

Waverley Council

PO Box 9, Bondi Junction, NSW 1355 DX 12006 Bondi Junction.
Telephone: 9369 8000 Fax: 9387 1820 Website: www.waverley.nsw.gov.au



12 February 2014

A meeting of the **WAVERLEY COUNCIL AUDIT COMMITTEE** will be held in the Bronte Room, Level 2, Waverley Council Chambers, Corner Bondi Road & Paul Street, Bondi Junction at:

10.00AM, FRIDAY, 21 FEBRUARY 2014

COMMITTEE MEMBERS:

Independent Members: Mr M Bass (Chair)
Mr N Hall

Councillor Member: Cr B Mouroukas
Cr T Kay (Alternate)

ATTENDEES:

Mr Peter Brown – General Manager
Mr I Mead – Divisional Manager, Finance & Information
Systems & Services
Mr S Helweh – Senior Internal Auditor
Mr S Kidnapillai – Senior Internal Auditor

INVITEE: Mr G Mottau – Director, Hill Rogers Spencer Steer:

QUORUM: Two Committee members.

APOLOGIES: By telephone or email to the following:

Peter Brown, General Manager
Ph: 9369 8056 or email peter.brown@waverley.nsw.gov.au

Robert Russo, Governance Manager
Ph: 9369 8121 or email robert.russo@waverley.nsw.gov.au

AGENDA

A-1402.A Apologies

A-1402.DI Declarations of Interest

The Chair will call for Declarations of Interest.

A-1402.1 Confirmation of Minutes of Previous Meeting – 6 December 2013

PAGE 5

Recommendation: That the Minutes of the Waverley Council Audit Committee Meeting of 6 December 2013; a copy of which was distributed to each Committee member, be received and that such Minutes be confirmed as a true record of the proceedings of that meeting.

A-1402.2 Matters Arising from Previous Minutes

There are no matters arising from previous minutes that were submitted for the Committee's consideration.

A-1402.3 Waverley Council Audit Committee Charter – Review (A09/1105)

PAGE 9

Report dated 10 February 2014 from the Governance Manager about a review of the Waverley Council Audit Committee Charter adopted by Council in September 2011.

A copy of the Waverley Audit Committee Charter is attached.

Recommendation: That the Committee:

1. Receive and note this report.
2. Review the Waverley Audit Committee Charter.
3. Report to Council on the outcome of the review of the Charter.

A-1402.4
Internal Audit's Progress Report (A10/0345)

PAGE 21

Report dated 10 February 2014 from Internal Auditor providing an update on progress with the FY14 Audit Plan.

Recommendation: That the Committee receive and note this progress report.

A-1402.5 **ISSUED SEPARATELY**
CONFIDENTIAL REPORT - Internal Audit Report – Capital Works Management – Waverley Pavilion

This matter is classified as confidential under the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter.

The Confidential Internal Audit Report on Capital Works Management – Waverley Pavilion has been distributed separately with the agenda.

Recommendation: That:

1. The Committee receive and note the Confidential Internal Audit Report on Capital Works Management – Waverley Pavilion, which has been distributed separately with the agenda.
2. The Confidential Internal Audit Report on Capital Works Management – Waverley Pavilion be treated as confidential in accordance with the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter for the following reasons:
 - (a). The report contains commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.
 - (b). It is not in the public interest to reveal commercially sensitive information about Council's internal operations and business interests, which if disclosed may prejudice Council's effective operation of its functions.
3. The correspondence and reports relevant to the subject business be withheld from the public as provided by Section 6.4 of the Audit Committee Charter.

A-1402.6 **ISSUED SEPARATELY**
CONFIDENTIAL REPORT – Observations and Suggestions for Improvement from the External Audit Management Letter of 5 July 2013 and Management's Response (A04/0630)

This matter is classified as confidential under the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter.

The Confidential Report - Observations and Suggestions for Improvement from the External Audit Management Letter of 5 July 2013 and Management's Response has been distributed separately with the agenda.

