



City of Mount Gambier Audit Committee

Work Program 2014 - 2018

Version 9. August, 2016

City of Mount Gambier Audit Committee Work Program 2014 - 2018
[Amended and Updated August, 2016]

Q1 - August

Q2 - October

Q3 - February

Q4 - May

Activity	Meeting	Current Status/Outcomes	Follow-up Action
1 Financial Reporting			
1.1 Identify and review areas of accounting treatment that are open to discretion, and in particular have material impact on reported financial performance and position.	Q3	Regular briefings by Staff/Auditors	Ongoing monitoring - Q3.
1.2 Ensure that financial information included in publications for external audiences (eg annual report, Council newspaper, brochure to all ratepayers etc) accurately reflects key accrual based financial information and where appropriate sector-endorsed financial indicators.	Quarterly	Annual monitoring includes: <ul style="list-style-type: none"> • Annual Report • LTFP • Business Plan and Budget • Treasury Management • Budget Reviews • Grants Commission Comparative Reports • Treasury Management • Financial Sustainability 	Ongoing monitoring will occur.
1.3 Ensure that asset values and depreciation rates are up to date and soundly based, including that they have particular regard to local conditions and do not just reflect common practice elsewhere.	Q3	Asset re-valuation strategy adopted and reviewed on a regular basis	Annual Review - Q3

2 Internal Controls and Risk Management Systems				
2.1	Meet with Council's Auditor to review the annual Interim Audit results and findings.	Quarterly	Completed	Ongoing/Monitoring
2.2	Ensure Council's Financial Internal Control regime is implemented, is reviewed and monitored as an ongoing program.	Q4	Ongoing Program Monitoring	Ongoing Process - Q4
2.3	Ensure Council's Risk Management Framework is continually monitored with major risks being identified and risk minimisation strategies developed.	Quarterly	Risk Management Framework adopted Risk Register Under Review	Ongoing project Regular Reporting
2.4	Ensure Council's Business Continuity Plan is monitored and is functioning effectively.	Quarterly	To be reviewed as part of Risk Review Process	Regular Ongoing Reports

3 Internal Audit			
3.1 Monitor Council's Internal Audit Program	Q4	Completed/Implemented	Regular reporting regime implemented
3.2 Make recommendations on the Internal Audit Program findings.	Q1	Regular feature of Audit Committee Agendas	Regular reporting regime implemented - Q1
3.3 Make recommendations on any operational areas that may benefit from the undertaking of an efficiency and economy audit.	Quarterly	Nothing identified at this time	Completed

4 External audit				
4.1	<p>Meet with the Council's external auditor to:</p> <ul style="list-style-type: none"> • invite presentation of the audit methodology and risk assessments within the audit plan; • discuss any qualifications raised in the most recent audit or comments made in the accompanying management letter; • assess the appropriateness of the Council's response to matters so raised; and, • invite comment on the financial systems and affairs of the Council having regard to comparable benchmarks. 	Quarterly	<p>External Auditor a regular attendee of the Audit Committee meetings.</p>	<p>Regular meetings with the External Auditor to discuss:</p> <ul style="list-style-type: none"> • internal controls audit • statutory financial audit
4.2	<p>Ensure that appointment arrangements for the external auditor conform with legislative provisions.</p>	Periodic	<p>LGA Model Audit specification used as part of the appointment process. Tender process conforms with procurement policy and legislative provisions.</p>	<p>Current Process (August 2016)</p>
4.3	<p>Keep oversight of the Council's relationship with its external auditor and develop an appropriate timeframe to address all matters requiring consideration in the appointment/reappointment of the external auditor and manage this process when it falls due (note: amendments to section 128 provide that the Council's auditor must be rotated after no more than five years)</p>	Quarterly	<p>Regular attendance at Audit Committee meetings. No further action required.</p>	<p>Ongoing - As per contract of appointment.</p>
4.4	<p>Ensure compliance with regulation 16A of the Local Government (Financial Management) Regulations 1999 which prevent a Council from engaging its auditor to provide any services to the Council outside the scope of the auditor's functions under the Local Government Act.</p>	Q 2	<p>Annual Statement signed by the Presiding Member compliance achieved. Audit Committee understands the requirements of R16A.</p>	<p>Annual Review Q2</p>

5 Reporting			
5.1 Ensure that significant, urgent matters identified through the work program are formally and promptly reported to Council.	Quarterly	Ongoing	Ongoing
5.2 Report annually to Council; <ul style="list-style-type: none"> • outlining outputs relative to the audit committee’s work program and the results of a self-assessment of performance for the preceding period including whether it believes any changes to its Terms of Reference are appropriate; • outlining any identified training needs; • advising future work program proposals; and, • invite comment from Council on all of the above. 	Q1	Have adopted guidelines from LGA on form / content of the Audit Committee Annual Report to Council. Annual Report includes review of Committee Terms of Reference, Work Program and a self assessment of Committee Performance - August of each year.	Q1

6 Other Matters			
6.1 Review, and where warranted suggest improvements in, the formats of budget and actual financial performance information reported to the Council..	Quarterly	Ongoing Review Process	Ongoing refinement process.
6.2 Review/provide comment on Council's annual draft Business Plan in terms of consistency with Council's Strategic Plans and the impact on ongoing financial sustainability.	Q3	Ongoing responsibility of the Audit Committee.	Q3
6.3 Consider the appropriateness of the range of content of Council's financial policies and practices including Governance, Fraud and Corruption Framework and Treasury Management.	Q1	Ongoing, Regular Process	Q1
6.4 Review/provide comment on Council's draft annual business plan in terms of consistency with Council's Strategic Plans and the impact of ongoing financial sustainability	Q1, 2	Ongoing, Regular Process	Q1,2
6.5 Consider the appropriateness of the range and content of Council's financial policies and practices including treasury management and debt management practices.	Q3	Ongoing, Regular Process	Q3

7 Version Control			
8.1 Initial Adoption 8.2 Review 8.3 Review 8.4 Review 8.5 Review 8.6 Review 8.7 Review 8.8 Review 8.9 Review		Committee June 2010 October 2010 February 2012 May 2012 August 2013 August 2014 July 2015 August 2016	Council 17 th July, 2007 June 2010 November 2010 February 2012 May 2012 September 2013 September 2014 August 2015 August 2016