

AUDIT AND RISK COMMITTEE – STATUS REPORT

MEETING DATE	ITEM NO. & TITLE	ISSUE	RESPONSE	STATUS	RESPONSIBLE OFFICER
February 2024	12.2 AUDIT REPORT – YEAR ENDING 30 JUNE 2023	Auditors Management Letter; Outstanding Commonwealth certifications <i>Shire has not yet completed the annual Commonwealth certification audits in relation to Local Roads and Community Infrastructure Program (LRCIP) and Roads to Recovery Program (RTR) for both financial reporting periods ending 30 June 2022 and 30 June 2023. Audited certifications were due to be submitted to Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts by 31 October each year.</i>	2021-2022 and 2022-2023 Certifications for Roads to Recovery and Local Roads and Community Infrastructure Program are outstanding. Completion of these is a priority and the Manager of Finance & Administration is working with auditors from Moore Australia WA to have the Certifications complete for final sign off by the OAG as soon as possible.	In Progress	Manager of Finance and Administration
August 2024	11.1 INTERIM AUDIT FOR THE YEAR ENDED 30 JUNE 2024	Auditors Management Letter; Information, Technology and Communication (ICT) plans and policies <i>The Shire has not implemented a comprehensive framework of ITC- related policies, nor does it have a comprehensive IT strategic plan and IT disaster recovery plan in place.</i>	Development of an ICT Strategy and Plan was identified by the Senior Management Team when reviewing the Risk Management procedures and register. This commence in early 2025 for completion in the 2025/26 year.	In Progress	Manager of Finance and Administration
August 2024	11.1 INTERIM AUDIT FOR THE YEAR ENDED 30 JUNE 2024	Auditors Management Letter; Bank Reconciliation <i>Bank reconciliations are an essential control in managing the accuracy and completeness of the Shire's accounting records and financial statements. During our review of the March 2024 bank reconciliation, we noted that management has not reconciled a long outstanding amount of \$4,668.</i>	The long outstanding unreconciled amount has been rectified and reconciled in June 2024.	Complete	Manager of Finance and Administration
December 2024	11.2 AUDITORS REPORT FOR THE YEAR ENDED 30 JUNE 2024	Auditors Management Letter; Procurement and Purchases <i>The Shire's Purchasing Policy requires them to obtain at least three (3) written quotations from a suitable supplier for purchases between \$20,001 and \$50,000 and obtain at least three (3) written quotations containing price and</i>	In some instances, Contractor availability and their desire to submit quotes for goods and services prevents Staff from obtaining the necessary number of quotes required in accordance with the Purchasing Policy.	Completed and ongoing	Manager of Finance and Administration

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		<i>specification of goods and service for purchases between \$50,001 and \$250,000.</i> <i>We noted 3 instances (out of 7 samples tested during the final audit) where the number of quotes obtained were not in line with the Purchasing Policy.</i> <i>We also noted 1 instance where the purchase order was raised after the invoice was received.</i>	Staff will be reminded of the requirements of the Purchasing Policy, and the need to document instances where compliance with Policy cannot be achieved by using internal procurement forms. Staff will also be reminded that purchase orders are required to be raised at the time of arranging purchase of goods and services.		
December 2024	11.2 AUDITORS REPORT FOR THE YEAR ENDED 30 JUNE 2024	Auditors Management Letter; Related Party Disclosures <i>We noted that the Shire has not obtained Related Party Declaration forms from Key Management Personnel and Councillors for the financial year ended 30 June 2024 as required by the Shire's Related Party Disclosures Policy.</i> <i>Related Party Declaration forms are key documents in the Shire's process of identification of related party transactions to comply with AASB 124 Related Parties.</i> <i>Without the signed declarations, management had to rely on prior year declarations and other enquiries to ensure that related party transactions disclosed in the financial report are complete and accurate.</i>	Completion of the Declarations was overlooked in June 2024. This matter has been included in the recent review of the Compliance Calendar, with a reminder for May each year and Declarations for Key Management Personnel and Councillors to be completed in June.	Completed	Manager of Finance and Administration