

AUDIT COMMITTEE OVERVIEW 2011

The Audit Committee is a formally appointed committee of the Council and is responsible to that body. The Audit Committee does not have executive powers or authority to implement actions in areas over which management has responsibility and does not have any delegated financial responsibility. The Audit Committee does not have any management functions and is therefore independent of management.

The Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to its Charter in order to facilitate decision-making by Council in relation to the discharge of its responsibilities.

On occasions the Committee may refer matters to the Council for decision. The Audit Committee consists of five members including two Councillors and three independent members. The Chairperson is an independent member. The two Councillors, appointed to the committee in January 2011 are Cr Micaela Drieberg and Mayor Cr Greg Male. The three independent members with contemporary industry experience are the Chairperson, Mr Mark Hamill (appointed in May 2011) and independent members, Mr Jeff Webb (appointed in April 2007, reappointed in 2010) and Mr Michael Ulbrick (appointed in May 2011). Both Mr Hamill and Mr Webb are qualified Chartered Accountants and members of The Institute of Internal Auditors, Australia and Mr Ulbrick a member of the Australian Institute of Company Directors.

The Chief Executive and internal auditor are present at all Audit Committee meetings which are held on a quarterly basis. Council's Internal Auditor is PricewaterhouseCoopers (PwC), appointed following a competitive tendering process for a three-year period (July 2011 to June 2014). On appointment, PwC will perform a risk assessment of Council's operations and recommend a three-year audit program to cover these aspects.

The Committee generally meet four times during the year. The Audit Committee recommended the Internal Audit work program for a three-year period to the Council for adoption, and receives reports from the Internal Auditor at each meeting. The external auditor is the Victorian Auditor General who appointed the accounting firm HLB Mann Judd to conduct the annual statutory audit on his behalf. The Audit Committee reviewed the Annual Financial Statements and responses from officers in respect of matters raised by the annual statutory audit and the audit risk plan reviews and monitored the progress of the officers in dealing with these items.