



# AUDIT AND RISK COMMITTEE

## Minutes

for the meeting on

Friday, 16 May 2025

in the Colonel Light Room, Adelaide Town Hall

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Our Adelaide.  
**Bold.**  
**Aspirational.**  
**Innovative.**

**Present:**

|                          |                                                                                                                                                                                         |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Presiding Member</b>  | <b>Nicolle Rantanen Reynolds</b>                                                                                                                                                        |
| <b>Committee Members</b> | <b>The Right Honourable the Lord Mayor, Dr Jane Lomax-Smith (ex officio)</b><br><b>Mark Davies</b><br><b>Simon Rodger</b><br><b>Deputy Lord Mayor, Councillor Philip Martin (Proxy)</b> |

**1 Acknowledgement of Country**

The Presiding Member read the Acknowledgement of Country in Kaurna language.

**2 Apologies and Leave of Absence**

Apology:

Councillor Janet Giles

**3 Confirmation of Minutes**

Moved by Simon Rodger,  
Seconded by Mark Davies –

That the Minutes of the meeting of the Audit & Risk Committee held on 11 April 2025 be taken as read and be confirmed as an accurate record of proceedings.

Carried

**4 Declaration of Conflict of Interest**

Nil

**5 Presiding Member Reports**

Nil

**6 Reports**

**6.1 TechnologyOne Post Implementation Review Internal Audit - KPMG**

Justin Jamieson and Navya Gunawardena of KPMG were present to provide an overview of the report and respond to questions.

Discussion ensued

It was then –

Moved by Mark Davies,  
Seconded by Simon Rodger -

**THAT THE AUDIT AND RISK COMMITTEE**

1. Notes the TechnologyOne Post Implementation Review Internal Audit report provided as Attachment A to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 16 May 2025.

2. Recommends Administration, as a priority, take steps to ensure that post implementation reviews of IT projects are conducted in a timely manner.
3. Requests Administration provide advice on the cost implications of the TechnologyOne cloud/debtor's project.
4. Endorses the responses of the Administration to the TechnologyOne Post Implementation Review Internal Audit report as outlined in Attachment A to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 16 May 2025.

Carried

## **6.2 2024/25 Business Plan & Budget Quarter 3 Update**

Discussion ensued

It was then –

Moved by Mark Davies,

Seconded by Deputy Lord Mayor, Councillor Philip Martin -

### THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

#### THAT COUNCIL

1. Receives the City of Adelaide 2024/25 Business Plan and Budget Quarter 3 Update as contained in Attachment A to Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 16 May 2025.
2. Approves adjustments for the 2024/25 Business Plan and Budget (BP&B) as identified in this report and reflected in Attachment A to Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 16 May 2025.
3. Notes the year-to-date Operating (Financial Performance) for the quarter ending 31 March 2025, which includes:
  - 3.1. Total operating revenue of \$178.338m (\$2.005m higher than the budget of \$176.333m, for the period)
  - 3.2. Total operating expenses (including depreciation) of \$163.930m (\$4.564m lower than the budget of \$168.494m, for the period)
  - 3.3. An operating surplus of \$14.408m (\$6.569m higher than the budget of \$7.839m, for the period)
  - 3.4. Total Capital Expenditure of \$68.152m (\$4.474m lower than the budget of \$72.626m, for the period)
  - 3.5. Net cash surplus position of \$21.287m.
4. Approves budgeted year end Operating Position, which includes:
  - 4.1. Total operating revenue of \$240.099m (\$2.186m higher than the Quarter 2 budget of \$237.913m).
  - 4.2. Total operating expenses (including depreciation) of \$230.732m (\$2.186m higher than the adopted budget of \$228.546m)
  - 4.3. An operating surplus of \$9.367m (consistent with the Quarter 2 budget of \$9.367m).
5. Approves total capital expenditure of \$112.909m for 2024/25 year (\$8.134m lower than the Quarter 2 budget of \$121.043m).
6. Approves total borrowings of \$30.739m projected to 30 June 2025 (\$10.366m higher than the Quarter 2 projected borrowings of \$20.373m to 30 June 2025).
7. Receives the Council Subsidiary Quarter 3 updates as contained as Attachments B, C, D and E to Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 16 May 2025.

Carried

### **6.3 Draft 2025/26 Business Plan and Budget**

Discussion ensued

It was then –

Moved by Mark Davies,  
Seconded by Simon Rodger -

#### THAT THE AUDIT AND RISK COMMITTEE

1. Notes the Draft 2025/26 Business Plan & Budget document as contained in Attachments A, B, C and D to Item 6.3 on the Agenda for the meeting of the Audit and Risk Committee held on 16 May 2025.
2. Notes the Draft 2025/26 Business Plan & Budget document is currently out for consultation, which concludes at midnight Tuesday 27 May 2025.
3. Receives the Draft 2025/26 Business Plan & Budget document as contained in Attachments A, B, C and D to Item 6.3 on the Agenda for the meeting of the Audit and Risk Committee held on 16 May 2025 and provides the following advice:
  - 3.1. That the Audit and Risk Committee is supportive of Council's proposal to introduce a minimum rate.
  - 3.2. That the Audit and Risk Committee considers that the draft 25/26 Business Plan and Budget appropriately responds to the financial sustainability observations of the ESCOSA report.

Carried

### **6.4 Asset Accounting Policy**

Discussion ensued

It was then –

Moved by Mark Davies,  
Seconded by Simon Rodger -

#### THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

#### THAT COUNCIL

1. Notes the updated Fixed Asset Policy (formerly "Asset Accounting Policy") with amendments shown as track changes, as contained in Attachment A to Item 6.4 on the Agenda for the Audit and Risk Committee held on 16 May 2025
2. Adopts the updated Fixed Asset Accounting Policy (formerly "Asset Accounting Policy") as contained in Attachment B to Item 6.4 on the Agenda for the meeting of the Audit and Risk Committee held on 16 May 2025.
3. Notes the table summarising changes made to the Fixed Asset Accounting Policy (formerly "Asset Accounting Policy") as contained in Attachment C to Item 6.4 on the Agenda for the Audit and Risk Committee held on 16 May 2025.
4. Authorises the Chief Executive Officer (or delegate) to make minor, typographical, syntactical and technical updates to the Fixed Asset Accounting Policy (formerly "Asset Accounting Policy") as contained in Attachment B to Item 6.4 on the Agenda for the Audit and Risk Committee held on 16 May 2025 to finalise the document.

Carried

### **6.5 Internal Audit Progress Report**

Discussion ensued

It was then –

Moved by Simon Rodger,  
Seconded by Deputy Lord Mayor, Councillor Philip Martin -

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the progress of the Internal Audit Plan as outlined in Item 6.5 on the Agenda for the meeting of the Audit and Risk Committee held on 16 May 2025.
2. Notes the progress of the completion of Internal Audit Actions as outlined in Item 6.5 on the Agenda for the meeting of the Audit and Risk Committee held on 16 May 2025.

Carried

**7 Emerging Key Risks**

Nil

**8 Independent Member Discussion**

Nil

**9 Other Business**

- Michael Sedgman, Chief Executive Officer, addressed the Committee in relation to the selection process for the City of Adelaide's Internal Auditor as the contract with KPMG will expire on 30 June 2025.

**Closure**

The meeting closed at 10.16 am

Nicolle Rantanen Reynolds  
Presiding Member  
**Audit and Risk Committee**

Documents Attached:

Nil