Recommendation: That:

1. The Committee receive and note the Confidential Report - Observations and Suggestions for Improvement from the External Audit Management Letter of 5 July 2013 and Management's Response, which has been distributed separately with the agenda.
2. The Confidential Report - Observations and Suggestions for Improvement from the External Audit Management Letter of 5 July 2013 and Management's Response, be treated as confidential in accordance with the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter for the following reasons:
 - (b). The report contains commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.
 - (c). It is not in the public interest to reveal commercially sensitive information about Council's internal operations and business interests, which if disclosed may prejudice Council's effective operation of its functions.
3. The correspondence and reports relevant to the subject business be withheld from the public as provided by Section 6.4 of the Audit Committee Charter.

A-1402.7

Proposed Schedule of Meeting Dates for 2014 (A09/1105)

At its last meeting the Committee adopted the following schedule of meeting dates for 2014.

- 10.00am, Friday, 21 February 2014
- 10.00am, Friday, 9 May 2014
- 10.00am, Friday, 18 July 2014
- 10.00am, Friday, 17 October 2014
- 10.00am, Friday, 5 December 2014

Recommendation: That the Committee receive and note this information.

A-1402.8

GENERAL BUSINESS

**MINUTES OF THE WAVERLEY COUNCIL
AUDIT COMMITTEE MEETING HELD AT THE
WAVERLEY COUNCIL CHAMBERS ON
FRIDAY, 6 DECEMBER 2013**

Voting Members Present:

Mr M Bass	Independent Member (Chair)
Mr N Hall	Independent Member
Cr B Mouroukas	Waverley Council

Also Present:

Cr T Kay	Waverley Council
Mr P Brown	General Manager
Mr S Helweh	Senior Internal Auditor
Mr S Kidnapillai	Senior Internal Auditor
Ms J Reid	Governance & Integrated Planning Officer / Assistant Committee Secretary
Mr R Russo	Governance Manager / Committee Secretary

Invitees:

Mr G Mottau	Director, Hill Rogers Spencer Steer (External Auditors)
Ms F Calabrese	Divisional Manager, Human Resources & Organisational Development (for Item A-1312.5 – Confidential Report - Internal Audit Follow-up Report – Payroll)
Ms V Canepa	Financial Services Manager (for Item A-1312.5 – Confidential Report - Internal Audit Follow-up Report – Payroll and Item A1312.3 – Final Audit Report for the Year Ended 30 June 2013)

At the commencement of proceedings at 10.04am, those present were as listed above with the exception of Ms Calabrese (for Item A-1312.5) and Ms Canepa (for Items A-1312.5 and A-1312.3) who were invited into the meeting at 10.10am and left at 10.40am and 10.55am respectively.

At 11.10am Cr T Kay left the meeting and did not return.

A-1312.A Apologies

Apologies were received and accepted from:

Mr I Mead	Divisional Manager, Finance & Information Systems & Services
Ms B Kelly	Director, Corporate & Technical Services
Mr P Monks	Director, Planning & Environmental Services

A-1312.DI Declarations of Interest

The Chair called for Declarations of Interest and none were received.

A-1312.1 Confirmation of Minutes of Previous Meeting – 1 August 2013

DECISION: That the Minutes of the Waverley Council Audit Committee Meeting of 1 August 2013; a copy of which was distributed to each Committee member, be received and that such Minutes be confirmed as a true record of the proceedings of that meeting.

A-1312.2 Matters Arising from Previous Minutes

There were no matters arising from the previous Minutes that were submitted for the Committee's consideration.

A-1312.3 Final Audit Report for the Year Ended 30 June 2013 (A02/0647-09)

Report dated 6 November 2013 from the Director, Corporate & Technical Services in relation to Council's 2012/13 Annual Financial Statements (including General and Special Purpose Financial Statements and Special Schedules).

This report was considered by Council at its meeting on 19 November 2013. At that meeting Council adopted the report's recommendation with no amendments.

