

# Kentish Council Audit Panel

## Annual Report to Council

For the year ended 30 June 2016

### Audit Panel Objectives

The objective of the Audit Panel is to provide an accountability mechanism in relation to Council's financial, compliance, risk management and internal control activities. The panel reviews the council's performance under section 85A of the Local Government Act and reports to the council its conclusions and recommendations.

### Meeting Attendance – Audit Panel Members

Meeting Date	Mr Ben Coull (Chairman)	Cr Tim Wilson	Cr Linda Cassidy
25 August 2015	✓	✓	✓
24 November 2015	✓		✓
23 February 2016	✓	✓	✓
24 May 2016	✓	✓	✓

### Summary of the Audit Panel meetings held during 2015/16

Meeting Date	Main Agenda Items / Outcomes
25 August 2015	<ul style="list-style-type: none"><li>➤ Noted Tasmanian Audit Office 2015 Audit arrangements and interim findings</li><li>➤ Significant accounting policies endorsed</li><li>➤ Reviewed Draft Annual Financial Report for 2015</li><li>➤ Internal Audit Function considered – to be included in future risk assessments</li></ul>
24 November 2015	<ul style="list-style-type: none"><li>➤ Final Audit Recommendations for 2015 – no issues raised</li><li>➤ Noted the Kentish section of the Auditor-General's Report to Parliament and endorsed Council's response</li><li>➤ Received presentation from Council's Risk Management Officer and endorsed Council's risk management policy and framework</li><li>➤ Agreed, annual risk reporting to Audit Panel to include Safety Committee Minutes and quarterly Workplace Health and Safety Report</li><li>➤ Recommended an action plan for completion of Corporate risk register and update of operational risk registers be completed</li><li>➤ Noted Council's fraud and corruption control policy and plan</li></ul>

	<ul style="list-style-type: none"> <li>➤ Recommended that a summary of fraud control implementation plan actions be presented to the Audit Panel once complete.</li> <li>➤ Noted a summary of the status of all Council policies</li> </ul>
23 February 2016	<ul style="list-style-type: none"> <li>➤ Recommended that Council appoint Latrobe Council Corporate Services Manager as Kentish Council's Fraud Control Officer for greater independence.</li> <li>➤ Noted correspondence relating to Tasmanian Audit Office legislative compliance audit.</li> <li>➤ Agreed to hold joint Audit Panel Meetings with Latrobe Council Audit Panel for common agenda items</li> <li>➤ Reviewed Investment Policy and monthly investment reporting and recommended the policy be amended to include and explicit and objectively measurable local bias.</li> <li>➤ Reviewed Council's budget process, including its long term financial plan and asset management strategy and concluded that it appeared comprehensive and appropriate.</li> </ul>
24 May 2016	<ul style="list-style-type: none"> <li>➤ Noted the Local Government chapter of the Tasmanian Audit Office Compliance with Legislation report</li> <li>➤ Received 2015/16 Audit Strategy presentation from Tasmanian Audit Office</li> <li>➤ Noted Tasmanian Audit Office Interim Memorandum of Audit Findings for 2015/16 with all issues resolved.</li> <li>➤ Noted 2016/17 Draft Annual Plan and Budget and Draft Long Term Financial Plan 2016-2026 and noted regular involvement of Councillors and robust consultation process.</li> <li>➤ Recommended Annual Report disclosures regarding Councillor expenses be reviewed.</li> <li>➤ Received a report on training received by councilors from the Integrity Commission</li> <li>➤ Reviewed existing accounting policies and noted no major changes required.</li> <li>➤ Discussed 2014/15 Council Financial Report preparation including consideration of significant business activities, related party disclosures and de-cluttering of the report.</li> </ul>

The audit panel has met once since the end of the 2015/16 financial year and work relevant to this annual report completed during that time includes:

- Review of Draft Annual Financial Report for the year ended 30 June 2016
- Noted that the flood event of 6 June 2016 will impact Council financially and will impact Council's ability to achieve its 2016/17 annual plan and deliver its capital works program

The Audit Panel was effectively supported in its activities by the Corporate Services and Finance Manager, and his contribution to its functioning is duly appreciated by members of the audit panel.

Mr Ben Coull  
**Chairman**