

MINUTES

of the

Audit Committee Meeting

of the



Pursuant to the provisions of section 88 (1) of the
Local Government Act 1999

HELD IN

**Council Chamber
Redbanks Road
Mallala**

on

Monday 7 November 2022 at 4.30pm

The Chairperson formally declared the meeting open at 4.30pm and in doing so, acknowledged that the meeting was taking place on Kurna land and paid respect to Kurna Elders, past and present and emerging.

1. ATTENDANCE AND WELCOME

1.1 Present

Mr Alan Rushbrook (Chairperson)

Mr Peter Fairlie-Jones

Mayor Mark Wasley

Deputy Mayor Marcus Strudwicke

Also in Attendance

Chief Executive Officer

General Manager – Finance and Business

General Manager – Governance and Executive Office

Manager Governance and Administration

Accountant

Informational Technology Officer

Administration and Executive Support Officer/Minute Taker

Audit Director, Galpins (*in attendance for Item 6.1*)

Partner, Galpins (*in attendance for Item 6.1*)

Mr James Miller

Mr Rajith Udugampola

Ms Sheree Schenk

Ms Alyssa Denicola

Ms Carmel Vandermolten

Mr Thomas Harris-Howson

Ms Stacie Shrubsole

Mr Juliano Freitas

Mr Tim Muhlhausler

1.2 Apologies:

Councillor Margherita Panella

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes – Meeting held 8 August 2022

Committee Resolution

Moved Deputy Mayor Strudwicke Seconded Mr Fairlie-Jones 2022/ 054

“that the minutes of the Audit Committee Meeting held on Monday 8 August 2022 (MB Folios 225 to 231, inclusive), be accepted as read and confirmed.”

CARRIED

3. BUSINESS ARISING

Nil

4. ADJOURNED BUSINESS

Nil

5. DECLARATION OF MEMBERS' INTERESTS

Nil

6. REPORTS FOR DECISION

6.1 Draft Audited Annual Financial Statements 2021/2022

Mr Juliano Freitas, Audit Director, Galpins, delivered a 9-minute presentation to the Committee in relation to the Draft Audited Annual Financial Statements 2021/2022.

The Chairperson sought leave of the meeting to proceed to Item 6.2 – *Update on Audit Committee Annual Work Program 2022/2023*, noting that Item 6.1 – *Draft Audited Annual Financial Statements 2021/2022* would be resumed at a later stage of the meeting. Leave was granted.

6.2 Update on Audit Committee Annual Work Program 2022/2023

Committee Resolution

Moved Mr Fairlie-Jones Seconded Mayor Wasley 2022/ 055

“that the Audit Committee, having considered Item 6.2 – *Update on Audit Committee Annual Work Program 2022/2023*, dated 7 November 2022, receives and notes the report and in doing so recommends to the Council that it acknowledge the progress made to complete the activities identified for Audit Committee during 2022/2023 Financial Year.”

CARRIED

6.3 Policy Review – Risk Management Policy

Committee Resolution

Moved	Mayor Wasley	Seconded	Deputy Mayor Strudwicke	2022/ 056
-------	--------------	----------	-------------------------	-----------

“that the Audit Committee, having considered Item 6.3 – *Policy Review – Risk Management Policy*, dated 7 November 2022, receives and notes the report and in doing so recommends to Council that it adopt the revised Risk Management Policy, as presented at Attachment 1 to this Report.”

CARRIED

7. REPORTS FOR INFORMATION

7.1 Committee Resolutions

Committee Resolution

Moved Mayor Wasley Seconded Mr Fairlie-Jones 2022/ 057

“that the Audit Committee, having considered Item 7.1 – *Committee Resolutions*, dated 7 November 2022, receives and notes the report.”

CARRIED

7.2 Review of Audited Financial Results for 2021/2022 Against Adopted Budget

Committee Resolution

Moved	Mayor Wasley	Seconded	Deputy Mayor Strudwicke	2022/ 058
-------	--------------	----------	-------------------------	-----------

“that the Audit Committee, having considered Item 7.2 – *Review of Audited Financial Results for 2021/2022 Against Adopted Budget*, dated 7 November 2022, receives and notes the report and in doing so requests the Chief Executive Officer bring back a report to the Audit Committee in relation to the accounting treatment of the income and expenditure for the Two Wells Levee.”

CARRIED

6.1 Draft Audited Annual Financial Statements 2021/2022

Mr Tim Muhlhausler, Partner, Galpins, addressed the Committee in relation to the Draft Audited Annual Financial Statements 2021/2022.

