

## ITEM NUMBER: 9.1

### CONFIDENTIAL REPORT

#### LOAN RECEIVABLES

*Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Audit Committee Members upon the basis that the Audit Committee consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Audit Committee will receive, discuss or consider:*

- d. **commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.**

**Recommendation – Exclusion of the Public – Section 90(3)(d) Order**

- 1** That pursuant to Section 90(2) of the *Local Government Act 1999* Audit Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the Staff in attendance at the meeting in order to consider Report No: 290/17 Loan Receivables in confidence.
  
  - 2.** That in accordance with Section 90(3) of the *Local Government Act 1999* Audit Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 290/17 Loan Receivables on the following grounds:
    - d.** pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, as this would prejudice the commercial position who supplied the information.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.
  
  - 3.** The Audit Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.
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Item No: **9.1**

Subject: **LOAN RECEIVABLES**

Date: 28 August 2019

Written By: Manager Finance

General Manager: Strategy and Business Services, Ms P Jackson

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### **SUMMARY**

In order to complete the financial statements for the year ended 30 June 2019 an assessment is required of community loans that are owed to Council and whether there is any objective evidence that they will not be fully repaid. This assessment has been done and it is presented to the Audit Committee for review.

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### **RECOMMENDATION**

**That the Audit Committee advises Council that:**

1. **it has received and considered an assessment of community loans receivable as at 30 June 2019;**
2. **the current impairment amount of \$517,780 be maintained for impairment of community loans receivable as at 30 June 2019; and**
3. **in accordance with Accounting Standards the impairment amount be reviewed and updated annually.**

### **RETAIN IN CONFIDENCE - Section 91(7) Order**

- 4.. **That having considered Agenda Item 14.1 Loan Receivables (Report No: 325/19) in confidence under section 90(2) and (3)(d) of the *Local Government Act 1999*, the Audit Committee, pursuant to section 91(7) of that Act orders that the report, attachments and minutes be retained in confidence for a period of six months and the Chief Executive Officer is authorised to release the documents when the Audited Financial Statements are presented to Council.**
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## **COMMUNITY PLAN**

Culture: Being financially accountable

## **COUNCIL POLICY**

Not Applicable.

## **STATUTORY PROVISIONS**

*Local Government Act 1999*

*Local Government (Financial Management) Regulations 2011*

## **BACKGROUND**

The 2018/19 financial statements include financial assets amounting to \$2,014,384 referring to loans receivable from community clubs. With the exception of the Glenelg Football Club all community clubs are meeting their principal and interest repayments.

As at 30 June 2019 the Glenelg Football Club owed Council \$1,846,589. The background and details of the Glenelg Football Club loans are discussed as part of this report.

In order to finalise the financial statements an assessment is required as to whether the loans receivable amount will be realised.

## **REPORT**

### **Background - Glenelg Football Club Loans**

In 2001 Council entered into a loan agreement with the Glenelg Football Club under which the Club borrowed \$2.5 million from Council to fund its building redevelopment and upgrade program. Council funded the loan by borrowing from the Local Government Finance Authority (LGFA) and on-lending to the Club on identical terms (ie. a 'back-to-back' loan).

The Club had met its principal and interest payments up to October 2012 at which point the Club approached Council to restructure its loans including a 2-year interest-only term. The following key dates and Council decisions summarise the response to the Club requests and developments since that time:

- 11 December 2012 - Council agreed to re-structuring the loans by providing a 24 month interest-only term.
- 27 August 2013 - Council noted the on-going financial performance strategies to improve the Club and resolved to advance new loans up to \$500,000.
- 14 October 2014 - Council resolved to continue interest only repayments on existing loans for a further 24 month period.
- 8 March 2016 the Club met with Council regarding its financial position, forecast SANFL proceeds from sale of the AAMI Stadium Precinct Land and a proposal to reduce the loan amount owing to Council key decisions were as follows:

- Council agreed to work with the Club to restore its longer term financial viability while mindful of discharging its obligations to its ratepayers.
  - Council considered that any further debt reduction was unacceptable and proposed the appointment of an independent investigative accountant to assist the Club and Council to fully understand the Club's financial position and obligations.
  - Council also sought assurance that the SANFL proceeds from the sale of the AAMI Stadium Precinct Land would be applied to repay Council loans. A working party was established to monitor financial sustainability.
- 26 April 2016 - Council endorsed a letter to the Glenelg Football Club outlining Council's considerations and actions (as above), recognising that the financial situation is complex.
  - September 2016 - letter received from the Club dealing with the initial \$250,000 SANFL land divestment fund distribution. Council agreed that the proceeds be first applied to satisfy the Club's debt of \$88,000 to the Australian Tax Office and the balance to be held by the SANFL pending a determination by Council. Council also agreed to engage BRI-Ferrier as an investigative accountant and that the report be provided in confidence.
  - 25 October 2016 - Council received in confidence the BRI Ferrier report and resolved that the report be released in confidence to the Audit Committee in order to assist in the determination of the Club's ability to meet future loan repayments.
  - 31 October 2016 – Audit Committee received loans receivable report (Report 276/16). An impairment amount of \$400,000 as at 30 June 2016 was recommended to Council.
  - 22 November 2016 – Council considered report (285/16) which included the BRI-Ferrier (independent investigative accountant). Key decisions were as follows (refer minute C221116/584 for full details):
    - Council re-affirms its commitment to support the Glenelg Football Club in its objective of long-term sustainability.
    - A proposal was put to the Club, SANFL, and ANZ to release funds and reduce overall indebtedness – including first tranche (\$162,000) to be applied to repay Council's secured debt, and the Club's debt demolition campaign funds be applied to repay the ANZ.
    - Council negotiate a sharing arrangement of further SANFL proceeds with the ANZ in the proportion of 4/5 to Council and 1/5 to the ANZ.
  - 13 December 2016 – Council considered correspondence from the Club and reduced the lease payment amount to \$40,000 for 3 financial years to 31/10/19.  
24 January 2017 – Council considered responses from the Club and the ANZ in relation to debt reduction. Key decisions were as follows (refer minute C240117/644 for full details):
    - Council re-affirms its commitment to support the Glenelg Football Club in its objective of long-term sustainability.
    - That Council's CEO and agents negotiate the first tranche of the SANFL proceeds on a 2/3 to Council (ie \$108,000) and 1/3 to ANZ Bank (ie \$54,000).

- That Council's CEO negotiate future SANFL proceeds to be applied on a 4/5 Council, 1/5 ANZ – in the event that this could not be reached within 6 weeks the repayment basis be 2/3 Council and 1/3 ANZ.
- 1 and 2 February 2017 – Council received \$108,000 being first tranche of the SANFL distribution based on a 2/3 Council, 1/3 ANZ split.
- 10 May 2017 – The Club wrote to Council seeking additional support to continue the delivery of its service to the community including agreement to pay 2/3 of the SANFL proceeds over the next 6 years.
- 16 May 2017 – Council workshop to consider response to letter, options and future strategy – facilitated by BRI -Ferrier.
- 23 May 2017 – Council formally considered a response to the Club. Key decisions were as follows (refer minute C230517/787 for full details):
  - Council's CEO be authorised to engage recognised professionals to act as Council agent in achieving negotiated settlement with the Club and SANFL.
  - Council accept a SANFL dividend sharing scheme of 2/3 Council, 1/3 ANZ – with funds to be paid direct to Council and covered by a binding agreement.
  - Past interest owed be written-off and future interest for 2 years up to 31 October 2019 not be charged.
  - The Club's ability to pay interest be reviewed after that time (ie 31 October 2019).
  - Loan principal repayments by the Club be reviewed after the final SANFL dividend instalment has transpired (ie October 2022).
  - The Club president and CEO meet annually with Council's Mayor and CEO following the release of the Clubs end of year accounts (ie after 31 October).
- 20 October 2017 – Council received \$166,666.67 via direct credit the second tranche of the SANFL distribution based on a 2/3 Council, 1/3 ANZ split.
- 27 February 2018 – Council received a report (51/18) on the Glenelg Football Club Annual Financial Statements for year ended 31 October 2017. Council noted that the financial position had improved over the 12 month period as a result of Council measures to support the clubs objective of long-term sustainability (minute C270218/1059).
- 23 April 2019 – Council received a report (153/19) on the Glenelg Football Club Annual Financial Statements for year ended 31 October 2018. The report indicated that the overall financial position was stable and that Council measures to support the clubs objective of long-term sustainability contributed to this result.
- 28 May 2019 – Council endorsed a motion to form a working group with the Glenelg Football Club to optimise its financial relationship, work with the stakeholders to consider Council's vision for the Glenelg Oval and the football club place in that vision, and investigate opportunities for the benefit of the community, Council and the Club. (Min C280519/1487).

