



REPORT

Audit Committee Meeting

Thursday 12 August 2021
commencing at 1.05pm

Strathpine Chambers
220 Gympie Road, Strathpine

ENDORSED GM20210901

CHAIRPERSON'S REPORT

The recommendations contained within this report of the Audit Committee meeting held 12 August 2021 are recommended to the Council for adoption.

STEPHEN COATES
CHAIRPERSON
AUDIT COMMITTEE

Membership = 5

(two Councillors and three external members plus one alternate member (Councillor))

Quorum = 3

Councillors

Cr Matt Constance

Cr Cath Tonks

Cr Jodie Shipway (alternate member)

External Committee Members

Mr Stephen Coates (Chairperson)

Ms Helen Moore

Mr Peter Scott

Audit Committee Meeting - 12 August 2021 (Pages 21/1293 - 1302)

RESOLUTION

Moved by Cr Cath Tonks

Seconded by Cr Jodie Shipway

CARRIED 13/0

That the report and recommendations of the Audit Committee Meeting held 12 August 2021, be adopted.

SCHEDULE OF ITEMS

1 POTENTIAL CONFLICT OF INTEREST DECLARATIONS

CONDUCT AND RECORD OF MEETING

2 SIGNIFICANT ORGANISATION & SYSTEM MATTERS

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7 GENERAL BUSINESS

8 NEXT AUDIT COMMITTEE MEETING

ATTENDANCE & APOLOGIES

Attendance:

Committee Members:

Mr Stephen Coates (Chairperson) *via Video Conference
Cr Cath Tonks
Cr Jodie Shipway *via Video Conference 1.09pm - 2.40pm
Ms Helen Moore *via Video Conference
Mr Peter Scott *via Video Conference

Invited External Representatives:

Mr Michael Keane (Queensland Audit Office)

Officers:

Acting Chief Executive Officer	Anthony Martini
Director Finance & Corporate Services	Donna Gregory
Internal Audit Manager	Jill Tavares
Accounting Services Manager	Denis Crowe
Manager Governance & Executive Services	Darren Dallinger
Meeting Support	Larissa Kerrisk

Apologies:

Cr Matt Constance

External Representatives attended for:

Item 6.1

KPMG: David Howie and Gordon Periera (via Video Conference 1.09pm - 1.41pm)

Director Community & Environmental Services Bill Halpin (via Video Conference 1.25pm - 1.41pm)

PwC: Sean Rooney and Anita Kubler (via Video Conference 1.42pm - 1.53pm)

Director Planning - David Corkill - (via Video Conference 1.42pm - 1.53pm)

E&Y: Jon Lucas, Victoria Solilova and Luke Kim (via Video Conference 1.54pm - 2.28pm)

Project Manager Loretta Libke - (via Video Conference 1.54pm - 2.17pm)

Item 3.1

Project Manager Loretta Libke (via Video Conference 2.47pm - 2.58pm)

1 POTENTIAL CONFLICT OF INTEREST DECLARATIONS

Committee members are required to provide written declarations declaring any potential or actual conflicts of interest they may have in relation to their responsibilities.

As they arise between meetings, or at the beginning of each Committee meeting, members are required to declare any new or changed potential or actual conflicts of interest that may apply to specific matters on the meeting agenda.

There were no declarations made.

CONDUCT AND RECORD OF MEETING

Conduct in closed session

Council is obligated under Chapter 8, Part 2 Division 1A of the Local Government Regulation 2012 (Regulation) for its meetings to be open.

s254A(2) of the Regulation states that Division 1A does not apply to Audit Committee meetings.

In accordance with Council's Decision-making Framework, Audit Committee meetings are not open to the public and are conducted in closed session.

Record

The Audit Committee is a non-decision-making meeting.

S211 of the Regulation states:

- (1)(c) *as soon as practicable after a meeting of the committee, give the local government a written report about the matters reviewed at the meeting and the committee's recommendations about the matters.*
- (1)(4) *the Chief Executive Officer must present the report mentioned in subsection (1)(c) at the next meeting of the local government.*

The report and recommendations from this meeting will be submitted to Council's next General Meeting for adoption in accordance with s211 of the Regulation.

IN CAMERA SESSION

Pursuant to the Audit Committee Terms of Reference, the Audit Committee to meet in-camera (closed session to Committee Members only).

An in-camera session was not held.

2 SIGNIFICANT ORGANISATION & SYSTEM MATTERS

ITEM 2.1 SIGNIFICANT ORGANISATION & SYSTEM MATTERS

Meeting / Session: AUDIT
Responsible Officer: AM, Acting Chief Executive Officer (A/CEO, CEO's Office)

The Acting Chief Executive Officer provided an update to the Audit Committee on relevant organisational matters, as outlined below.

- COVID-19 - during the initial lockdown on 31 July 2021 and post 8 August 2021, Council focused on keeping staff safe and balancing allowed service provision. The Business Continuity Management Team continues to monitor the Queensland Chief Health Officer directions.
- Staff survey update
- Recruitment
- Organisational structure - updated as at 23 June 2021
- Leader Connect forum
- Change Management
- Moreton Says Survey
- Corporate Plan

COMMITTEE RECOMMENDATION

Moved by Peter Scott

Seconded by Cr Cath Tonks

CARRIED

That the updated provided by the Acting Chief Executive Officer be noted.