Committee Resolution

Moved	Mr Fairlie-Jones	Seconded	Deputy Mayor Strudwicke	2022/ 059
-------	------------------	----------	-------------------------	-----------

“that Audit Committee, having considered Item 6.1 – *Draft Audited Annual Financial Statements 2021/2022*, dated 7 November 2022, receives and notes the report and in doing so acknowledges that it has reviewed the Annual Financial Statements for the year ended 30 June 2022 and formed the opinion that they present a true and fair view, and recommends to the Council that they be formally adopted and be certified on behalf of the Council by the Mayor and Chief Executive Officer, subject to adjustment of treating Local Roads and Community Infrastructure Program grants as ‘Amounts received specifically for new or upgraded assets’ in the 2020/2021 and 2021/2022 financial years.”

CARRIED



6.1 Committee Resolution

Moved Deputy Mayor Strudwicke Seconded Mr Fairlie-Jones 2022/ 060

"that the Audit Committee, having considered Item 6.1 – *Draft Audited Financial Statements 2021/2022*, dated 7 November 2022, authorises its Chairman to sign the Certification of Auditor Independence."

CARRIED

6.1 Committee Resolution

Moved Mayor Wasley Seconded Deputy Mayor Strudwicke 2022/ 061

"that the Audit Committee, having considered Item 6.1 – *Draft Audited Financial Statements 2021/2022*, dated 7 November 2022, acknowledges that Council's independent Auditor Mr Tim Muhlhausler of Galpins Accountants, Auditors & Business Consultants intends to issue an unqualified opinion in relation to the Financial Statements and the Internal Financial Controls of the Council for the 2021/2022 Financial Year."

CARRIED

7.3 Reporting of Credit Card Transactions

Committee Resolution

Moved Deputy Mayor Strudwicke Seconded Mayor Wasley 2022/ 062

"that the Audit Committee, having considered Item 7.3 – *Reporting of Credit Card Transactions*, dated 7 November 2022, received and notes the report and in doing so:

- 1. Notes that a report by the Auditor General in 2020 on credit card use at The Coorong District Council recommended that "Council should ... periodically report the CEO's and Mayor's credit card transactions to its audit committee" (page 8 of Auditor General's Report 4 of 2020); and**
- 2. Recommends to Council that it revise its *Credit Card Policy* to include the reporting of the Chief Executive Officer's credit card transactions, to the Audit Committee, on a 6-monthly basis and including the details of 'Supplier', 'Amount' and 'Description'."**

CARRIED

7.4 Update on Finance Related Policies

Committee Resolution

Moved Deputy Mayor Strudwicke Seconded Mr Fairlie-Jones 2022/ 063

"that Council, having considered Item 7.4 – *Update on Finance Related Policies*, dated 7 November 2022, receives and notes the report and in doing so resolves to include an annual update of Council's Policy Review Schedule within the Audit Committee Annual Work Program and requests that the Chief Executive Officer bring back, to a future meeting of the Committee, a:

- 1. Draft Rates Policy and**
- 2. Draft Fraud and Corruption Prevention Policy."**

CARRIED

7.5 Two Wells Town Centre Market Engagement and Expression of Interest Update

Committee Resolution

Moved Mayor Wasley

Seconded Mr Fairlie-Jones

2022/ 064

"that the Audit Committee, having considered Item 7.5 – Two Wells Town Centre Market Engagement and Expression of Interest Update, dated 7 November 2022, receives and notes the report."

CARRIED

8. CONFIDENTIAL ITEMS

8.1 Information Technology Update

Committee Resolution

Moved Deputy Mayor Strudwicke

Seconded Mr Fairlie-Jones

2022/ 065

"that:

1. Pursuant to section 90(2) of the *Local Government Act 1999*, the Audit Committee orders that all members of the public, except Chief Executive Officer, General Manager – Finance and Business, General Manager – Governance and Executive Office, Manager Governance and Administration, Accountant, Information Technology Officer and Administration and Executive Support Officer/Minute Taker be excluded from attendance at the meeting of Audit Committee for Agenda Item 8.1 – *Information Technology Update*;
2. The Audit Committee is satisfied that pursuant to section 90(3)(e) of the *Local Government Act 1999*, Item 8.1 – *Information Technology Update* concerns matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person, being a report in relation to information technology of the Council; and
3. The Audit Committee is satisfied that the principle that Committee meetings should be conducted in a place open to the public has been outweighed by the need to keep the information, matter and discussion confidential."

CARRIED

8.1 Committee Resolution

Moved Deputy Mayor Strudwicke

Seconded Mayor Wasley

2022/ 066

"that the Audit Committee, having considered Item 8.1 – Information Technology Update, dated 7 November 2022, receives and notes the report."

CARRIED