A full version of the Statements is available on Council's website at the following address:

http://www.waverley.nsw.gov.au/__data/assets/pdf_file/0015/64023/Annual_Financial_Statement_12-13.pdf

DECISION: That the Committee receive and note this information.

A-1312.4
Internal Audit's Progress Report (A10/0345)

Report dated 28 November 2013 from Internal Auditor providing an update on progress with the FY2013 Audit Plan.

DECISION: That the Committee receive and note this progress report.

A-1312.5
CONFIDENTIAL REPORT - Internal Audit Follow-up Report – Payroll (A13/0638)

Confidential Internal Audit Follow-up report dated 28 November 2013 on Payroll.

The Confidential Internal Audit Report on Payroll was distributed separately with the agenda.

DECISION: That:

1. The Committee receive and note the Confidential Internal Audit Follow-up report on Payroll, which has been distributed separately with the agenda.
2. The Internal Audit Follow-up report on Payroll be treated as confidential in accordance with the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter for the following reasons:
 - (a). The report contains commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.
 - (b). It is not in the public interest to reveal commercially sensitive information about Council's internal operations and business interests, which if disclosed may prejudice Council's effective operation of its functions.
4. The correspondence and reports relevant to the subject business be withheld from the public as provided by Section 6.4 of the Audit Committee Charter.

A-1312.6
Proposed Schedule of Meeting Dates for 2014 (A09/1105)

Following is the proposed schedule of meeting dates for the Audit Committee for 2014:

- 10.00am, Friday, 21 February 2014
- 10.00am, Friday, 9 May 2014
- 10.00am, Friday, 18 July 2014
- 10.00am, Friday, 17 October 2014
- 10.00am, Friday, 5 December 2014

DECISION: That the Committee adopts the schedule of meeting dates for 2014.

A-1312.7

GENERAL BUSINESS

There were no Items of General Business.

THE MEETING CLOSED AT 11.37PM

REPORT TO AUDIT COMMITTEE

Waverley Council Audit Committee Charter – Review (A09/1105)

Report dated 10 February 2014 from the Governance Manager about a review of the Waverley Council Audit Committee Charter adopted by Council in September 2011.

A copy of the Waverley Audit Committee Charter is attached.

Recommendation: That the Committee:

1. Receive and note this report.
2. Review the Waverley Audit Committee Charter.
3. Report to Council on the outcome of the review of the Charter.

Executive Summary

The purpose of this report is to propose that the Audit Committee initiate a review of its Charter and report back to Council on the outcome of the review.

Introduction / Background

In February 2010 Council agreed to establish the Waverley Council Audit Committee and adopted the Waverley Council Audit Committee Charter.

Waverley's Audit Committee was established and operates under the Division of Local Government's Internal Audit Guidelines issued in 2008 and revised in 2010. The Guidelines are issued under Section 23A of the Local Government Act, 1993. Pursuant to Section 23A(3) of the Local Government Act, "*a council must take any relevant guidelines issued under this Section into consideration before exercising any of its functions*".

Council's Audit Committee Charter is based on the sample charter included in the Guidelines. Section 6.8 of the Charter provides for the Committee to periodically review its Charter to ensure appropriate organisational structures, authority, access and reporting arrangements are in place.

In 2011 the Audit Committee undertook a comprehensive review of the Charter which was subsequently adopted by Council in September 2011.

Discussion

In accordance with Clause 6.8 of the Charter the Committee is required to at least once every two years review its Charter and report to Council on the outcome of the review. As the last review was in 2011 it is now timely that the Committee review the Charter.

To facilitate the review any submissions can be emailed to Robert Russo, Governance Manager at robert.russo@waverley.nsw.gov.au by no later than Friday, 14 March 2014.

REPORT TO AUDIT COMMITTEE

Conclusion

The first meeting of the Audit Committee was held on 21 July 2010. A comprehensive review of the Audit Committee Charter was undertaken in 2011. This review of the Charter will give the Committee and Council the opportunity to consider any amendments required to ensure appropriate organisational structures, authority, access and reporting arrangements are in place and up to date.

