



**AUDIT COMMITTEE MEETING HELD AT THE CIVIC CENTRE - KATHERINE
THURSDAY – 10 SEPTEMBER 2015**

MINUTES

1. PRESENT

Robert Jennings	Chief Executive Officer (Chairman)
Henry Higgins	Deputy Mayor
Lokesh Anand	Independent
Peter Hill	Perks Audit & Assurance
Claire Johansson	Director of Corporate & Community Services
Alice Anastacio	Corporate Services Executive Manager
Sophie Henderson	Community Services Executive Manager (Secretariat)

2. OPENED

The meeting was opened at 9.03am.

3. APOLOGIES

Fay Miller Mayor of Katherine

4. CONFIRMATION OF MINUTES

MOVED: Hill / Henderson

That the minutes of the Audit Committee Meeting held on the 9 October 2014 be confirmed as a true and accurate record.

CARRIED

5. BUSINESS ARISING

Item 5.3 Auditor Extension

Community Services Executive Manager advised that this item will be discussed in General Business.

6. ISSUES FOR DISCUSSION

6.1 2014/2015 AUDIT AND FINANCIAL POSITION

Auditor Peter Hill advised that the Annual Financial Statements to 30 June 2015 had been well prepared and that no alterations were required. However, the following items were raised for the Committee's information:

1. Grant Income in Advance

The Annual Financial Statements were prepared on the basis of receipt of grants in advance and then treated as unearned. This procedure could be interpreted as misleading. However, this process has since been changed. The Chief Executive Officer advised that the funds in questions were in relation to a proposed agreement between Council and the Department of Transport for \$1.5 million to assist in the erection of a bridge at Leight Creek, Emungalan Road.

2. Investments
Council's Auditor updated the Committee on procedural process for investments in relation to the audit. Third party confirmation is sought to confirm Council records match financial institution investment records. One discrepancy was found, however, this was found to be a financial institution error.
3. Rates
Auditor Peter Hill confirmed that all rates were levied correctly. However, initially the 2015/2016 rate book was provided but this was quickly corrected.
4. Roads to Recovery
No monies spent to date. The Chief Executive Officer advised the Committee the rationale behind this was to ensure sufficient alternative funds would be available from a variety of sources (Department of Transport and Council) to complete the Leight Creek Bridge on Emungalan Road.

The Annual Financial Statements will be signed off by the Auditor and they will be incorporated in the 2014/2015 Katherine Town Council Annual Report. Prior to the next end of financial year Audit Committee meeting the draft Financial Statements will be forwarded to Committee members.

6.2 INVESTMENT POLICY

This has been a standing item for the previous two years. Peter Hill recommended that the current policy is still current and this item could be removed from further agendas. Under the current policy Council is investing only with the major banks plus two credit unions.

6.3 AUDITOR TENDER

Community Services Executive Manager advised that the current tender expired earlier this year. However, as Council was, at the time, updating its procurement and tender process the decision was made to extend the current tender for a further twelve (12) months. Therefore, Council will be tendering for the provision of Auditor Services again in early 2016.

6.4 AIRPORT

Auditor Peter Hill requested an update on the Airport. The Chief Executive Officer advised that negotiations with the Department of Defence are progressing as expected. Negotiations are underway in relation to the upgrade required to the civilian airport apron and parking bays. The current ten (10) year lease expired two (2) years ago and lease negotiations are still continuing. The Chief Executive Officer will be providing a report to Council at the September 2015 Ordinary Council Meeting to update Elected Members and the community on the situation. Any Committee members who would like to receive a copy of this report may request one through Council's Records Officer (records@ktc.nt.gov.au).

6. NEXT MEETING

To be arranged as part of the 2015/2016 audit process in approximately May and September 2016.

7. **MEETING CLOSED**

Meeting closed at 9.27am.

To Be Confirmed