3 ENTERPRISE RISK MANAGEMENT ACTIVITIES UPDATE

ITEM 3.1 CORPORATE SYSTEMS REVIEW

Meeting / Session: AUDIT COMMITTEE - Refer **Confidential** Supporting Information 62539601
Responsible Officer: LL, Project Manager (FCS Project Services)

Project Manager - Loretta Libke attended Audit Committee to provide an update on the TechOne project.

COMMITTEE RECOMMENDATION

Moved by Helen Moore

Seconded by Cr Cath Tonks

CARRIED

That the update provided in relation to the TechOne project be noted.

**ITEM 3.2
FRAUD AND CORRUPTION RISK CONTROL GROUP**

Meeting / Session: AUDIT COMMITTEE
Reference: 62583664 : 3 August 2021 - Refer **Confidential** Supporting Information
62583772
Responsible Officer: MP, Governance Manager (FCS, Executive Services)

Executive Summary

The purpose of this report is to provide an update on fraud and corruption control incidents and trends for the reporting period.

COMMITTEE RECOMMENDATION

Moved by Peter Scott

Seconded by Stephen Coates

CARRIED

That the Fraud and Corruption Risk Control Group Incident and Trend Report as at 30 July 2021 be received and noted.

ITEM 3.3
REPORTABLE LOSSES

Meeting / Session: AUDIT COMMITTEE
Reference: Refer **Confidential** Supporting Information 62542774
Responsible Officer: DG, Director Finance & Corporate Services (FCS Directorate)

Manager Governance and Executive Services provided an update to the Audit Committee on Council's Register of Reportable Loss - Council Assets.

The Register will be provided to the Audit Committee on a quarterly basis.

COMMITTEE RECOMMENDATION

Moved by Helen Moore
Seconded by Cr Cath Tonks

CARRIED

That the update provided in Council's Register of Reportable Loss - Council Assets be received and noted.

4 FINANCIAL REPORTING

ITEM 4.1 MONTHLY FINANCIAL REPORT

Meeting / Session: AUDIT
Reference: **Refer Supporting Information 62216492 & 62216423 (Extract of Actual Report to General Meeting)**
Responsible Officer: DC, Accounting Services Manager (CEO Accounting Services)

In accordance with the adopted Audit Plan a copy of the most recent Financial Reports are attached for Committee's information (refer supporting information).

- Monthly Financial Report for 31 May 2021, as adopted by Council at its meeting of 23 June 2021

It is noted that the attachments are an extract of the report and supporting information from that meeting.

COMMITTEE RECOMMENDATION

Moved by Peter Scott

Seconded by Helen Moore

CARRIED

That the Monthly Financial Report for 31 May 2021, as adopted by Council on Wednesday 23 June 2021 be received and noted.

**ITEM 4.2
DRAFT FINANCIAL STATEMENTS FOR 2020/21 AND DRAFT MEASURES OF
FINANCIAL SUSTAINABILITY**

Meeting / Session: AUDIT
Reference: 62506669: 26 July 2021 - Refer **Confidential Supporting Information**
62544792
Responsible Officer: DC, Manager Accounting Services (FCS Accounting Services)

Executive Summary

The purpose of this report is to present the Draft Financial Statements for 2020/21, the current year Financial Sustainability Statement and the Long-Term Financial Sustainability Statement.

COMMITTEE RECOMMENDATION

Moved by Peter Scott

Seconded by Helen Moore

CARRIED

1. That the Draft Financial Statements for 2020/21 together with the Current-Year Financial Sustainability Statement and the Long-Term Financial Sustainability Statement as presented be received.
2. That it be noted further adjustments will be required to the Draft Financial Statements as reconciliations are finalised and prior to submission to the Auditor-General for Audit by 23rd August.

5 EXTERNAL AUDITOR REPORT

ITEM 5.1 QUEENSLAND AUDIT OFFICE UPDATE

Meeting / Session: *AUDIT COMMITTEE*
Reference: *Refer **Confidential** Supporting Information 62587352 & 62356432*

Queensland Audit Office provided an update to the Audit Committee.

COMMITTEE RECOMMENDATION

Moved by Cr Cath Tonks
Seconded by Stephen Coates

CARRIED

That the Queensland Audit Office update be received and noted.

6 INTERNAL AUDIT OVERVIEW, REPORTS & FOLLOW-UP ACTIONS

ITEM 6.1 INTERNAL AUDIT OVERVIEW

Meeting / Session: AUDIT
Reference: 62602584 : Refer **Confidential** Supporting Information 62598519, 62598833,
62601738, 62575486, 62575509, 62600446

Responsible Officer: JT, Internal Audit Manager (CEOs Office)

Executive Summary

This report provides information to the Audit Committee on the activities of the Internal Audit function for the period from 14 May 2021 to 5 August 2021

COMMITTEE RECOMMENDATION

Moved by Peter Scott

Seconded by Helen Moore

CARRIED

That the Audit Committee notes and endorses this report and associated supporting information.

7 GENERAL BUSINESS

Nil.

8 NEXT AUDIT COMMITTEE MEETING

7 October 2021 - teleconference.

CLOSURE

There being no further business the Chairperson closed the meeting at 3.30pm.