Relationship to Waverley Together 3 & Delivery Program 2013-17

The relationship to *Waverley Together 3* and *Delivery Program 2013-17* is as follows:

- Direction: G1 - Inspiring community leadership is achieved through decision making processes that are open, transparent, corruption resistant and based on sound integrated planning.
- Strategy: G1a – Develop and maintain a framework of plans and policies that ensures open and transparent operations that facilitate equitable benefit sharing and progress towards sustainability.
- Deliverable: Regular reporting to Council on progress with implementation of integrated corporate plans.

Financial impact statement/Timeframe/Consultation

There will be no unbudgeted costs incurred by Council in amending the Charter.

It is estimated that the review will be completed by March 2014 and a report submitted to the April 2014 Council meeting.

Consultation will take place between members of the Committee and Council staff.

Attachment/s:

1. Waverley Council Audit Committee Charter – Adopted by Council in September 2011.

Robert Russo
Governance Manager

Waverley Council Audit Committee Charter



Adopted by Council September 2011

Revisions

Council first adopted an Audit Committee Charter on 16 February 2010.

The following amendments have been made since that date:

- Revised 21 September 2010 (Amendment made to Section 3.1 to delete the Mayor as a member of the Committee and Section 6.2 to clarify the role of the General Manager in the internal audit function). These amendments were recommended by the Division of Local Government in their revised Internal Audit Guidelines issued in September 2010.
- Revised 20 September 2011 (Various amendments including the addition of provisions for confidentiality). These amendments were as a result of a review conducted by the Committee.

Table of contents

1. Committee Objectives	1
2. Authority	1
3. Composition and Tenure	1
3.1 Members (voting)	1
3.2 Attendees (non-voting) for all agenda items	2
3.3 Invitees (non-voting) for specific agenda items	2
3.4 Observers (non-voting for all agenda items)	2
4. Role and Responsibilities	2
4.1 Risk Management	2
4.2 Control Framework	3
4.3 External Accountability	3
4.4 Legislative Compliance	3
4.5 Internal Audit	4
4.6 External Audit	4
4.7 Responsibilities of Members	4
5. Reporting	5
6. Administrative Arrangements	5
6.1 Meetings of the Committee	5
6.2 Attendance at meetings and quorums	5
6.3 Secretariat	6
6.4 Agendas, Minutes, Internal Audit reports and supporting papers	6
6.5 Conflicts of Interests	7
6.6 Induction	7
6.7 Assessment Arrangements	7
6.8 Review of Audit Committee Charter	7

1. Committee Objectives

The objective of the Waverley Council Audit Committee (the Committee) is to provide independent assurance and assistance to the Council on risk management, control, governance, and external accountability responsibilities.

2. Authority

The Council authorises the Committee as a whole, but not individual members of the Committee, within the scope of its role and responsibilities, to:

- Obtain any information it needs from any employee or external party (subject to their legal obligations to protect information).
- Discuss any matters with the external auditor or other external parties (subject to confidentiality considerations).
- Request the attendance of any employee or councillor at Committee meetings.
- Obtain external legal or other professional advice considered necessary to meet its responsibilities.

3. Composition and Tenure

3.1 Members (voting)

The Committee will consist of three voting members. Voting members will include a Councillor other than the Mayor and two independent members external to Council. The independent external members shall be the majority of the number of voting members. One of the independent members of the Committee will be the chair of the Committee.

The independent external members of the Committee will be appointed for the term of Council, after which they will be eligible for extension or re-appointment following a formal review of their performance.

The Councillor member of the Committee will be appointed annually at the Council meeting to elect the Mayor, Deputy Mayor and members of other committees.

Council may also appoint an alternate Councillor member to the Committee to attend meetings in the absence of the Councillor member. The alternate Councillor member will have the same voting rights as the Councillor member.

