audit was well managed
- Noted the release of QAO's report on Managing Cyber Security Risks and that a report on Council's risk profile will be presented at the January 2020 Audit Committee meeting
- SunCentral financial statements have been signed and will be presented at the January 2020 Audit Committee meeting

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Committee Recommendation (AC19/38)

Moved: L Scanlan

Seconded: P Dowling

That the Audit Committee

- a) *note the report titled “Draft 2018/19 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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5.3 AUDIT AND ASSURANCE

Nil

5.4 GOVERNANCE REPORTING

Nil

6 GENERAL BUSINESS

7 NEXT MEETING

The next Ordinary Meeting will be held on 14 November 2019 in the Council Chambers, 1 Omrah Avenue, Caloundra.

8 MEETING CLOSURE

The meeting closed at 9:29am.

Confirmed 28 January 2020.

CHAIR
