

INDEPENDENT COMMISSION AGAINST CORRUPTION

STATEMENT IN THE MATTER OF: Operation Ricco

PLACE: Offices of Sparke Helmore Lawyers

Level 16, 321 Kent Street, Sydney

NAME: Lara Kirchner

ADDRESS: Known to the Commission

OCCUPATION: General Manager Botany Bay City Council

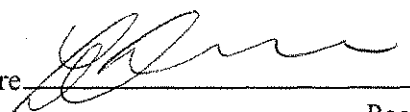
TELEPHONE NO: Known to the Commission

DATE: 7 June 2016

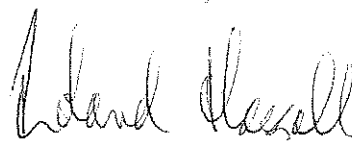
States: -

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1. This statement made by me accurately sets out the evidence which I would be prepared, if necessary, to give in Court as a witness. The statement is true to the best of my knowledge and belief, and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything which I know to be false or do not believe to be true.
 2. I make this statement in addition to the statement I signed on 30 May 2016 and provided to the Independent Commission against Corruption (*Commission*) (*my previous statement*).
 3. I have been asked by the Corruption Prevention Unit of the Commission to provide a response to the following question:

Signature



Witness

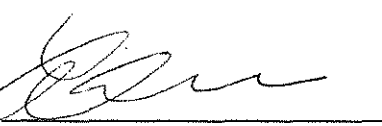


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Who is responsible for the proper functioning/operation of the Council's audit committee?

4. I discuss matters relevant to the Audit Committee (**Committee**) at paragraphs 127-142 of my previous statement.
5. Council is responsible for the establishment and selection and appointment of the members of the Committee, including the chair. Council is also responsible for adopting the Committee's charter, in accordance with guidelines from the Office of Local Government.
6. In my opinion, the functioning/operation of the Committee is primarily the responsibility of the chair, having regard to the provisions of the charter. If the Committee was not functioning or operating in accordance with the charter or was unable to carry out its functions because of a lack of information, then in my opinion the chair would have a responsibility to draw this to the attention of Council.
7. The recommendations of the Committee are made by the voting members.
8. Committee recommendations are recorded in the minutes of the Committee which are provided to Council. If agreed, Council would then adopt the recommendation through a Council resolution. If that occurs, the General Manager has an obligation to implement the decisions of Council.

Signature



Witness



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Audit Committee Charter

9. I understand that there have been questions asked of Councillor Glinatsis by Counsel Assisting in relation to the interpretation of paragraph 6.2 of the Audit Committee Charter which was adopted by Council on 25 May 2016. I accept that there may be some ambiguity in relation to the wording of the following sub paragraph:

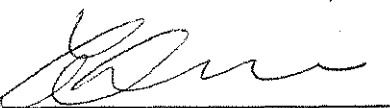
The General Manager may attend each meeting but will permit the Committee to meet separately with the Internal Auditor and the External Auditor in the absence of management on at least one occasion per year.

10. As a result of giving consideration to the issue that has been raised in relation to the drafting, I will be proposing to Council that paragraph 6.2 be amended to read in the following manner:


The General Manager may attend each meeting. However, if the Committee requests a separate meeting with the Internal Auditor in the absence of management, then the General Manager will be required to facilitate the Internal Auditor attending such a meeting in the absence of any management, including the General Manager. The Committee is required to meet at least once a year with the Internal Auditor in the absence of management.

The Committee may meet with the External Auditor at any time in the absence of management if it determines that it is appropriate to do so. The Committee is

Signature

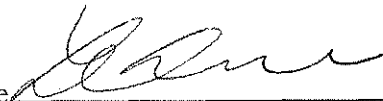


Witness



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*required to meet at least once a year with the External Auditor in the absence of
management.*

Signature 

Witness 