The members of the Committee, taken collectively, will have a broad range of skills and experience relevant to the operations of Waverley Council. At least one independent member of the Committee shall have accounting or related financial management experience, with an understanding of accounting and auditing standards in a public sector environment.

3.2 Attendees (non-voting) for all agenda items

The Committee will also include the following as non voting attendees:

- The General Manager
- Divisional Manager - Finance and Information Systems and Services
- Internal Auditor, unless requested not to do so by the Chair of the Committee.

3.3 Invitees (non-voting) for specific agenda items

Representatives of Council's external auditor and other Council officers may attend Committee meetings by invitation as requested by the Committee.

3.4 Observers (non-voting) for all agenda items

Councillors who are not Committee members may attend meetings of the Committee as observers.

4. Role and Responsibilities

The Committee has no executive powers, except those expressly provided by the Council. The Committee has no authority to direct the performance of the internal or external audit function. However, it can request the internal audit function to take action via a resolution of the Committee.

In carrying out its responsibilities, the Committee must at all times recognise that primary responsibility for management of Council rests with the elected Council and the General Manager in accordance with the Local Government Act 1993.

The responsibilities of the Committee may be revised or expanded by the Council from time to time. As set out below, the Committees responsibilities can be categorised under the headings of Risk Management; Council's Control Framework; External Accountability; Legislative Compliance; and Internal and External Audit.

4.1 Risk Management

The Committee is responsible for:

- Reviewing whether management has in place a current and comprehensive risk management framework, and associated procedures for effective identification and management of business and financial risks, including fraud;
- Reviewing whether a sound and effective approach has been followed in developing strategic risk management plans for major projects or undertakings;
- Reviewing the impact of the risk management framework on its control environment and insurance arrangements; and

- Reviewing whether a sound and effective approach has been followed in establishing business continuity planning arrangements, including whether plans have been tested periodically.
- Reviewing whether Council processes and procedures result in an efficient and effective allocation of resources, and accountability and transparency.

4.2 Control Framework

The Committee is responsible for:

- Reviewing whether management has adequate internal controls in place, including over external parties such as contractors and advisors;
- Reviewing whether management has in place relevant policies and procedures, and these are periodically reviewed and updated;
- Progressively reviewing whether appropriate processes are in place to assess compliance with policies and procedures;
- Reviewing whether appropriate policies and procedures are in place for the management and exercise of delegations; and
- Reviewing whether management has taken steps to embed a culture which is committed to ethical and lawful behaviour.

4.3 External Accountability

The Committee is responsible for:

- Satisfying itself that the annual financial reports comply with applicable Australian Accounting Standards and are supported by appropriate management sign-off on the statements and the adequacy of internal controls;
- Review the external audit opinion, including whether appropriate action has been taken in response to audit recommendations and adjustments;
- Considering contentious financial reporting matters in conjunction with Council's management and external auditors;
- Reviewing the processes in place designed to ensure financial information included in the annual report is consistent with the signed financial statements;
- Satisfying itself there are appropriate mechanisms in place to review and implement, where appropriate, relevant State Government reports and recommendations;
- Satisfying itself there is a performance management framework linked to organisational objectives and outcomes.

4.4 Legislative Compliance

The Committee is responsible for:

- Determining whether management has appropriately considered legal and compliance risks as part of risk assessment and management arrangements;

- Reviewing the effectiveness of the system for monitoring compliance with relevant laws, regulations and associated government policies.

4.5 Internal Audit

The Committee is responsible for:

- Acting as a forum for communication between the Council, General Manager, senior management, internal audit and external audit;
- Reviewing the internal audit coverage and Internal Audit Plan, ensure the plan has considered the Risk Management Plan, and approve the plan;
- Considering the adequacy of internal audit resources to carry out its responsibilities, including completion of the approved Internal Audit Plan;
- Reviewing all audit reports and consider significant issues identified in audit reports and action taken on issues raised, including identification and dissemination of better practices;
- Monitoring the implementation of internal audit recommendations by management;
- Periodically reviewing the Internal Audit Charter to ensure appropriate organisational structures, authority, access and reporting arrangements are in place;
- Periodically reviewing the performance of Internal Audit.