### **Loan Receivables – Accounting Standard Requirements**

Council's general purposes financial statements are prepared in accordance with Australian Accounting Standards (AAS). Australian Accounting Standards Board (AASB) 139 – Financial Instruments: Recognition and Measurement, paragraphs 58 to 70, covers the topics of

impairment of financial assets including loan receivables. Impairment means the carrying amount of the asset is more than the amount that is expected to be recovered. Providing for impairment does not mean a write-off or debt waiver has occurred as it is a provision only and will continue to be reviewed by Council.

The standard requires an assessment at the end of each reporting period as to whether there is an objective evidence that a financial asset is impaired. The amount is therefore reviewed annually in conjunction with preparing the general purpose financial statements. AASB 139 para. 59 states that a financial asset is impaired only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset.

As part of the finalisation of the 2015/16 financial statements the Audit Committee reviewed the loan receivable amount for the Glenelg Football Club. The committee noted that at that time two main events had occurred that met the requirements of the accounting standard. These were evidence of significant financial difficulty and the granting of financial concessions at the request of the Club. After considering a number of assumptions the amount impaired at that time was \$400,000.

The impairment amount was reviewed for the 2016/17 financial statements by the audit committee (report AC290/17) noting that Council's financial commitments and strategies had supported the long term financial viability of the Club. The report included an updated present value model based on revised assumptions using an original effective interest rate of 6.66%. The amount of impairment was increased by \$117,780 to \$517,780.

As part of the annual review for the 2017/18 financial statements the impairment amount was maintained at \$517,780 (report AC298/18).

#### **Glenelg Football Club – 2018/19 Loan Receivable Assessment**

The amounts owed by the Glenelg Football Club are recorded in the financial statements of Council as a financial asset. As at 30 June 2019 the total amount recorded as owing from the Club is \$1,846,589 with an impairment provision of \$517,780.

#### **Financial results – year ended 31 October 2018.**

During 2018/19 Council received and assessed the audited financial statements for the year ended 31 October 2018 for the Club (Report 153/19). The assessment used common financial performance ratio analysis applied to the consolidated results. The results are summarised as follows:

#### **Liquidity Ratio**

*Current Ratio = current assets/current liabilities.* If the ratio is 1 it means the club has the exact amount of current assets to pay of its current debts.

<b>Consolidated result</b>	<b>Period ended 31/10/18</b>	<b>Period Ended 31/10/17</b>	<b>Analysis/Comments</b>
Current Assets	\$256,027	\$193,829	
Current Liabilities	\$1,729,670	\$1,672,658	
<b>Current Ratio</b>	<b>0.15</b>	<b>0.12</b>	While this ratio has improved from the previous year it indicates that the Club continues to have significant short-term obligations. During 2019/20 a further \$275,000 will be distributed from the SANFL from land divestment funds and this will contribute to reducing current liabilities.

### Solvency Ratios

*Long term debt to total capital.* Equates to long term debt divided by total liabilities and total members funds. Lower percentages means the majority of the club is financed by member funds.

<b>Consolidated result</b>	<b>Period ended 31/10/18</b>	<b>Period Ended 31/10/17</b>	<b>Analysis/Comments</b>
Long term debt	\$1,688,455	\$1,869,340	Reduced due to SANFL land distribution
Total liabilities plus member funds	\$6,945,941	\$7,210,626	
<b>Percentage</b>	<b>24%</b>	<b>26%</b>	Indicates an improved position with members funds increasing their level of funding

*Debt to Equity Ratio.* Equates to total long term liabilities divided by total member's funds. Lower ratios indicate stronger debt management.

