

December 2015

INDEPENDENT AUDIT ADVISORY COMMITTEE ANNUAL REPORT

This report prepared by the undersigned outlines the activities carried out by the Audit Advisory Committee for the calendar year 2015. The report covers the obligations of the Committee as set out in the Charter of the Audit Committee, which was endorsed by the Council on 25th February 2015.

Annual Agenda

- Meetings were scheduled to coincide with the relevant Council reporting
- The Committee will have met 4 times during the calendar year in compliance with the Charter
- No additional meetings of the Committee were held. (Refer to Additional Activities, below)

Reporting

- Minutes of each Audit Committee Meeting were forwarded to the Council after each meeting
- The Annual Report (this report) has been prepared as the Committee's summary of activities for the calendar year

Duties and Responsibilities

- An Internal Audit Committee Annual Plan was updated to embrace some changes in May 2015. To a large extent the Audit Committee Plan was followed. In some instances, the items scheduled for review were not presented at the scheduled meeting, however all items will have been presented by the end of the calendar year. There remains continued improvement in adherence to the Audit Plan this year.
- During the year the Audit Committee has been involved with the following activities:
 - Quarterly Financial Reviews
 - Review of Annual Budget and Council Plan
 - Review and recommendation for approval of the Financial Statements for FY2015
 - Review of Risk Register
 - Review of a number of policy and other guidance documents
 - Review of Local Government Performance Framework
 - Review of legislative changes that may effect the operations of the Council
 - Review of Excessive Annual Leave
 - Review of Long Service Leave
 - Review of Internal Audit Reports and Management Responses
 - Review of the performance of the internal audit function
 - Discussion with External Auditor and reviews of Audit Strategy and Final Management Letter

- Review of the ESC – Draft Report on Rate Capping and Variation Framework and the Council’s formal response

Membership

- The Committee Membership remained unchanged for the 2015 calendar year.
- The writer was re-elected as the Chairman in September 2015 for a further 12 months, subject to reappointment in accordance with Audit Committee Charter item 2 (c).

Committee Performance

- Actions arising from the 2014 Self Assessment were implemented in 2015
- The 2015 Self Assessment is due Q4 2015 and actions arising will be implemented in 2016.

Additional Activities

- No other additional activities were carried out by Audit Committee Members in 2015

Conclusion

The Audit Advisory Committee has fulfilled its obligations with respect to the Charter of the Audit Committee during 2015. Nothing of significant concern was identified during the reviews that were conducted. The level of governance is high. The Committee acknowledges and supports the Council’s continuous improvement intent, which is demonstrated through the internal and external audit outcomes and the Council’s response to the issues raised. We look forward to the benefits of the continuing stability and enhanced experience of the committee members in 2016.

The Committee welcomed the involvement and astute comments of Crowe Horwarth as the newly appointed Internal Auditors at the beginning of 2015

On behalf of the Committee, I wish to thank the CEO, Margaret Abbey and her leadership team in providing an open, honest and supportive environment for the Committee to carry out its work. I also thank my fellow committee members for their diligence and thoroughness in executing their tasks during the year

Ian McKaskill
Chairman
Audit Advisory Committee