4.6 External Audit

The Committee is responsible for:

- Acting as a forum for communication between the Council, General Manager, senior management, internal audit and external audit;
- Providing input and feedback on the financial statement and performance audit coverage proposed by external audit, and provide feedback on the external audit services provided;
- Reviewing all external plans and reports in respect of planned or completed external audits, and monitor the implementation of audit recommendations by management;
- Consider significant issues raised in relevant external audit reports and better practice guides, and ensure appropriate action is taken.

The Committee may, at any time, consider any other matter it deems of sufficient importance to do so.

4.7 Responsibilities of Members

Members of the Committee are expected to:

- Broadly be aware of and understand the relevant legislative and regulatory requirements appropriate to Waverley Council, particularly as these pertain to individual matters under consideration by the Committee.
- Contribute the time needed to study and understand the papers provided.
- Apply good analytical skills, objectivity and good judgment.

- Express opinions frankly and ask questions that go to the fundamental core of issues.

5. Reporting

The Committee will report to Council on its activities at least twice a year preferably in May and November.

The Annual and Three Year Audit Plans will be submitted to Council as part of the Committee's twice yearly report to Council.

At the first Committee meeting after 30 June each year, the Internal Auditor will provide a performance report to the Committee of:

- The performance of Internal Audit for the financial year as measured against agreed key performance indicators; and
- The approved Internal Audit Plan of work for the previous financial year showing the current status of each audit.

6. Administrative arrangements

6.1 Meetings of the Committee

The Committee will meet at least five times per year, with one of these meetings to include review and endorsement of the annual audited financial reports and external audit opinion.

The need for any additional meetings will be decided by the Chair of the Committee, though other Committee members may make requests to the Chair for additional meetings.

A forward meeting plan, including meeting dates and agenda items, will be agreed by the Committee each year, and as necessary. The forward meeting plan will cover all Committee responsibilities as detailed in this Audit Committee Charter.

In addition, at any time an individual Committee member may request a meeting with the Chair of the Committee.

Meetings of the Committee are closed to the public.

6.2 Attendance at Meetings and Quorums

A quorum will consist of a majority of Committee members. Meetings can be held in person, by telephone or by video conference.

A Committee member who does not attend three meetings of the Committee without notice or explanation will be deemed to have relinquished their membership of the Committee.

The General Manager may attend each meeting but will permit the Committee to meet separately with each of the Internal Auditor and the External Auditor in the absence of management on at least one occasion per year. The General Manager may only be excluded from the meeting while the Committee deals with a matter relating to the standard of performance of the General Manager or the terms of the employment of the General Manager.

6.3 Secretariat

The Divisional Manager – Governance and Integrated Planning is to provide secretariat support to the Committee. The Committee Secretariat will ensure the agenda for each meeting and supporting papers are circulated, at least one week before the meeting, and ensure minutes of the meetings are prepared and maintained. Minutes shall be approved by the Chair and circulated to each member within four weeks of the meeting being held.

6.4 Agendas, Minutes, Internal Audit Reports and Supporting Papers

Agendas and minutes of the Audit Committee will be made publicly available on Council's website.

Supporting papers to the agenda considered by the Committee will be made publicly available on Council's website unless the business is of the following kind:

- (a). personnel matters concerning particular individuals.
- (b). personal hardship of any resident or ratepayer.
- (c). information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business.
- (d). commercial information of a confidential nature that would, if disclosed:
 - i. prejudice the commercial position of a person who supplied it; or
 - ii. confer a commercial advantage on a competitor of Council;
 - iii. reveal a trade secret.
- (e). information that would, if disclosed, prejudice the maintenance of law.
- (f). matters affecting the security of Council, Councillors, Council staff and Council property.
- (g). advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege.
- (h). information concerning the nature and location of a place or an item of Aboriginal significance on community land.

