

## **MINUTES OF AUDIT AND RISK COMMITTEE HELD ON MONDAY, 4 SEPTEMBER 2017**

Committee Members: John Gordon - External Independent Member - Chairperson  
John Bartrop - External Independent Member  
Councillor David Citer - Ku-ring-gai Council  
Councillor Duncan McDonald – Ku-ring-Council

Also Present: Councillor Jennifer Anderson - Mayor  
David Marshall - Director Corporate  
Angela Apostol - Manager Finance  
Michael Quirk – Internal Auditor

Observers Mark Nicholaeff - External Auditor  
Martin Sabanos – External Auditor

Apologies: John McKee - General Manager

*The Meeting commenced at 5.00 PM*

### **DECLARATIONS OF INTEREST**

John Gordon declared that he had been appointed to the Audit Committees for both the Inner West Council and Liverpool Council.

### **CONFIRMATION OF MINUTES**

AC144 **Minutes of Audit and Risk Committee**  
File: CY00458/5

Meeting held 8 June 2017  
Minutes numbered 129 to 143

#### **The Committee Recommends:**

That Minutes numbered 129 to 143 circulated to the Committee were taken as read and confirmed as an accurate record of the proceedings of the Meeting.

### **EXPRESSION OF THANKS TO COUNCILLOR DUNCAN MCDONALD**

The Chairperson expressed his thanks to retiring Councillor Duncan McDonald for his services to the Audit and Risk Committee.

## GENERAL BUSINESS

### AC145 DRAFT GENERAL AND SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

File: FY00259/10

*Vide: GB.1*

A presentation was provided by Angela Apostol, Manager Finance on the draft financial statements.

The external Auditor Martin Sabanos provided an overview of the conduct of the audit.

Various issues were raised by the Independent Members of the Audit and Risk Committee, resulting in the following minor changes being recommend for the financial statements:

- Note 5 – change heading of note from “Gains or losses from the disposal of assets” to “Gains or losses from the disposal or write off of assets”
- Confirm that the value of residential land relating to disposed buildings had been subsequently valued in the accounts as community land (note subsequently this was confirmed).
- Note 1(j) should refer to Council’s “non-current assets” rather than “non-assets”
- Note 4(e) – move the amount for KFAC under “Commissions” to “Materials and Contracts”.
- Review Note 27(3) Land Under Roads.
- Note 28a – describe who is included in Key management Personnel (KMP).
- Note 28b – state that there are no other disclosures to be made by KMP.
- Special Schedule 7 – add a note to explain the “Agreed Level of Service”.
- Reconcile the KFAC business activity statement to Special Schedule 1.
- The business activity for “Thomas Carlyle Children’s Centre” is misspelt “Thomas Carlyle Children Centre”

#### **The Committee Recommends:**

That the Audit and Risk Committee formally endorse the Financial Statements for the year ended 30 June 2017, subject to the following minor changes:

- Note 5 – change heading of note from “Gains or losses from the disposal of assets” to “Gains or losses from the disposal or write off of assets”
- Confirm that the value of residential land relating to disposed buildings had been subsequently valued in the accounts as community land (note subsequently this was confirmed).
- Note 1(j) should refer to Council’s “non-current assets” rather than “non-assets”
- Note 4(e) – move the amount for KFAC under “Commissions” to “Materials

and Contracts”.

- Review Note 27(3) Land Under Roads.
- Note 28a – describe who is included in Key management Personnel (KMP).
- Note 28b – state that there are no other disclosures to be made by KMP.
- Special Schedule 7 – add a note to explain the “Agreed Level of Service”.
- Reconcile the KFAC business activity statement to Special Schedule 1.
- The business activity for “Thomas Carlyle Children’s Centre” is misspelt “Thomas Carlyle Children Centre”

*The Meeting closed at 6:32 pm*