<b>Consolidated result</b>	<b>Period ended 31/10/18</b>	<b>Period Ended 31/10/17</b>	<b>Analysis</b>
Long term liabilities	\$1,688,878	\$1,849,124	Reduced due to SANFL land distribution
Member funds	\$3,536,393	\$3,638,844	
<b>Ratio</b>	<b>0.48</b>	<b>0.51</b>	Indicates an improved position



### Profitability Ratios

*Profit margin.* Measured by net income divided by total revenues.

<b>Consolidated result</b>	<b>Period ended 31/10/18</b>	<b>Adjusted Period Ended 31/10/17#</b>	<b>Period Ended 31/10/17</b>	<b>Analysis</b>
Net income	\$247,549	\$106,714	\$681,739	
Total revenues	\$4,670,607	\$4,520,672	\$5,095,697	
<b>Percentage</b>	<b>5.3%</b>	<b>2.4%</b>	<b>13.4%</b>	Result has varied however significant improvement compared with 2017.

The following comments were provided by the Club in relation to its comparative financial performance and projections:

- Gaming revenue had decreased by 7.5%.
- Increased bar and kitchen focus with kitchen sales showed a 12% increase.
- Decreased membership and attendance at games – the club was hopeful of improved results in 2019.
- Steady sponsorship income.
- Football expenses had increased by 7% and are under continual review.
- By October 2022 debt projections are \$1,029,922 to Council and \$227,666 to the ANZ.
- Current trading results were not enabling any further reduction in debt, however the board is pursuing strategies to clear the balance by October 2022.

To address these results the Club has:

- Changed its loyalty program and purchased additional gaming machines.
- Increased its focused on bar and kitchen sales with improvement in food quality and variety.
- Controlled costs in the Venue while continuing to review football department expenditure.

As part of the external audit report the Club Auditors (BDO) concluded that no material uncertainty exists over the entities ability to continue as a going concern. This was based on the consistent improved performance and improved financial position with the SANFL land divestment funds directly reducing debt. The conclusion was reached in conjunction with a technical consultation with the BDO national team.

### Financial forecast and assumptions – year ended 31 October 2019.

Given the 2017/18 result it is anticipated that the Club will not meet the SANFL requirement of a consolidated operating result before depreciation of \$100,000 for 2018/19. This was an assumption in determining the original provision for impairment amount.

The remaining assumptions for 2018/19 are unchanged from prior years and are as follows:

- The Club will be in existence for at least the next 15 years in order to receive the SANFL Land Divestment proceeds and make loan repayments on existing loans.
- Proceeds from the SANFL Land Divestment Fund will be applied to repaying Council debt in accordance with the Deed of Priority and agreed SANFL arrangements.
- All existing loans with the club that are due for review in 2022/23 will be refinanced over ten years at the current LGFA CAD variable interest rate (currently 3.75%).
- The Club will commence principal repayments on remaining loans after all the SANFL proceeds have been distributed and applied.
- Interest only payments will be negotiated from 2019/20 until 2022/23.
- No additional loans will be advanced to the Club from Council to maintain the Club's financial viability noting that while the Council is committed to supporting the Club it has not yet determined its future lending strategy to the Club.

#### ***SANFL – Land Divestment Timings***

The SANFL has advised the Club of the timing of the remaining Land Divestment payments as follows:

<b>Payment Date</b>	<b>Amount</b>	<b>2/3 Council Share</b>
October 2019	\$275,000	\$183,333
October 2020	\$300,000	\$200,000
October 2021	\$350,000	\$233,334
October 2022	\$300,000	\$200,000
<b>Total</b>	<b>\$1,225,000</b>	<b>\$816,667</b>

#### ***Impairment calculation and effective interest rate***

The impairment amount is calculated by comparing the difference between the carrying amount of the loans, and the present value of estimated future cash flows discounted at the loan's original effective interest rate. The original effective rate is what would have been calculated at initial recognition. This has been determined as 6.66%.