If the subject business is of a kind listed above then those documents will be issued under separate cover and are to be treated as confidential. The grounds for restricting public access to documents will be stated in the agenda of the Committee and an explanation provided of the way in which public access would be, on balance, contrary to the public interest.

6.5 Conflicts of Interest

Committee members, attendees, invitees, observers and Council staff must declare any conflicts of interest at the start of each meeting or before discussion of a relevant agenda item or topic. Details of any conflicts of interest should be appropriately minuted and be in accordance with Council's Code of Meeting Practice.

Where Committee members, attendees, invitees, observers or Council staff at Committee meetings are deemed to have a real or perceived conflict of interest, they will be excused from Committee deliberations on the issue where the conflict of interest may exist in accordance with Council's Code of Meeting Practice.

6.6 Induction

New members will receive relevant information and briefings on their appointment to assist them to meet their Committee responsibilities.

6.7 Assessment Arrangements

The Chair of the Committee will initiate a review of the performance of the Committee at least once every two years. The review will be conducted on a self-assessment basis (unless otherwise determined by the Chair), with appropriate input from Waverley Council senior management and any other relevant stakeholders, as determined by the Chair.

6.8 Review of Audit Committee Charter

At least once every two years the Committee will review and report to Council on the Audit Committee Charter.

REPORT TO AUDIT COMMITTEE

Internal Audit's Progress Report (A10/0345)

Report dated 10 February 2014 from Internal Auditor providing an update on progress with the FY14 Audit Plan.

Recommendation: That the Committee receive and note this progress report.

Progress on Audit Plan

Since the last meeting of the Committee held on the 6 December 2013, the Senior Internal Auditors have compiled a summary of the reviews and their status in the table below:

Audit Name	Date Commenced	Status					Awaiting Management Response*
		Planning	Fieldwork	Reporting	Completed	Finalised	
Accounts Payable	October 2012	✓	✓	✓	✓	✓	N/A
Asset Management - Kerb and Gutter	August 2012	✓	✓	✓	✓	✓	N/A
Business Continuity Management	October 2012	✓	✓	✓	✓	✓	N/A
Waverley Pavilion	February 2013	✓	✓	✓	✓	✓	N/A
Property Investment Strategy	February 2013	✓	✓	✓	✓	✓	N/A
Commercial Waste Services	August 2013	✓	✓	✓	✓	x	N/A
Accounts Receivable	November 2013	✓	✓	✓	✓	x	N/A
Outdoor Event Permits and Licensing	February 2014	✓	✓	x	x	x	x
Follow Up Reviews							
Property Management	April 2013	✓	✓	✓	✓	✓	N/A
On Street Parking	April 2013	✓	✓	✓	✓	✓	N/A
Payroll	August 2013	✓	✓	✓	✓	✓	N/A
S94A	November 2013	✓	✓	x	x	x	N/A
Business Continuity Management	February 2014	✓	x	x	x	x	N/A

Since the last meeting, the Internal Audit function is progressing on track with the annual audit plan. The following is works in progress from both Senior Internal Auditors:

The work in progress for Mr Seyonne Kidnapillai is as follows:

- Business Continuity Management Follow Up Review: - the detailed follow up review is at the planning stage.

REPORT TO AUDIT COMMITTEE

- Section 94A Follow Up Review: - the detailed follow up review is at the fieldwork stage and expected to be finalised in March 2014.

The work in progress/completed for Mr Sam Helweh includes the following;

- Accounts Receivable: - this review is now complete and awaiting finalisation from management, this report will be available at next audit committee meeting.
- Commercial Waste Services – this review is now complete and awaiting finalisation from management, this report will be available at next audit committee meeting.
- Outdoor Event Permits and Licensing – this review has just commenced and is currently in fieldwork stage.

Recommendation: That the Committee receive and note this progress report.

Seyonne Kidnapillai & Sam Helweh

Senior Internal Auditors