

AUDIT AND RISK COMMITTEE MINUTES

Date: Tuesday, 24 September 2019

Meeting Number: 41

Location: Information & Privacy Commission NSW
Level 17
201 Elizabeth Street
Sydney NSW 2000
or
by telephone

Time: 14:00 – 15:00

Members: Mr Paul Crombie (Chairperson) (PC) *(in person)*
Mr Malcolm Clinch (MC) *(by phone)*
Ms Marcia Doheny (MD) *(by phone)*

In attendance: Ms Elizabeth Tydd, Information & Privacy Commission (ET) *(in person)*
Mr David Marcus, Information & Privacy Commission (DM) *(in person)*
Ms Joy Milag, Department of Justice (JM) *(in person)*
Ms Sonia Minutillo, Information & Privacy Commission (SM) *(in person)*
Mr Ata Siddiqui, Information & Privacy Commission (AS) *(in person)*
Ms Sarah Wyatt, Information & Privacy Commission (SW) *(in person)*

Minutes: Lynley Mattes, Information & Privacy Commission (LM) *(in person)*

Apologies: Mr Chris Harper, Audit Office (CH)
Mr Robert Hayek, Audit Office (RH)

ITEM

1. Attendance

The Chair advised that the Audit Office provided their apologies in the In Camera session earlier today and that they had no significant issues.

The Chair asked that it be recorded in the minutes there was no meeting in July 2019 but email communication between members to endorse the provision of statements to the Audit Office.

2. a. Declarations of interest

Nil to report.

b. Disclosures

No changes reported by the Committee.

3. Review of Financial Controls

a. IPC Letter of Certification

The Committee had no comments. The Management Certification Questionnaire was circulated separately.

- b. DCJ Chief Financial Officer certification, including Table of Deficiencies and Measures to Address them.

DM advised that the deficiencies apply across the cluster and not to just the IPC. The Service Level Agreement has been closed off.

JM reported that the results were substantially effective. Deficiencies have been rectified. There were some processes identified around financial close for improvement (departmental wide). Conversations have been had relating to deficiencies and IPC will be discussing with DCS how to ensure these are avoided going forward.

- c. DCJ Corporate Service Group certification regarding internal controls over financial information.

The Chair noted that the Group Certification appears to be satisfactory in all respects.

- d. A copy of the ARC Report to be contained in the IPC 2018-19 Annual Report was considered.

The Chair advised that the ARC Report appeared correct. All members agreed.

- e. Internal Audit and Risk Management Attestation for 2018-19

The Chair confirmed that this is all compliant and congratulated management.

- f. Statement by the Information Commissioner under Section 45F of the *Public Finance and Audit Act* considered.

The Committee noted the Statement and that it was quite clear.

4. Presentation of Audited Financial Statement

- a. DCJ Briefing Note

DM confirmed that this is a signed version of the brief provided to the Committee in July.

- b. Final Financial Statements

The Chair noted no changes to the figures, just minor editing. No further comments from the Committee.

The Chair and Committee recommend that the statements be signed by the CEO (ET).

- c. External Audit – Management Letter

The Chair advised that the Management Letter is very satisfactory. One matter is a repeat issue around Purchase Orders. DM spoke to our internal process and a change from initial approval through has the end to support this. Internal Audit recommendations regarding financial audit are to be implemented and documented.

The Chair asked about the Financial Delegations Manual, SW replied that has been submitted to the Ministers for approval. ET reiterated the position where the IPC has two responsible ministers. The Chair advised very good work and the Committee's appreciation.

- d. External Audit – Closing Report

The Chair commented the report was a very satisfactory document and noted that it was very pleasing that the data analytics report was very clean.

The Chair spoke to the misstatements (page 8 table 2) which shows our net results. JM advised that this reflects our current result of a deficit of 188k. 58k relate to the transactions for the prior year. Had those transactions not be posted in this financial year it would have been a 247k deficit. It was an over-provision of liabilities in the prior year.

It was agreed with the Audit Office that it was an uncorrected amount which was then reversed out in the current year.

e. IPC Representation Letter

The Chair noted that the Representation Letter was a comprehensive document that is fully supported. No comments were received from the Committee (well organised).

The Chair requested it be minuted that the draft representation letter is to be signed and the Committee is of the opinion that the assertions made in the Representation Letter can be fully supported. The Committee recommend the Statements be signed by the CEO.

In addition it is to be recorded that the Committee appreciates the excellent work by the accounting team around the financial statements and processes.

Meeting closed at 14:20.