#### ***Present Value Cash Flow Model***

AASB 136 para. 33 explains the basis for estimating future cash flows. In measuring projections reasonable and supportive assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset need to be made.

A present value model has been prepared based on the updated assumptions listed above using the original effective interest rate of 6.66%. The assumptions represent management's best estimate of the future economic conditions including Land Divestment payment timings. These assumptions will be reassessed when loan repayment negotiations occur in the future.

The model has been updated to include the SANFL proceeds received during 2018/19 and the impairment provision is calculated at \$394,551 being an effective reduction of \$123,229.

However given the club's financial performance it is considered prudent to maintain the current impairment provision at \$517,780. The provision amount and assumptions will continue to be annually assessed.

**BUDGET**

This report is recommending that the provision for impairment be maintained at \$517,780. This will not affect the 2018/19 operating result or the provision for impairment in the Statement of Financial Position.

**LIFE CYCLE COSTS**

While there are no direct life cycle costs an annual assessment of impairment of loans receivable is required under Australian Accounting Standards.

CONFIDENTIAL

## ITEM NUMBER: 9.2

### CONFIDENTIAL

### INTERNAL AUDIT SERVICES

*Pursuant to Section 83 (5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:*

- k. **tenders for the supply of goods, the provision of services or the carrying out of works.**

**Recommendation – Exclusion of the Public – Section 90(3)(b) Order**

1. That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 211/19 – Internal Auditor Services in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 211/19 on the following grounds:
  - b. pursuant to section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is
    - conducting business; or
    - proposing to conduct business; or
    - would prejudice the commercial position of the Council

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

Item No: **9.2**

Subject: **INTERNAL AUDIT SERVICES**

Date: 28 August 2019

Written By: General Manager Strategy and Business Services

General Manager: Strategy and Business Services, Ms P Jackson

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### **SUMMARY**

The term of Councils Internal Auditor Bentleys expires on 1 August 2019. A select tender process has been undertaken to provide internal audit services for a further three years. The outcomes of the tender responses are provided for the Audit Committee to review and provide advice to Administration.

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### **RECOMMENDATION**

1. **That Audit Committee note the report.**

#### **RETAIN IN CONFIDENCE - Section 91(7) Order**

2. **That having considered Agenda Item 9.2 Internal Audit Services – Report No 325/19 in confidence under section 90(2) and (3)(k) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of that Act orders that the report, attachments and minutes be retained in confidence for a period of 12 months and/or the Chief Executive Officer is authorised to release the documents when the contract for services has been finalised and that this order be reviewed every 12 months.**
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### **COMMUNITY PLAN**

A Place that Provides Value for Money.

### **COUNCIL POLICY**

Not Applicable.

### **STATUTORY PROVISIONS**

Not Applicable.

## BACKGROUND

The current internal auditor service has been outsourced for three years having previously been supplied by an employee of Council. The service was outsourced to enable greater independence accessing a broader range of technical skills across the Local Government and aged care sectors.

The contract for Council's Internal Auditor Bentleys expires on 1 August 2019. Under the audit Committee terms of reference (item 6.6.7) the committee shall monitor and review the selection process for the Internal Auditor, noting that the appointment is the responsibility of management.

A select tender process was conducted and on 26 June 2019 presentations were made to the Audit Committee at a special meeting by Bentleys, Galpins and KPMG. Included as an attachment is the summary of the tenders received.

*Refer Attachment 1*

## REPORT

Following from the presentations made to the Audit Committee, advice was received from the Committee regarding the preferred supplier.

From the discussion, it was the view of Administration that both Galpins and KPMG were considered to be the preferred supplier; with KPMG providing additional expertise in the area of aged-care, while Galpins proposal providing value for money.

Administration sought a revision of the pricing schedule for KPMG. Below are details of the revised proposal.

Type of Audit	Original Proposal		Revised Proposal	
Compliance Audit	112.5 hours	\$17,943.75	92 hours	\$14,411.12
Strategic Audit	127.5 hours	\$22,408.13	104 hours	\$18,022.18
Blended Rate	120 hours	\$20,763.38	98.1 hours	\$16,677.81

While Administration recognises the expertise KPMG offers, the current revised proposal does not provide the best value for money in comparison to the proposal made by Galpins. As a result Administration will offer the provision of internal audit services to Galpins.

