

ELRC AUDIT COMMITTEE PROGRESS REPORT – 25 OCTOBER 2016

8. STANDING ITEMS

8.1 FRAUD PREVENTION PLAN

No fraud report for the second quarter.

8.2 LEGAL COMPLIANCE

The Council revised the constitution and submitted to the Registrar for approval.

The Council received exemption for Income Tax on 31st August 2016.

8.3 MATERIAL LITIGATIONS

PP Tours

The Council has considered the settlement offer from the Attorneys of PP Tours and received R50 000 in the first quarter of the financial year.

The Council has received R27 762.04 in recovery of the taxed bill for costs as determined by the courts.

8.4 RISK MANAGEMENT REPORT

The 2nd Quarter Risk Management report is included in the pack.

8.5 CHANGES TO THE ELRC POLICIES AND PROCEDURES

Finance Policy draft will be presented to the Finance Sub Committee in the next meeting. SCM and IT Policies also under review, to be presented in the next EXCO meeting.

8.6 INTERNAL AUDIT CHARTER

This was approved by the Audit Committee on the meeting held on the 20th April 2016. We have circulated the Charter to the Audit Committee Members for input.

8.7 AUDIT COMMITTEE CHARTER

This was approved by the Executive Committee on the meeting held on the 28th July 2016.

8.8 MATERIALITY FRAMEWORK

This was approved by the Executive Committee on the meeting held on the 27th May 2015.

8.9 INTERNAL AUDIT REPORTS

The 2nd Quarter Internal Audit report is included in the pack.

8.10 SAFETY, HEALTH AND ENVIRONMENT REPORT

The 2nd Quarter Safety, Health and Environment Report is included in the pack.

8.11 INFORMATION TECHNOLOGY REPORT

The 2nd Quarter Information technology report is included in the pack.

8.12 ACCOUNTING RECONCILIATIONS

The following reconciliations were performed during the 2nd quarter;

Receivables reconciliations

Comparing the reports received from customers (FETC's and Departments) to receipts in the banks and invoices raised (general ledger records). Should there be a difference between reports and general ledger records, a debit note/credit notes are processed.

Payables reconciliations

Comparing the statements received from suppliers to general ledger records. Where suppliers report invoices for services rendered/goods delivered but invoices are not received, expense accruals are processed.

Bank reconciliations

Comparing the statements received from banks to general ledger records. Where differences are noted, accruals are raised and reconciling items are reported and cleared in the following month.

8.13 EXTERNAL AUDIT

Management Action Plan Progress report on 2015/16 External Audit in the pack.