## BUDGET

A total amount of \$65,360 is included in the 2019-20 budget for internal audit services comprising \$45,000 for municipal and \$20,360 for Alwyndor.

## LIFE CYCLE COSTS

This report does not have any material full-life cycle cost implications.

# Attachment 1





Proponent	SA local government experience	Aged care experience	Audit methodology	Staff capability	Indicative fees / hours – Standard Service (ex GST)	Indicative fees / hours – Strategic Service (ex GST)	Value adding
Bentleys	Experience with 18 local governments, including Holdfast Bay, as well as the Local Government Association and Local Government Finance Authority.	Experience in aged care industry including cities of Murray Bridge and Holdfast Bay.	Cyclical in nature seeking continuous improvement. <ul style="list-style-type: none"> <li>Understand current environment and risk identification.</li> <li>Plan projects to support objectives.</li> <li>Execute project.</li> <li>Report and post audit follow-up.</li> <li>Annual update, reporting and review.</li> </ul>	Team led by David Papa. Proposed staff are well-qualified and experienced.	Blended Rate -75 hours - \$10,013 per project.  Total blended cost for 2 strategic and 2 standard projects per annum \$43,724 -300 hours.  Control track facilitation estimated (38 hours @ \$133/hour – \$5,000).  Total estimate: \$48,724	Blended Rate - 75 hours - \$11,850 per project.	Internal Audit team includes specialist skills in change management, project management, ICT design architecture, business transformation, quantitative risk management and system implementation.
Galpins	Have provided assurance services to a range of councils including Salisbury, Burnside & Onkaparinga and Holdfast Bay.	Prudential compliance of all aged care providers in Country Health SA and for other private aged care facilities.	Risk-based methodology with three stages, managed in an environment of ongoing monitoring, review and consultation. The stages are: <ul style="list-style-type: none"> <li>Audit Planning.</li> <li>Audit fieldwork and testing.</li> <li>Reporting.</li> </ul>	Team led by Tim Muhlhausler (chair of SALGAG) and supported by capable and experienced team. Core team of six staff will conduct most audits.	Blended Rate – 64 hours - \$6,980 per project.  Estimate average annual spend of 4 major projects including control track facilitation - 340 hours -\$40,000 per annum.  Total estimate \$40,000	Blended Rate – 107.5 hours - \$13,975 per project.	Ad-hoc advice free of charge eg, advice on updated internal controls, input on proposed projects and initiatives.  Internal control refresher workshops, recommendations about best practice as observed at other Local Government clients.
KPMG	Have provided assurance services to a range of SA councils including Adelaide City, Cities of Marion, Tea Tree Gully, Playford, Onkaparinga, Murray Bridge and Holdfast Bay.	Has a health ageing and human services team which develops policy, evaluates programs, strategy, performance improvement, audit, transformation, mergers and acquisitions in the aged care sector.  Includes Lewin aged care facility owned by Murray Bridge Council.	Tailored to meet Council needs – guiding principle is transparent and efficient communication. Elements include: <ul style="list-style-type: none"> <li>Planning – scoping with Senior Management</li> <li>Execution – delivery tools include LEAN methodologies and use of data analytics.</li> <li>Close out- workshops finding discussed.</li> <li>Reporting – short turn-around.</li> </ul>	Strong experienced core team of 7 professionals led by Eric Beere, Heather Martens and Justin Jamieson.	Blended Rate – 112 hours - \$17,943 per project.  Estimate average annual spend of 4 major projects 480 hours - \$83,052 per annum.  Ccontrol track facilitation – estimated (38 hours @ \$160/hour - \$6,000)  Annual internal audit program update \$5,000.  Total estimate \$94,052.	Blended Rate - 127.5 hours - \$22,408 per project.	Fraud awareness training including overview, case studies, cyber fraud and overview of AS 8001:2008 – at no cost.  Challenge and Insights panel – comprising senior KPMG experts will support internal audit function. Will convene twice a year at no cost.  Innovative approach – using qualitative and quantitative benchmarking.